

IMPORTANT NOTICE

THE SECURITIES DESCRIBED HEREIN ARE AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QIBs (AS DEFINED BELOW) UNDER RULE 144A OF THE SECURITIES ACT (AS DEFINED BELOW), (2) INSTITUTIONAL ACCREDITED INVESTORS (AS DEFINED BELOW) OR (3) ADDRESSEES WHO ARE NON-U.S. PERSONS (AS REFERENCED BELOW) PURCHASING THE SECURITIES OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

IMPORTANT: You must read the following before continuing. The following applies to the offering circular following this page. You are therefore advised to read this carefully before reading, accessing or making any other use of the offering circular. In accessing the offering circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation and your Representation: In order to be eligible to view this offering circular or make an investment decision with respect to the securities, investors must be either (1) qualified institutional buyers (“**QIBs**”) (within the meaning of Rule 144A under the Securities Act), (2) “accredited investors” as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act (“**Institutional Accredited Investors**”) or (3) addressees who are non-U.S. persons as defined under Regulation S purchasing the securities outside the United States in an offshore transaction in reliance on Regulation S under the Securities Act. By accepting the e-mail and accessing this offering circular, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs, (b) Institutional Accredited Investors or (c) that the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of such offering circular by electronic transmission. By accepting this e-mail and accessing the attached offering circular, if you are an investor in Singapore you (A) represent and warrant that you are either (i) an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time (the “**SFA**”) pursuant to Section 274 of the SFA, (ii) a relevant person (as defined in Section 275(2) of the SFA pursuant to Section 275(1) of the SFA, or (iii) any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 and (B) agree to be bound by the limitations and restrictions described therein.

You are reminded that this offering circular has been delivered to you on the basis that you are a person into whose possession this offering circular may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose the contents of this offering circular to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchasers or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of the issuer in such jurisdiction.

This offering circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of Citigroup Global Markets Singapore Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited as Dealers, or Singtel Group Treasury Pte. Ltd. as the Issuer, Singapore Telecommunications Limited as the Guarantor, nor any person who controls any of them nor any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the offering circular distributed to you in electronic format and the hard copy version available to you on request from the Dealers.

You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected. You are responsible for protecting against viruses and other destructive items. Your use of this email is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



SINGTEL GROUP TREASURY PTE. LTD.

(incorporated with limited liability in the Republic of Singapore on 7 March 2001)
Company Registration Number: 200101508W

\$S\$10,000,000,000

Guaranteed Euro Medium Term Note Programme

guaranteed by

SINGAPORE TELECOMMUNICATIONS LIMITED

(incorporated with limited liability in the Republic of Singapore on 28 March 1992)
Company Registration Number: 199201624D

On 29 July 2010, Singtel Group Treasury Pte. Ltd. (the "**Issuer**") established a S\$10,000,000,000 Guaranteed Euro Medium Term Note Programme (the "**Programme**") and issued an offering circular on that date describing the Programme. This Offering Circular supersedes any previous offering circular and supplements thereto prepared in connection with the Programme. Any Securities (as defined below) issued under the Programme on or after the date of this Offering Circular are subject to the provisions described herein. This does not affect any Notes already in issue.

Under the Programme, the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue (i) notes (the "**Notes**") or (ii) dated securities (the "**Dated Securities**") or perpetual securities (the "**Perpetual Securities**"), and together with the Dated Securities, the "**Subordinated Securities**") (the "**Subordinated Securities**", and together with the Notes, the "**Securities**"), guaranteed by Singapore Telecommunications Limited (the "**Guarantee**" and the "**Guarantor**", respectively). The aggregate nominal amount of Securities outstanding will not at any time exceed S\$10,000,000,000 (or the equivalent in other currencies).

Application has been made for permission to deal in, and for quotation of, any Securities which are agreed at the time of issue to be so listed on the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Such permission will be granted when the Securities have been admitted to the Official List of the SGX-ST. Unlisted series of Securities may also be issued pursuant to the Programme. The applicable Pricing Supplement (as defined herein) in respect of any issue of Securities will specify whether or not such Securities will be listed on the SGX-ST or any other stock exchange. There can be no assurance that the application to the SGX-ST will be approved. Listing of Securities on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantor, their respective subsidiaries and associated companies (the Guarantor and its subsidiaries taken as a whole hereafter, the "**Singtel Group**"), the Programme or the Securities. The SGX-ST takes no responsibility for the correctness of any statement made, opinions expressed or reports contained herein.

Each Series (as defined in "Overview of the Programme – Method of Issue") of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "**temporary Global Note**"), or a permanent global note in bearer form (each a "**permanent Global Note**") and, together with the temporary Global Notes, the "**Global Notes**"), and will be sold in an "offshore transaction" within the meaning of Regulation S ("**Regulation S**") under the United States Securities Act of 1933 (the "**Securities Act**"). Interests in a temporary Global Note generally will be exchangeable for interests in a permanent Global Note, or if so stated in the relevant Pricing Supplement, definitive Notes (the "**Definitive Notes**"), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche (as defined in "Overview of the Programme – Method of Issue") upon certification as to non-U.S. beneficial ownership. Interests in permanent Global Notes will be exchangeable for Definitive Notes, and the provisions governing the exchange of interests in Global Notes for other Global Notes and Definitive Notes are, as described under "Summary of Provisions Relating to the Notes while in Global Form".

The Notes of each Series to be issued in registered form ("**Registered Notes**") and the Subordinated Securities of each Series to be issued in registered form ("**Registered Subordinated Securities**"), and together with the Registered Notes, the "**Registered Securities**") will be represented by registered certificates (each a "**Certificate**"), one Certificate being issued in respect of each Noteholder's or, as the case may be, Subordinated Securityholder's entire holding of Registered Securities of one Series. Registered Notes which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Notes**") and the Registered Subordinated Securities which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Subordinated Securities**"), will initially be represented by a permanent registered global certificate (each an "**Unrestricted Global Certificate**") without interest coupons, which may be deposited on the relevant issue date (a) with, and registered in the name of, CDP (as defined herein), or a common depositary for, and registered in the name of a nominee of, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, CDP or Euroclear and/or Clearstream, or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer (as defined herein). Registered Notes which are offered or sold in the United States to "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Notes**") and Registered Subordinated Securities which are offered or sold in the United States to QIBs within the meaning of Rule 144A under the Securities Act ("**Restricted Subordinated Securities**"), and together with the Restricted Notes, the "**Restricted Securities**") will initially be represented by a permanent registered global certificate (each a "**Restricted Global Certificate**") and, together with the Unrestricted Global Certificate, the "**Global Certificates**"), without interest coupons, which may be deposited on the relevant issue date with a custodian (the "**Custodian**") for, and registered in the name of Cede & Co. as nominee for, The Depository Trust Company ("**DTC**").

The Guarantor has been rated "A1" by Moody's Investors Service, Inc. ("**Moody's**") and "A" by S&P Global Ratings, a division of The S&P Global Inc. ("**S&P**"). Tranches of Securities to be issued under the Programme will be rated or unrated. Where a Tranche of Securities is to be rated, such rating will not necessarily be the same as the ratings assigned to the Guarantor. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating agency.

Investing in Securities issued under the Programme involves certain risks. Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Offering Circular.

The Securities and the Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Securities may include bearer notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Securities may not be offered or sold or, in the case of bearer notes, delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S).

Arrangers and Dealers

Citigroup

HSBC

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The Issuer and the Guarantor accept responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Issuer and the Guarantor (having taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference”). Other than in relation to such documents which are deemed to be incorporated by reference, the information on the websites to which this Offering Circular refers does not form part of this Offering Circular.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any of the Dealers, the Arrangers, the Trustee (each as defined in “Overview of the Programme”), the Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Transfer Agents, the Registrars, the Exchange Agent or the Calculation Agent (together, the “Agents”). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Guarantor since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In the case of any Securities which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area (for these purposes, references to the European Economic Area include the United Kingdom) in circumstances which require the publication of a prospectus under the Prospectus Regulation (Regulation (EU) 2017/1129), as amended or supplemented from time to time, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Securities).

The distribution of this Offering Circular and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantor, the Dealers and the Arrangers to inform themselves about and to observe any such restriction. The Securities and the Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Securities may include Securities in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Securities may not be offered, sold or (in the case of the Securities in bearer form) delivered within the United States or to, or for the account and benefit of, U.S. persons (as defined in the U.S. Internal Revenue Code of 1986 and regulations thereunder). For a description of certain restrictions on offers and sales of Securities and on distribution of this Offering Circular, see “Subscription and Sale”.

The Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and, in the case of Registered Securities, within the United States to QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Securities may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Securities and distribution of this Offering Circular, see “Subscription and Sale” and “Transfer Restrictions”.

PRIIPs/IMPORTANT – EEA AND UK RETAIL INVESTORS – If the Pricing Supplement in respect of any Securities includes a legend entitled “Prohibition of Sales to EEA and UK Retail Investors”, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”) or in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Securities or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MiFID II product governance/target market – The Pricing Supplement in respect of any Securities may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Securities is a manufacturer in respect of such Securities, but otherwise neither the Arrangers nor the Dealers or any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

THE SECURITIES AND THE GUARANTEE HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Notification under Section 309B of the SFA – Unless otherwise stated in the Pricing Supplement in respect of any Securities, all Securities issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Neither this Offering Circular nor any Pricing Supplement constitutes an offer of, or an invitation by or on behalf of the Issuer, the Guarantor or the Dealers to subscribe for, or purchase, any Securities.

The Arrangers and the Dealers have not separately verified the information contained in this Offering Circular. To the fullest extent permitted by law, none of the Dealers, the Arrangers, the Trustee or the Agents accepts any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by the Arrangers, the Dealers, the Trustee or the Agents for or on its behalf in connection with the Issuer, the Guarantor or the issue and offering of the Securities. Each of the Arrangers and each Dealer and the Trustee and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement. Neither this Offering Circular nor any financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor, the Arrangers, the Dealers, the Trustee or the Agents that any recipient of this Offering Circular or any financial statements should purchase the Securities. Each potential purchaser of Securities should determine for itself the relevance

of the information contained in this Offering Circular and its purchase of Securities should be based upon such investigation as it deems necessary. None of the Dealers, the Arrangers, the Trustee or the Agents undertakes to review the financial condition or affairs of the Issuer or the Guarantor during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Securities of any information coming to the attention of any of the Dealers, the Arrangers, the Trustee or the Agents.

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Offering Circular includes “**forward-looking statements**” within the meaning of Sections 27A of the Securities Act and 21E of the U.S. Securities Exchange Act of 1934 (“**Exchange Act**”). All statements other than statements of historical facts included in this Offering Circular, including, without limitation, those regarding the Guarantor’s or the Singtel Group’s financial position, business strategy, plans and objectives of management for future operations relating to the Guarantor’s or the Singtel Group’s products and business, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results of the Guarantor or the Singtel Group, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Guarantor’s or the Singtel Group’s present and future business strategies and the environment in which the Guarantor or the Singtel Group will operate in the future. Among the important factors that could cause the Guarantor’s or the Singtel Group’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the condition of, and changes in, the local, regional or global economy that adversely affect the telecommunications industry, changes in government regulation and licensing of the business activities of the Guarantor or the Singtel Group, and increased competition in the telecommunications industry. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “Risk Factors”. These forward-looking statements speak only as at the date of this Offering Circular. Each of the Issuer and the Guarantor expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Guarantor’s or the Singtel Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Given the uncertainties of forward-looking statements, neither the Issuer nor the Guarantor can assure any prospective purchaser that projected results or events will be achieved and the Issuer and the Guarantor caution any prospective purchaser not to place undue reliance on these statements.

ENFORCEABILITY OF JUDGMENTS

The Issuer and the Guarantor are corporations organised under the laws of Singapore. Most of the directors and executive officers of the Issuer and the Guarantor are not residents of the United States, and all or a substantial portion of the assets of the Issuer and the Guarantor and such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer and the Guarantor or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

AVAILABLE INFORMATION

The Issuer and the Guarantor will agree that, for so long as any Securities are “**restricted securities**” as defined in Rule 144(a)(3) under the Securities Act, the Issuer and the Guarantor will, during any period that it is neither subject to Sections 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder furnish, upon request, to any holder or beneficial owner of such restricted securities or any prospective purchaser designated by any such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with (i) the most recently published audited consolidated annual financial statements, and any interim financial statements (whether audited or unaudited) published subsequent to such annual financial statements, of the Guarantor from time to time and (ii) any announcements of the Issuer and the Guarantor made via SGXNet, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Such documents shall be incorporated in and form part of this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular are available on SGX-ST's website at <https://www.sgx.com> and may be obtained without charge from the registered office of the Issuer.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Unless otherwise stated, all financial and other data regarding the Guarantor's business and operations presented herein are on a consolidated basis. The Guarantor has included elsewhere in this Offering Circular its consolidated financial statements for the two years ended 31 March 2019 and 2020. The Guarantor's consolidated financial statements for the year ended 31 March 2019 contain the Guarantor's adjusted comparative consolidated financial information for the year ended 31 March 2018, which were prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**"). The Guarantor's consolidated financial statements for the years ended 31 March 2019 and 2020 were prepared in accordance with SFRS(I) and audited by KPMG LLP, Public Accountants and Chartered Accountants, as stated in its report attached thereto.

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to "**Singapore**" are references to the Republic of Singapore and all references to the "**U.S.**" and "**United States**" are references to the United States of America. All references to the "**Government**" herein are references to the government of the Republic of Singapore. All references herein to "**Singapore dollars**" and "**S\$**" are to the lawful currency of Singapore, all references to "**Australian dollars**" and "**A\$**" are to the lawful currency of Australia, all references to "**U.S. dollars**" and "**US\$**" are to the lawful currency of the United States of America, all references to "**Sterling**" and "**£**" are to the lawful currency of the United Kingdom, all references to "**€**" and to "**euro**" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, all references to "**THB**" are to the lawful currency of Thailand, all references to "**INR**" are to the lawful currency of India, all references to "**IDR**" are to the lawful currency of Indonesia and all references to "**PHP**" are to the lawful currency of the Philippines.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

SUPPLEMENTARY OFFERING CIRCULAR

Each of the Issuer and the Guarantor has given an undertaking to each Dealer and each Arranger that during such period from the date on which the Issuer agrees to issue any Securities pursuant to the Dealer Agreement and ending upon the date of issuance of such Securities, each of the Issuer and the Guarantor shall, among other things, prepare an amendment or supplement to this Offering Circular if at any time during such period there is a significant change to the Issuer or the Guarantor, to the extent such change has not been disclosed by way of an announcement on the website of the SGX-ST, affecting any matter contained in this Offering Circular the inclusion of which would reasonably be required by investors and their professional advisers and would reasonably be expected by them to be found in this Offering Circular, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the Guarantor, the Singtel Group, the rights attaching to the Securities and the Guarantee.

DEFINITIONS

The following definitions have, where appropriate, been used in this Offering Circular:

“2G”	:	Second generation wireless telephone technology
“3G”	:	Third generation wireless technology
“4G”	:	Fourth generation wireless technology
“5G”	:	Fifth generation wireless technology
“ADSL2+”	:	Second generation asymmetric digital subscriber line that provides higher bit rate
“CDP”	:	The Central Depository (Pte) Limited
“English Law Trust Deed”	:	The amended and restated trust deed governed under English law dated 2 November 2020 among the Issuer, the Guarantor and the Trustee, as amended, varied or supplemented from time to time
“Ethernet”	:	Protocol for the transmission of packet based data at various speeds from 10 Mbps to 10 Gbps
“FY”	:	Financial Year ended 31 March
“GHz”	:	Gigahertz
“ICT”	:	Information communications technology
“IP”	:	Internet protocol
“IP VPN”	:	IP virtual private networks
“IPLC”	:	International private leased circuit
“IPTV”	:	Internet protocol television services
“IT”	:	Information technology
“LTE”	:	Long term evolution technology
“Mbps”	:	Megabits per second
“MHz”	:	Megahertz
“MPLS”	:	Multiprotocol Label Switching
“NCS Group”	:	NCS Pte. Ltd. together with its subsidiaries taken as a whole

“Next Gen NBN”	:	Next generation nationwide broadband network
“Optus”	:	Singtel Optus Pty Limited together with its subsidiaries taken as a whole
“Regional Associates and Joint Ventures”	:	Bharti Airtel Limited, PT Telekomunikasi Selular, Advanced Info Service Public Company Limited, Intouch Holdings Public Company Limited and Globe Telecom, Inc.
“Retail Service Providers”	:	Any entity providing retail services to an end-user using the Next Gen NBN or any other networks in Singapore
“Singapore Law Trust Deed”	:	The amended and restated trust deed governed under Singapore law dated 2 November 2020 among the Issuer, the Guarantor and the Trustee, as amended, varied or supplemented from time to time
“Singtel” or the “Guarantor”	:	Singapore Telecommunications Limited
“Singtel Group”	:	Singtel together with its subsidiaries taken as a whole
“Singtel Singapore”	:	The Singtel Group excluding Optus
“%”	:	per cent.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Offering Circular shall be a reference to Singapore time unless otherwise stated. Any reference in this Offering Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, Chapter 50 of Singapore, as amended or modified from time to time (the **“Companies Act”**) or the SFA or any statutory modification thereof and used in this Offering Circular shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is qualified in its entirety by the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche, the applicable Pricing Supplement. Words and expressions defined in “Terms and Conditions of the Notes Governed by Singapore Law”, “Terms and Conditions of the Notes Governed by English Law” (together, the “**Terms and Conditions of the Notes**”), “Terms and Conditions of the Subordinated Securities Governed by Singapore Law”, “Terms and Conditions of the Subordinated Securities Governed by English Law” (together, the “**Terms and Conditions of the Subordinated Securities**”) or elsewhere in this Offering Circular have the same meaning in this overview.

Issuer	:	Singtel Group Treasury Pte. Ltd.
Guarantor	:	Singapore Telecommunications Limited.
Description	:	Guaranteed Euro Medium Term Note Programme.
Size	:	Up to S\$10,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Securities outstanding at any one time.
Arrangers	:	Citigroup Global Markets Singapore Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited.
Dealers	:	Citigroup Global Markets Singapore Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited.

The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “**Permanent Dealers**” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “**Dealers**” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

Trustee	:	The Bank of New York Mellon, London Branch.
Issuing and Paying Agent	:	The Bank of New York Mellon, London Branch.
Exchange Agent	:	The Bank of New York Mellon.
Transfer Agents	:	The Bank of New York Mellon SA/NV, Luxembourg Branch (in respect of Securities other than Securities cleared through CDP and DTC), The Bank of New York Mellon, Singapore Branch (in respect of Securities cleared through CDP) and The Bank of New York Mellon (in respect of Securities cleared through DTC).
CDP Paying Agent	:	The Bank of New York Mellon, Singapore Branch (in respect of Securities cleared through CDP).

DTC Paying Agent	:	The Bank of New York Mellon (in respect of Securities cleared through DTC).
Registrars	:	The Bank of New York Mellon SA/NV, Luxembourg Branch (in respect of Securities other than Securities cleared through CDP and DTC), The Bank of New York Mellon, Singapore Branch (in respect of Securities cleared through CDP) and The Bank of New York Mellon (in respect of Securities cleared through DTC).
Method of Issue	:	The Securities will be issued on a syndicated or non-syndicated basis. The Securities will be issued in series (each a “ Series ”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest or, as the case may be, distribution), the Securities of each Series being intended to be interchangeable with all other Securities of that Series. Each Series may be issued in tranches (each a “ Tranche ”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the pricing supplement (the “ Pricing Supplement ”).
Issue Price	:	Securities may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes or Partly Paid Subordinated Securities may be issued, the issue price of which will be payable in two or more instalments.
Clearing Systems	:	Clearstream, Euroclear and CDP for Bearer Notes, Clearstream, Euroclear, CDP and DTC for Registered Securities and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer.
Initial Delivery of Securities	:	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Global Certificate representing Registered Securities may be deposited with a common depository for Euroclear and Clearstream, or with CDP. Global Notes or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Guarantor, the relevant Paying Agent, the Trustee and the relevant Dealer. Registered Securities that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
Currencies	:	Subject to compliance with all relevant laws, regulations and directives, Securities may be issued in any currency agreed between the Issuer, the Guarantor and the relevant Dealer.

Specified Denomination	:	<p>Securities in definitive form will be in such denominations as may be specified in the relevant Pricing Supplement save that (i) in the case of any Securities which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area (for these purposes, references to the European Economic Area include the United Kingdom) in circumstances which require the publication of a prospectus under the Prospectus Regulation, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Securities); (ii) unless otherwise permitted by then current laws and regulations, Securities (including Securities denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 (“FSMA”) will have a minimum denomination of £100,000 (or its equivalent in other currencies); and (iii) in the case of Securities to be sold in the United States to QIBs, the minimum specified denomination shall be US\$100,000.</p>
Ratings	:	<p>The Guarantor has been rated “A1” by Moody’s and “A” by S&P.</p> <p>Tranches of Securities will be rated or unrated.</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating agency.</p>
Governing Law	:	English law or Singapore law.
Listing of the Securities	:	<p>Application has been made to the SGX-ST for permission to deal in, and for quotation of, any Securities which are agreed at the time of issue to be so listed on the SGX-ST. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. There can be no assurance that the application to the SGX-ST will be approved. If the application to the SGX-ST to list a particular series of Securities is approved, such Securities listed on the SGX-ST will be traded on the SGX-ST in a minimum board lot size of S\$200,000 or its equivalent in other currencies. Unlisted series of Securities may also be issued pursuant to the Programme. The Securities may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer, the Guarantor and the relevant Dealer in relation to each series of Securities. The Pricing Supplement relating to each series of Securities will state whether or not the Securities of such series will be listed on any stock exchange(s) and, if so, on which stock exchange(s) the Securities are to be listed.</p>
Selling Restrictions	:	See “United States”, “Prohibition of Sales to EEA and UK Retail Investors”, “United Kingdom”, “Singapore”, “Hong Kong” and “Japan” set out in “Subscription and Sale”.

Each of the Issuer and the Guarantor is Category 2 for the purposes of Regulation S under the Securities Act, as amended.

The Securities will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “**D Rules**”) unless (i) the relevant Pricing Supplement states that Securities are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the “**C Rules**”), or (ii) the Securities are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Securities will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), with such circumstances being referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.

Transfer Restrictions : There are restrictions on the transfer of Securities sold pursuant to Regulation S under the Securities Act prior to the expiration of the relevant distribution compliance period and on the transfer of Registered Securities sold pursuant to Rule 144A under the Securities Act. See “Transfer Restrictions”.

SUMMARY OF TERMS AND CONDITIONS OF THE NOTES

Maturities : Subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Issuer, the Guarantor and the relevant Dealer.

Form of Notes : The Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) only. Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if (i) Definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “Overview of the Programme – Selling Restrictions” above), otherwise such Tranche will be represented by a permanent Global Note.

Registered Notes sold in an “offshore transaction” within the meaning of Regulation S will initially be represented by an Unrestricted Global Certificate. Registered Notes sold in the United States to QIBs within the meaning of Rule 144A will initially be represented by a Restricted Global Certificate.

Fixed Rate Notes	:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
Floating Rate Notes	:	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) (in the case of Notes denominated in Singapore dollars) by reference to SIBOR or the Singapore dollar Swap Offer Rate (“SOR”) (or such other benchmark as may be specified in the relevant Pricing Supplement), as adjusted for any applicable margin; (ii) (in the case of Notes denominated in a currency other than in Singapore dollars) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., as adjusted for any applicable margin; or (iii) (in the case of Notes denominated in a currency other than in Singapore dollars) by reference to LIBOR or EURIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. <p>Interest periods will be specified in the relevant Pricing Supplement.</p>
Zero Coupon Notes	:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Dual Currency Notes	:	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes (as defined in “Terms and Conditions of the Notes Governed by Singapore Law” and “Terms and Conditions of the Notes Governed by English Law”) will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Pricing Supplement.
Index Linked Notes	:	Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Pricing Supplement.
Interest Periods and Interest Rates	:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

Redemption	:	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Redemption by Instalments	:	The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Other Notes	:	Terms applicable to step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Note that the Issuer, the Trustee and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement and the relevant supplementary Offering Circular (if any).
Optional Redemption	:	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
Status of Notes and the Guarantee	:	The Notes and the Senior Guarantee will constitute unsubordinated and unsecured obligations of the Issuer and the Guarantor, respectively, all as described in “Terms and Conditions of the Notes Governed by Singapore Law – Guarantee and Status” and “Terms and Conditions of the Notes Governed by English Law – Guarantee and Status”.
Negative Pledge	:	See “Terms and Conditions of the Notes Governed by Singapore Law – Negative Pledge” and “Terms and Conditions of the Notes Governed by English Law – Negative Pledge”.
Events of Default	:	See “Terms and Conditions of the Notes Governed by Singapore Law – Events of Default” and “Terms and Conditions of the Notes Governed by English Law – Events of Default”.
Early Redemption	:	Except as provided in “Overview of the Programme – Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See “Terms and Conditions of the Notes Governed by Singapore Law – Redemption, Purchase and Options” and “Terms and Conditions of the Notes Governed by English Law – Redemption, Purchase and Options”.

Withholding Tax : All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, the Receipts and the Coupons or under the Senior Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in relation to Singapore Dollar Notes, the Issuer or, as the case may be, the Guarantor will not be obliged to pay any additional amounts in respect of any such withholding or deduction from payments in respect of such Singapore Dollar Notes for, or on account of, any such taxes or duties, and in relation to Non-Singapore Dollar Notes, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain conditions as set out in the Terms and Conditions of the Notes Governed by Singapore Law and the Terms and Conditions of the Notes Governed by English Law.

SUMMARY OF TERMS AND CONDITIONS OF THE SUBORDINATED SECURITIES

As used herein, where Dated Securities is specified as applicable in the applicable Pricing Supplement, references to “**Distribution**” and “**distribution**” are deemed to mean “**Interest**” and “**interest**”, as applicable.

Maturities : In respect of the Dated Securities, subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Issuer, the Guarantor and the relevant Dealer.

The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall only have the right to redeem or purchase them in accordance with the Terms and Conditions of the Subordinated Securities or as otherwise specified in the applicable Pricing Supplement.

Form of Subordinated Securities : The Subordinated Securities may be issued in registered form only. Registered Subordinated Securities sold in an “offshore transaction” within the meaning of Regulation S will initially be represented by an Unrestricted Global Certificate. Registered Subordinated Securities sold in the United States to QIBs within the meaning of Rule 144A will initially be represented by a Restricted Global Certificate.

Fixed Rate Subordinated Securities : Fixed distribution will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.

Floating Rate Subordinated Securities : Floating Rate Subordinated Securities will bear distribution determined separately for each Series as follows:

- (i) (in the case of Subordinated Securities denominated in Singapore dollars) by reference to SIBOR or the Singapore dollar Swap Offer Rate (“**SOR**”) (or such other benchmark as may be specified in the relevant Pricing Supplement), as adjusted for any applicable margin;
- (ii) (in the case of Subordinated Securities denominated in a currency other than in Singapore dollars) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., as adjusted for any applicable margin; or
- (iii) (in the case of Subordinated Securities denominated in a currency other than in Singapore dollars) by reference to LIBOR or EURIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin.

Distribution periods will be specified in the relevant Pricing Supplement.

Dual Currency Subordinated Securities : Payments (whether in respect of principal or distribution and whether at redemption or otherwise) in respect of Dual Currency Subordinated Securities (as defined in the Terms and Conditions of the Subordinated Securities Governed by Singapore Law and the Terms and Conditions of the Subordinated Securities Governed by English Law) will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Pricing Supplement.

Distribution Periods and Distribution Rates : The length of the distribution periods for the Subordinated Securities and the applicable distribution rate or its method of calculation may differ from time to time or be constant for any Series. Subordinated Securities may have a maximum distribution rate, a minimum distribution rate, or both. The use of distribution accrual periods permits the Subordinated Securities to bear distribution at different rates in the same distribution period. All such information will be set out in the relevant Pricing Supplement.

Optional Deferral of Distribution

: If Distribution Deferral is specified as being applicable in the applicable Pricing Supplement, the Issuer may, at its sole discretion, elect to defer any Distribution (in whole or in part) which is otherwise scheduled to be paid on (i) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date; and (ii) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date to the next Distribution Payment Date, by giving a Deferral Election Notice to the Subordinated Securityholders in accordance with Condition 15 of the Subordinated Securities, the Trustee and the Issuing and Paying Agent not more than 20 nor less than 10 business days prior to a scheduled Distribution Payment Date (or such other notice period as may be specified in the applicable Pricing Supplement).

If Dividend Pusher is specified as being applicable in the applicable Pricing Supplement, the Issuer may not elect to defer any Distribution if, during such period(s) prior to such Distribution Payment Date as may be specified in the applicable Pricing Supplement, a Compulsory Distribution Payment Event has occurred.

Cumulative Deferral of Distribution

: If Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement, any Distribution validly deferred pursuant to Condition 5 of the Subordinated Securities shall constitute "**Arrears of Distribution**". The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 5(a) of the Subordinated Securities) further defer any Arrears of Distribution (and, if applicable, any Additional Distribution Amount) by complying with the notice requirements applicable to any deferral of an accrued Distribution in accordance with Condition 5(c) of the Subordinated Securities. The Issuer is not subject to any limit as to the number of times or to the extent of the amount with respect to which Distributions and Arrears of Distribution can or shall be deferred pursuant to Condition 5 of the Subordinated Securities by complying with such notice requirements except that Condition 5(d) of the Subordinated Securities shall be complied with until all outstanding Arrears of Distribution have been paid in full.

Non-Cumulative Deferral of Distribution : If Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement, any Distribution deferred pursuant to Condition 5 of the Subordinated Securities is non-cumulative and will not accrue distribution. The Issuer is not under any obligation to pay that or any other Distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an optional amount equal to the amount of Distribution which is unpaid in whole or in part (an “**Optional Distribution**”) at any time by giving irrevocable notice of such election to the Subordinated Securityholders (in accordance with Condition 15 of the Subordinated Securities) and the Trustee and the Issuing and Paying Agent, not more than 20 nor less than 10 Business Days (or such other notice period as may be specified in the applicable Pricing Supplement) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution on the payment date specified in such notice).

Restrictions in the case of Deferral : If Dividend Stopper is specified as being applicable in the applicable Pricing Supplement and on any Distribution Payment Date, payment of Distributions (including Arrears of Distribution and Additional Distribution Amount) scheduled to be made on such date is not made in full by reason of Condition 5 of the Subordinated Securities, the Issuer and the Guarantor shall not:

- (i) voluntarily declare or pay any discretionary dividends, distributions or make any other discretionary payment on, and will procure that no discretionary dividend, distribution or other payment is made on any of its Junior Obligations or Parity Obligations; or
- (ii) voluntarily redeem, repurchase, reduce, cancel, buy-back or acquire for any consideration any of its Junior Obligations or Parity Obligations,

in each case, other than (x) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants, (y) in relation to a payment, repurchase or redemption of Parity Obligations, where such payment, repurchase or redemption is made on a *pro-rata* basis with a repurchase or redemption of the Subordinated Securities, or (z) as a result of the exchange or conversion of its Parity Obligations for Junior Obligations, unless and until the Issuer or the Guarantor (aa) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) has satisfied in full all outstanding Arrears of Distribution (and, if applicable, any Additional Distribution

Amounts); (bb) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Subordinated Securities in accordance with Condition 6 of the Subordinated Securities has occurred, the next scheduled Distribution has been paid in full, or an Optional Distribution equal to the amount of a Distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full; or (cc) is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Subordinated Securityholders, and/or as otherwise specified in the applicable Pricing Supplement.

Redemption : The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable.

Other Subordinated Securities : Terms applicable to step-up Subordinated Securities, step-down Subordinated Securities, reverse dual currency Subordinated Securities, optional dual currency Subordinated Securities, Partly Paid Subordinated Securities and any other type of Subordinated Security that the Issuer, the Trustee and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement and the relevant supplementary Offering Circular (if any).

Redemption of Subordinated Securities : **Dated Securities:** Unless previously redeemed, purchased and cancelled in certain situations such as, among others, for tax reasons, accounting reasons or upon the occurrence of a Ratings Event, as provided in Condition 6 of the Subordinated Securities, each Dated Security shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).

Perpetual Securities: The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 of the Subordinated Securities and without prejudice to Condition 10 of the Subordinated Securities), only have the right to redeem or purchase them in certain situations such as, among others, for tax reasons, accounting reasons or upon the occurrence of a Ratings Event in accordance with Condition 6 of the Subordinated Securities.

The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable and indicate the circumstances in which the relevant Subordinated Securities may be redeemed, whether, upon the occurrence of an Accounting Event, upon the occurrence of a Tax Deductibility Event, upon the occurrence of a Ratings Event and at the option of the Issuer or as otherwise provided in the Terms and Conditions of the Subordinated Securities or specified in the applicable Pricing Supplement.

- Status of the Subordinated Securities** : The Subordinated Securities constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and with any Parity Obligations of the Issuer. The rights and claims of the Subordinated Securityholders in respect of the Subordinated Securities are subordinated as provided in Condition 3 of the Subordinated Securities.
- Ranking of claims on Winding-Up – Issuer** : Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-Up of the Issuer, the rights of the Subordinated Securityholders to payment of principal of and distribution on the Subordinated Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Securities, and in priority to the claims of shareholders of the Issuer, and/or as otherwise specified in the applicable Pricing Supplement.
- Set-off – Issuer** : Subject to applicable law, no Subordinated Securityholder may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Securities, and each Subordinated Securityholder shall, by virtue of his holding of any Subordinated Securities, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the Issuer. Notwithstanding the preceding sentence, if at any time any of the amounts owing to any Subordinated Securityholder by the Issuer in respect of, or arising under or in connection with, the Subordinated Securities is discharged by set-off, such Subordinated Securityholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its Winding-Up, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

- Guarantee of Subordinated Securities** : The payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Subordinated Securities are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor. The obligations of the Guarantor under the Subordinated Guarantee are contained in the Trust Deed.
- The obligations of the Guarantor under the Subordinated Guarantee constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and rank *pari passu* and without any preference among themselves and with any Parity Obligations of the Guarantor. The rights and claims of the Subordinated Securityholders in respect of the Subordinated Guarantee are subordinated as provided in Condition 3 of the Subordinated Securities.
- Ranking of claims on Winding-Up – Guarantor** : Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-Up of the Guarantor, the rights of the Subordinated Securityholders to payment under the Subordinated Guarantee are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Guarantor but at least *pari passu* with all other subordinated obligations of the Guarantor that are not expressed by their terms to rank junior to the Subordinated Guarantee and in priority to the claims of shareholders of the Guarantor and/or as otherwise specified in the applicable Pricing Supplement.
- Set-off – Guarantor** : Subject to applicable law, no Subordinated Securityholder may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Guarantor in respect of, arising under or in connection with, the Subordinated Guarantee, and each Subordinated Securityholder shall, by virtue of his holding of any Subordinated Securities, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the Guarantor. Notwithstanding the preceding sentence, if at any time any of the amounts owing to any Subordinated Securityholder by the Guarantor in respect of, or arising under or in connection with the Subordinated Guarantee is discharged by set-off, such Subordinated Securityholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Guarantor (or, in the event of its Winding-Up, the liquidator or, as appropriate, administrator of the Guarantor) and, until such time as payment is made, shall hold such amount in trust for the Guarantor (or the liquidator or, as appropriate, administrator of the Guarantor) and accordingly any such discharge shall be deemed not to have taken place.

Withholding Tax : All payments of principal and distribution by or on behalf of the Issuer or the Guarantor in respect of the Subordinated Securities or under the Subordinated Guarantee, as applicable, shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in relation to Singapore Dollar Subordinated Securities, the Issuer or, as the case may be, the Guarantor will not be obliged to pay any additional amounts in respect of any such withholding or deduction from payments in respect of such Singapore Dollar Subordinated Securities for, or on account of, any such taxes or duties, and in relation to Non-Singapore Dollar Subordinated Securities, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Subordinated Securityholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain conditions as set out in the Terms and Condition of Subordinated Securities Governed by Singapore Law and the Terms and Condition of Subordinated Securities Governed by English Law.

Enforcement Events : There are no events of default under the Subordinated Securities. The terms of the Subordinated Securities will contain enforcement events as further described in Condition 10 of the Subordinated Securities.

RISK FACTORS

Each of the Issuer and the Guarantor believes that the following factors may affect its ability to fulfil its respective obligations under the Securities issued under the Programme. All of these factors are contingencies which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.

Factors which each of the Issuer and the Guarantor believes may be material for the purposes of assessing the market risks associated with Securities issued under the Programme are also described below.

Each of the Issuer and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Securities issued under the Programme, but the Issuer or the Guarantor may be unable to pay interest, principal or other amounts on or in connection with any Securities for reasons other than those listed below, and the Issuer and the Guarantor do not represent that the statements below regarding the risks of holding any Securities are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risks relating to the Singtel Group and its associates and joint ventures

Pandemic outbreaks of coronavirus such as COVID-19 or other infectious diseases, or any other serious public health concerns could adversely impact the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group could be adversely impacted by global pandemics, and the Singtel Group's business and operations have been affected by the unprecedented disruption caused by the COVID-19 pandemic, which has shaken governments, health systems, economies and societies around the world. Since its outbreak, COVID-19 has spread with alarming speed across various countries and territories and resulted in a significant number of infections and fatalities. The economic consequences of the outbreak are yet to unfold although governments in many countries are implementing budgetary interventions and economic stimulus programmes. The outbreak of COVID-19 together with the restrictions on travel and imposition of quarantine and/or lockdown measures have had, and may continue to have, an adverse effect on various aspects of the Singtel Group's business and operations, such as, among others, adversely affecting the Singtel Group's mobile roaming and prepaid revenue, and business continuity. Such pandemic outbreaks could disrupt global supply chains of network systems, equipment, handsets, devices and content and could impact or lead to delays in the deployment, installation, upgrade, operation and/or maintenance of network infrastructure, and/or delivery of equipment, handsets, devices and content. The imposition of movement restriction measures on a nation-wide or at a city level in the countries that the Singtel Group operates in could lead to access and workforce constraints and impede the Singtel Group's ability to operate and serve its customers, resulting in deterioration in service levels and/or quality, delays to projects and deliverables to customers, inability to meet contractual obligations and/or failure to comply with regulatory requirements. Such measures could significantly dampen both consumer and enterprise spending, and adversely affect revenues. Decline in revenues and the delay in payments from customers or non-payments from customers may lead to funding constraints for the Singtel Group. A prolonged and widespread pandemic outbreak may result in a global recession with a severe impact on various sectors such as telecommunication, aviation, travel, retail, tourism, automobile, manufacturing and oil and gas, as well as reduced investment and spending and severe unemployment. An economic downturn of this scale, coupled with the uncertainties around disruption to business and business models posed by technology, changes in enterprise and consumer customer behaviours, and government and regulatory actions, may pose significant challenges to the management of capital investments, working capital and business changes. Any

of the above factors could have an adverse effect on the Singtel Group's business, financial condition, results of operations and prospects.

As the COVID-19 situation develops, the consequences of the COVID-19 outbreak or a future outbreak of infectious disease are unpredictable and there can be no assurance that any precautionary or other measures taken against such infectious diseases would be effective. The effectiveness of the measures adopted by various governments in response to the COVID-19 outbreak and the extent to which these can mitigate the adverse economic impacts from the pandemic remain uncertain. There can be no assurance that the business environment and/or customer demand will fully recover post-COVID-19. The Singtel Group may not be able to foresee such events which could have an adverse effect on its business, financial condition, results of operations and prospects.

Changes in domestic, regional and global economic conditions may have a material adverse effect on the financial performance and operations of the Singtel Group and its associates and joint ventures.

Changes in domestic, regional and global economic conditions may have a material adverse effect on the demand for telecommunications, IT and related services, and digital services, which may in turn have a material adverse effect on the financial performance and operations of the Singtel Group and its associates and joint ventures. Global headwinds such as trade tensions and the COVID-19 pandemic outbreak have resulted in significant uncertainty in the macro-economic environment, which could have an adverse effect on the strategy and growth of the Singtel Group. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. These and other related events have had a significant impact on the global credit and financial markets and economic growth as a whole, and consequently, on consumer and business demand for telecommunications, IT and related services, and digital services.

Political instability in certain countries in which the Singtel Group and its associates and joint ventures operate may have a material adverse effect on the ownership, control and condition of their assets in such countries.

The Singtel Group's business is geographically diversified with operations in Singapore, Australia and emerging markets. Some of the countries in which the Singtel Group and its associates and joint ventures operate have experienced or continue to experience political instability. The continuation or re-emergence of such political instability in the future could have a material adverse effect on the economic or social conditions in those countries. This could lead to outbreaks of civil unrest in the affected areas, which could have an adverse effect on the results of operations of the Singtel Group and its associates and joint ventures, and consequently the financial performance of the Singtel Group. Such political instability could also have a material adverse effect on the ownership, control and condition of the assets of the Singtel Group and its associates and joint ventures in those areas. As the Singtel Group expands its business operations across the region and around the world, its exposure to similar political and socio-economic risks may increase in the future.

The businesses of the Singtel Group and its associates and joint ventures are subject to extensive laws and regulations.

The Singtel Group's operations in Singapore, Australia and its international operations and investments (including its associates and joint ventures) are subject to extensive government regulations which may impact or limit flexibility to respond to market conditions, competition, new technologies or changes in cost structures. Governments may alter their policies relating to the telecommunications, IT, multimedia and related industries and the regulatory environment (including in relation to taxation) in which the Singtel Group and its associates and joint ventures

operate. Such changes could have a material adverse effect on the Singtel Group's financial performance and operations. The Singtel Group's overseas investments are subject to the risk of imposition of laws and regulations restricting the level, percentage and manner of foreign ownership and investment, as well as the risk of nationalisation. Furthermore, judicial developments in various jurisdictions can be unpredictable. Any of these factors could materially and adversely affect the Singtel Group's overseas investments. The Singtel Group and its associates and joint ventures are subject to the risk of changes in foreign exchange policies or controls in countries in which they operate, which could restrict, limit or impede the flow of currencies.

The business and results of operations of the Singtel Group and its associates and joint ventures could be materially and adversely affected by changes in law, regulation or government and/or regulatory policies. In particular, decisions or changes in decisions by governments or regulators concerning economic or business interests or goals which are inconsistent with the interests or actions of the Singtel Group and its associates and joint ventures could materially and adversely affect their financial condition, results of operations and investments. In addition, changes in law, regulation or government and/or regulatory policies (including in relation to taxation) may increase the compliance obligations and business costs faced by the Singtel Group which could materially and adversely affect its financial condition, results of operations and investments.

In Singapore, the Info-communications Media Development Authority of Singapore ("**IMDA**") has, in its implementation of the Next Gen NBN, designed a structure to level the playing field, allowing the benefits of the Next Gen NBN to be available to all industry players. This Next Gen NBN structure has significantly altered the existing cost model of the industry and increased the level of competition in the broadband market.

Under the Telecommunications Act, Chapter 323 of Singapore (the "**Telecommunications Act**"), the Minister for Communications and Information (the "**Minister**") has certain discretionary powers to direct Singtel (in its capacity as a public telecommunications licensee) to undertake and provide certain services and facilities. See "Description of Singtel and the Singtel Group – Regulatory Environment – Discretionary powers of the Minister under the Telecommunications Act". In the event the Minister exercises such powers and Singtel is required to undertake and provide such services and facilities, Singtel may incur costs that may not be fully recoverable. There may also be interruptions to operations and services and a diversion of telecommunications resources for other purposes as directed.

In Australia, the operations of Singtel's Australian subsidiary, Optus, are subject to regulatory decisions on the rates at which it purchases some services from, and provides some services to, other telecommunications companies in the country. Such decisions can significantly affect Optus' revenues and costs as well as its competitive position, and may also not be consistent with the Singtel Group's expectations. The Australian government has implemented a significant reform of the fixed line telecommunications sector, including the rollout of a national broadband network by the government owned entity National Broadband Network Company ("**NBN Co**") operated on a wholesale-only open access basis. It is possible that the Australian government's policy decisions relating to the national broadband network or commercial decisions taken by NBN Co could ultimately lead to a sub-optimal or negative outcome for Optus. Such changes could result in increased access and/or compliance costs and could have a material adverse effect on the Singtel Group's financial performance and results of operations.

The businesses of the Singtel Group and its associates and joint ventures depend upon licences issued by governmental authorities. Failure to meet regulatory requirements could result in fines or other sanctions including, ultimately, revocation of the licences. There is no assurance that the Singtel Group and its associates and joint ventures will be able to renew existing licences on terms that are the same or equivalent to those that currently apply, or at all. In addition, the Singtel Group and its associates and joint ventures may be required to obtain licences where they wish

to expand their existing businesses or enter into new areas of business and there can be no assurance that they will be able to obtain these licences.

The operations of the Singtel Group and its associates and joint ventures are also subject to various other laws and regulations such as those relating to customer data privacy and protection, payment services and anti-money laundering, anti-bribery and corruption, workplace safety and health, public order and safety, cybersecurity, online falsehoods and national security. In addition, there have been changes in the regulatory landscape for the media and telecommunications industry, particularly in respect of issues of cybersecurity, consumer protection and service resiliency. These changes, together with increasing scrutiny by regulators and inclination of regulators towards stronger enforcement actions, may lead to additional compliance costs for the business. For example, in Australia, the government has adopted security legislation which affects the media and telecommunications industry. In particular, equipment vendors from countries with certain legal structures or power have been excluded from participating in the supply of equipment for 5G infrastructure. Failure by the Singtel Group and its associates and joint ventures to comply with these regulations could result in various sanctions. Such sanctions may materially and adversely affect business and/or capacity to operate in line with the business objectives of the Singtel Group and its associates and joint ventures.

The Singtel Group and its Regional Associates and Joint Ventures may not be able to access spectrum to support its businesses.

The Singtel Group and its Regional Associates and Joint Ventures may need to access additional spectrum to support both organic growth and the development of new services. Access to spectrum is of critical importance to the Singtel Group and its Regional Associates and Joint Ventures in order to support their businesses of providing mobile voice, data and other connectivity services. The use of spectrum in most countries in which the Singtel Group and its Regional Associates and Joint Ventures operate is regulated by governmental authorities and requires licences. In certain countries in which the Singtel Group and its Regional Associates and Joint Ventures operate, the process for renewing spectrum licences or acquiring new or additional spectrum licences may be subject to change. There can be no assurance that the Singtel Group and/or its Regional Associates and Joint Ventures will be able to acquire licences for new or additional spectrum or access such new or additional spectrum on favourable and/or reasonable commercial terms, or at all. The Singtel Group and its Regional Associates and Joint Ventures will need to renew their existing spectrum licences when they expire. There can be no assurance that the Singtel Group and/or its Regional Associates and Joint Ventures will be able to renew these licences on terms that are favourable and/or on reasonable commercial terms or on equivalent terms to those that apply today, or at all. Failure to acquire access to spectrum on reasonable terms or at all could have a material adverse effect on the businesses, financial performance and growth plans of the Singtel Group and/or its Regional Associates and Joint Ventures.

The Singtel Group and its associates and joint ventures operate in legal and regulatory systems where the interpretation, application and enforcement of laws and regulations may be uncertain.

The Singtel Group and its associates and joint ventures may face difficulties when they operate in legal and regulatory systems where the interpretation, application and enforcement of laws and regulations may be uncertain or unclear and may be subject to considerable discretion. The application of the laws and regulations may depend, to a large extent, upon subjective criteria such as good faith of the parties to the transaction and principles of public policy. Interpretation of, compliance with and enforcement of, judicial or regulatory decisions, rulings, directives or guidelines may be uncertain or unclear, and the consequences thereof may not be manageable or predictable. Judicial decisions may not be systematically or publicly available and may not constitute binding precedent. Enforcement of laws and regulations may not be well established. There may not be public consultation or notice prior to changes in interpretation, application and

enforcement of laws and regulations. Where the interpretation, application and enforcement of laws and regulations are subject to uncertainty and considerable discretion, it could lead to a challenging operating environment, increasing the difficulties involved in planning and managing a business. Any negative interpretation, application and enforcement of laws and regulations against the Singtel Group may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Singtel Group faces competitive risks in the various business segments and markets in which it operates.

Group Consumer Business

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

In the Australian telecommunications market, in addition to the incumbent operator, a number of participants are subsidiaries of international groups and these participants have made large investments in networks which are now sunk costs. The Singtel Group is exposed to the risk of irrational pricing being introduced by such competitors. The consumer fixed line services continue to be dominated by the incumbent operator which can leverage its scale and market position to restrict the development of competition. With the deployment of the Australian National Broadband Network (“NBN”), competition is expected to increase further as new operators enter the market. With the merger of two existing operators in Australia, mobile competition is expected to further intensify.

The business operations of the Singtel Group’s Regional Associates and Joint Ventures are also subject to highly competitive market conditions. The growth of the Singtel Group’s Regional Associates and Joint Ventures depends in part on the adoption of mobile data services in the markets in which they operate. These overseas markets have experienced, and could continue to experience, intensifying price competition for mobile data services, including from new competitors and/or smaller-scale competitors, which could lead to lower profitability in these markets and potential loss of market share for the Singtel Group’s Regional Associates and Joint Ventures.

The disintermediation in the telecommunications industry by handset suppliers and other digital service providers and non-traditional telecommunications services providers (including social media networks and over-the-top (“OTT”) players) obtaining access to, and establishing relationships with, customers by providing multimedia and video content, applications and services directly on demand also challenges the business models and profits of vertically-integrated providers like the Singtel Group.

Group Enterprise Business

There is a regional and global market for many of the services that the Singtel Group provides, particularly for business customers who enjoy broad choices for many services including fixed, mobile, cloud, managed services and hosting, IT services and consulting, cybersecurity and digital solutions for smart cities and enterprises. The Singtel Group faces competition in such areas and competitors include multinational IT and telecommunications companies, and technology companies that introduce new communication services as well as other non-traditional players while in Australia, the enterprise market is dominated by the incumbent operator. The quality of, and prices for, these services can influence a potential business customer’s decision.

Prices for some of these services have declined significantly in recent years as a result of capacity additions, technology innovations and price competition and such declines are expected to continue.

Competition in the Australian enterprise market has also intensified following the consolidation of fixed line service providers. By leveraging new scale and lower cost base structures, such fixed line service providers may seek to obtain a greater market share through aggressive pricing, and by expanding into adjacent ICT markets with complementary managed services and IP based solutions. In addition, the increasing network footprint of the Australian NBN could result in intensified competition among the retail service providers segment, which could result in lower margins, revenue and market share for Optus.

The market for the provision of IT services is fragmented and characterised by numerous participants, ranging from large IT companies that operate globally to IT companies that adopt a low cost model and/or operate on a small scale. The introduction of irrational pricing by any such participant may result in a material adverse impact on the Singtel Group's revenue and profitability.

Group Digital Life Business

The digital products and services that the Singtel Group offers are primarily in the areas of digital marketing and data analytics. Competition is intense due to low barriers of entry for competitors and there are many OTT operators offering these services, which could lead to lower profitability and potential loss of market share in such areas.

The Singtel Group's overseas expansion and the expansion of the Singtel Group's Regional Associates and Joint Ventures may not be successful.

A key element of the Singtel Group's business strategy involves the expansion of its operations in Australia and the Asia-Pacific region. Given the limited size of the Singapore market, the future growth of the Singtel Group depends, to a large extent, on its ability to grow its overseas operations in both core communications and new digital services. There are considerable risks associated with overseas expansion, such as risks that the Singtel Group will not be able to maintain relationships with its partners or associates or joint ventures, or risks that the Singtel Group will not be successful in making further acquisitions, each as further described below.

The success of the Singtel Group's strategic investments depends, to a large extent, on its relationship with, and the strength of, its partners or associates and joint ventures. The Singtel Group has undertaken, and will continue to undertake, international operations by entering into joint ventures and other arrangements with other parties. Such joint ventures and arrangements may involve risks that the joint venture or investment partner may:

- have economic or business interests or goals that are inconsistent with the Singtel Group's interests;
- take actions contrary to the Singtel Group's interests;
- be unable or unwilling to fulfil its obligations under the joint venture agreement or arrangement; or
- experience financial or other difficulties such as operating in countries undergoing political, economic and/or social turmoil.

The value of the Singtel Group's investments may be adversely affected if the anticipated benefits resulting from such investments do not materialise, and this could result in impairment of such

investments. Any impairment of investments could have a material adverse effect on the Singtel Group's financial position, performance and results of operations.

There is no assurance that the Singtel Group will be successful in making further acquisitions due to various factors including the limited availability of opportunities, competition for available opportunities from other potential investors, foreign ownership restrictions, government and regulatory policies, political considerations and the specific preferences of sellers. In particular, other major telecommunications companies are following similar strategies or attempting to penetrate these same markets, resulting in limited opportunities and potentially higher prices. Furthermore, some of the markets which the Singtel Group has entered into are dominated by large incumbent telecommunications providers.

There can be no assurance that the Singtel Group can fully generate synergies from these businesses to achieve its aims of enhancing the Singtel Group's competitiveness, building a competitive regional footprint and combining its complementary data networks to increase the reach and capacity of the Singtel Group's services. Any delay or failure to achieve these and other objectives may result in the acquisitions becoming a drain on the Singtel Group's management and capital resources and adversely affect the financial condition and results of operations of the Singtel Group.

In addition, the business strategy of some of the Singtel Group's Regional Associates and Joint Ventures involves the expansion of operations outside their home countries. These Regional Associates and Joint Ventures may enter into joint ventures and other arrangements with other parties. Such joint ventures and other arrangements involve risks, including, but not limited to, the possibility that the joint venture or investment partner may have economic or business interests or goals that are inconsistent with those of the interests of the Regional Associates and Joint Ventures. There can be no assurance that the Singtel Group's Regional Associates and Joint Ventures can fully generate synergies and successfully build a competitive regional footprint. Any delay or failure to achieve these and other objectives may adversely affect the financial condition and results of operations of the Regional Associates and Joint Ventures, which could, in turn, adversely affect the financial condition and results of operations of the Singtel Group.

The Singtel Group is subject to risks inherent in investing in associates and joint ventures which it does not control.

A significant portion of the Singtel Group's earnings is generated by its associates and joint ventures which are not subsidiaries, and in which the Singtel Group has a significant stake but not majority control. The performance of the Singtel Group's associates and joint ventures and the Singtel Group's share of their results are subject to the same or similar risks that affect the Singtel Group as described herein, including risks that affect the Singtel Group's general business and operations and risks relating to the countries in which the Singtel Group operates.

The Singtel Group may seek to influence the management, operation and performance of its associates and joint ventures, but ultimately does not have the majority control in such entities. Differences may occur among the Singtel Group, its associates and joint ventures and/or other investors, regarding the business, strategy and operations of the Singtel Group's associates and joint ventures which may not be resolved amicably, or may take time to resolve, or may result in a negative outcome for the Singtel Group. The associates and joint ventures and/or other investors may have economic or business interests that may not be consistent with the interests of the Singtel Group, or may take actions contrary to the Singtel Group's instructions or requests, policies or objectives, or may have financial difficulties. These factors could adversely affect the Singtel Group's ability to deal with its investments in a manner which achieves its objectives and in turn could have a material adverse impact on the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group's ventures into new revenue streams or new businesses in non-traditional products and services may not be successful.

Traditional voice revenue has declined in recent years and such trend will continue. The Singtel Group is evolving from its traditional carriage business in Singapore and Australia to venture into new growth areas to create additional revenue streams, including 5G, Internet of Things (“IoT”), premium OTT video, mobile payment and remittance services, gaming and content, managed services, cloud services, cybersecurity, ICT, data analytics, and digital marketing. Such new services may require reliance on smaller vendors and on terms that may be less favourable to those enjoyed in the carriage business. The Singtel Group may also enter into some of these new businesses or services through the acquisition of operating companies or technologies. There is no assurance that the Singtel Group will be successful in these new ventures, gain market share and generate revenue and margins to offset the decline in traditional carriage business. In addition, these businesses may require substantial capital, new expertise, considerable process or systems changes, on-going compliance monitoring with respect to complex legal and regulatory requirements and organisational, cultural and mindset changes. These businesses may also expose the Singtel Group to regulatory and IT security risks along with the risks associated with the media and online industries, such as media regulation, brand safety, disputes and/or litigation over content rights, intellectual property infringement, online falsehood and data protection regulations and legislation in the various countries that the Singtel Group operates in. Materialisation of any or all of the above-mentioned risks could have a material adverse effect on the Singtel Group's business, financial condition, results of operations and prospects.

For instance, in relation to 5G networks, Singtel Mobile Singapore Pte Ltd (“**Singtel Mobile**”) was announced as a winner of the IMDA's 5G Call for Proposal (“**CFP**”), and was granted a provisional award for a 5G licence in April 2020. The IMDA issued the Final Award to Singtel Mobile on 24 June 2020 following completion of the required regulatory processes, including the selection of its preferred frequency spectrum lots, vendor partners and other technical and legal matters. Singtel Mobile can now proceed to deploy nationwide 5G standalone networks that deliver full-fledged 5G capabilities. In Australia, new spectrum licences for the 26 GHz band are likely to be auctioned in early 2021 and there can be no assurance that the Singtel Group will be able to acquire these new spectrum licences in Australia. Failure to acquire such licences in Australia could have an adverse effect on the Singtel Group's core communications business and competitiveness. The investment in 5G network and related systems carries risks of uncertainty and may dilute earnings of the Singtel Group. The investment in 5G networks is dependent on 5G applications and services which have not yet been fully developed and the monetisation potential of 5G networks remains unclear. The investment in 5G networks may require significant capital outlay and there is no assurance that Singtel Group may break even in a timely manner, or at all. In addition, the high quality of existing 4G networks may limit the perceived value of the new 5G networks and may also impact the monetisation potential of 5G networks.

In Australia, the government has implemented security legislation to restrict vendors from certain countries from participating in supplying 5G network equipment to mobile network operators. This limits the sources of vendors available to the Singtel Group which could lead to higher investment costs and may result in a material adverse impact on the Singtel Group's revenue and profitability.

Further, in relation to digital banking, the Monetary Authority of Singapore (the “**MAS**”) announced in June 2019 that it will issue up to two digital full bank licences and three digital wholesale bank licences. These digital bank licences will allow companies (including non-bank players) to conduct digital banking businesses in Singapore which results in the liberalisation of Singapore's banking industry. The Singtel Group has formed a consortium with Grab Holdings Inc. to apply for a digital full bank licence which will allow the digital bank to take deposits from and provide banking services to retail and non-retail customer segments.

There is no assurance that the Singtel Group's consortium will be awarded the licence and even if it is awarded the licence, there is no assurance that the consortium will be successful in its digital banking venture. The digital bank requires substantial capital outlay and could be subjected to investment and/or financial losses arising from failure to scale and acquire customers and/or the failure to manage the various risk exposures related to the digital banking business, including credit risks, market risks, liquidity risks, technology risks and/or other operational risks. The business is also exposed to regulatory risks associated with the banking industry, including compliance with existing and/or new laws and regulations and the associated cost of compliance. The digital bank set up by the consortium may not be able to attract, integrate and retain the right talent with the appropriate skillsets and expertise to develop and/or execute the bank's business strategies and plans or effectively manage risks arising from the bank's activities. The digital bank set up by the consortium may lose its licence to continue operations if its financial performance does not meet expectations or deteriorates. There could also be a misalignment of interests, goals and cultures between the members of the consortium, and/or with the management of the digital bank, resulting in an inability to resolve disputes in an effective and timely manner. Materialisation of any or all of the above-mentioned risks could have a material adverse effect on the Singtel Group's business, financial condition, results of operations and prospects.

Expected long-term benefits from the Singtel Group's digital and new businesses may not be realised.

The Singtel Group, in April 2015, sharpened its digital business strategy to focus on digital marketing and advanced analytics. However, the expected long-term benefits from these digital businesses may not be realised. There can be no assurance that the Singtel Group will achieve the original goals and objectives that it had set out to achieve in relation to these digital businesses. The Singtel Group may face the risk of unforeseen complications which could have a material adverse effect on the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group faces project management risks in both its internal projects as well as external enterprise projects.

The Singtel Group incurs substantial capital expenditure in constructing and maintaining its network and systems infrastructure. The Singtel Group's network and systems infrastructure projects are subject to risks associated with the construction, supply, installation and operation of equipment and systems. The projects undertaken by the Singtel Group as contractors to operate and maintain infrastructure are subject to the risks of increased project costs, disputes and unexpected implementation delays, any or all of which could result in an inability to meet projected completion dates or service levels. For the Singtel Group's satellite business, the launch of any satellite is subject to the risks of launch delays, cost overruns, and the occurrence of other unforeseeable events, including but not limited to, satellite launch failure and satellite failure to enter into designated orbital locations, or any other event which is beyond the control of the Singtel Group. The Singtel Group's network and systems infrastructure projects are also subject to risks associated with the sale of capacity on the completed project infrastructure, including risks of default, disputes, litigation and arbitration involving contractors, suppliers, customers and other third parties involved in the construction or operation of network infrastructure projects. Materialisation of any or all of these risks could have a material adverse effect on the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group is a major IT service provider to governments and large enterprises in the region. There could be project execution risks when projects are not accurately scoped or the quality of service performance is not up to customers' specifications, resulting in over-commitments to customers and inadequate resource allocation and scheduling. These could lead to cost overruns, project delays and losses. If not properly managed, these can lead to potential significant compensation to customers, which may materially and adversely affect the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group faces network disruption risks related to loss of, or damage to, network infrastructure.

The Singtel Group's telecommunications and other value-added services, including media, entertainment and OTT services, are currently carried through its networks and the networks of other operators, international submarine cable lines, its own transmission, content and switching systems, other fixed international long distance applications and content operators and the network systems of international long distance operators, satellites, content and pay-TV platforms and other network-related infrastructure. The telecommunications industry faces a continuous challenge of providing fast, secure and reliable networks to an increasingly digital and connected world. The provision of the Singtel Group's services depends on the quality, stability, resilience and robustness of its networks and systems. The Singtel Group faces the risks of malfunction of, loss of, or damage to, network infrastructure from catastrophic events, whether of natural or man-made causes, which are outside the control of the Singtel Group. Losses and damage caused by risks of this nature may significantly disrupt the Singtel Group's operations and may materially and adversely affect its ability to deliver services to customers. Sustained or significant disruption to its services can also significantly impact the Singtel Group's reputation with its customers. Disaster recovery plans put in place and/or insurance policies taken out by the Singtel Group with respect to some or all of these risks may not be sufficient to mitigate these losses and damages which could in turn materially and adversely affect the Singtel Group's business, financial condition, results of operations and prospects.

For the Singtel Group's satellite business, satellites that are successfully launched may not operate or may not continue to operate successfully throughout their expected operational lives. The operation of any satellite is subject to the risks of technical malfunction, collision and the occurrence of other unforeseeable events, any of which could result in a partial or total loss of a successfully launched satellite, which could in turn have a material adverse effect on the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group is dependent on its customers to generate revenue, and is exposed to the credit risk of its customers.

The Singtel Group generates its revenues from, among others, sales of services to its customers. Certain customers have major or significant contracts with the Singtel Group. For example, the Singtel Group has entered into major contracts for the provision of telecommunications and IT services with multinational enterprises, telecommunications operators as well as channel providers. There can be no assurance that customers of the Singtel Group will not reduce their demand or transfer their business to competitors of the Singtel Group. The loss of customers or reduction in demand of services from customers could have a material adverse impact on the Singtel Group's revenue and performance.

The Singtel Group's customers or users may view their service experience as less than satisfactory from time to time and may communicate their negative sentiments widely through various media outlets, including social media or other forms of internet network, which may in turn adversely affect the brand and reputation of the Singtel Group. Such adverse publicity, if not managed swiftly or adequately, could deter existing or potential customers and users from using the Singtel Group's services and erode the Singtel Group's market share.

The Singtel Group is exposed to the credit risk of its customers, which could result in financial loss to the Singtel Group. Credit risk arising from sales of services to customers may be mitigated through a stringent credit evaluation process and the regular monitoring of parties' creditworthiness. However, adverse changes in the credit quality of the Singtel Group's customers, or adverse changes arising from a general deterioration in local, regional or global economic conditions, could reduce recoverability from customers. There is no assurance that

customers will not default on the amounts owing to the Singtel Group, and any or all such defaults may have a material adverse effect on the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group relies on suppliers. The telecommunications industry is dominated by a few key suppliers.

The Singtel Group relies on third party suppliers and service providers and their respective extended supply chains with respect to many aspects of its business. The Singtel Group has relied on, and will continue to rely on, third party suppliers for various purposes, including, but not limited to, the construction, operation and maintenance of the Singtel Group's network, the supply of handsets, devices and equipment, systems and applications development services, customer service operations, content provision and customer acquisition. Accordingly, the Singtel Group's operations and reputation could be affected by such third-party suppliers or their supply chain failing to perform their obligations, or failing to operate in line with increased expectations of key stakeholders such as governments, regulators and/or customers on a broadening set of environmental, social and governance (ESG) issues. In addition, the industry is dominated by a few key suppliers for such services, handsets, devices, equipment or content. Any prolonged delays, failure or refusal by a key supplier to provide such services, handsets, devices, equipment or content arising from disruptions caused by, among others, global pandemics such as COVID-19, government-imposed bans and/or sanctions due to security and other concerns, or any consolidation of the industry or cost escalation by any key supplier may significantly affect the Singtel Group's business and operations.

The Singtel Group and its Regional Associates and Joint Ventures face technology risks.

Rapid and significant technological changes are typical in the telecommunications and ICT industry and these changes may materially affect the Singtel Group's capital expenditure and operating costs, the demand for the Singtel Group's products and services, and the Singtel Group's returns on the technology investments. For example, rapid advancements in wireless communications and new digital technologies such as 5G, artificial intelligence, application programming interfaces, cloud-based technologies and blockchain are driving development of entirely new ecosystems and business models.

The Singtel Group has invested substantial capital and other resources in the development and modernisation of its networks and systems. Technological changes continue to reduce the costs, and expand the capacities and functions, of new infrastructure capable of delivering competing products and services, resulting in lower prices and more competitive and innovative products and services. Moreover, the Singtel Group's Regional Associates and Joint Ventures operate predominantly in emerging markets where the regulatory practices including spectrum availability may not synchronise with the technology progression path and the market demand for new technologies. With the rapid advancement in technology, the Singtel Group and its Regional Associates and Joint Ventures may also be left with investments that are technologically obsolete before the end of the expected useful life of these investments and the value of these investments may be impaired. These changes may require the Singtel Group to replace and upgrade its network and systems to remain competitive and as a result, the Singtel Group may be required to incur significant additional capital expenditure in order to maintain the latest technological standards and remain competitive against these newer products and services.

The Singtel Group faces a continuing risk of market entry by new operators and service providers (including non-telecommunications players and OTT players) who, by using newer or lower cost technologies, may succeed in rapidly attracting customers away from established market participants. The Singtel Group's business may also incur substantial development expenditure to gain access to related or enabling technologies to pursue new growth opportunities in the business, such as in the ICT industry. There is no assurance that the Singtel Group will be able

to modify its existing infrastructure and processes in a timely and cost-effective manner to facilitate such implementation. Failure to do so could adversely affect the Singtel Group's quality of service, financial condition and operational performance. New technologies may also enable players from adjacent industries to enter the telecommunications and IT services markets, thus increasing competition and depressing prices. This may result in a loss of market share and could have an adverse effect on the Singtel Group's financial condition and results of operations.

Expected benefits from investment in new networks and technologies may not be realised.

The Singtel Group may pursue new growth opportunities in the communications industry in the future, including introducing services and products employing new technologies, such as next generation mobile technologies, virtualisation, software-defined networking, cloud-based technologies, new video and content delivery platforms and digital marketing. The implementation of these new technologies depends on a number of factors, including the development of the Singtel Group's network and the launch of new and commercially viable products and services involving these technologies. The Singtel Group may have to incur substantial expenditure to develop its network, services and products and to gain access to related or enabling technologies in order to successfully implement these new technologies. The Singtel Group may not be successful in modifying its network infrastructure in a timely and cost-effective manner to facilitate such implementation, which could adversely affect its quality of service, financial condition and results of operations.

Further, the Singtel Group may face the risk of unforeseen complications in the deployment of new technologies. Any newly adopted technology may not perform as expected, and the Singtel Group may not be able to develop the new technology successfully or in a timely manner so as to effectively and economically deliver services based on such technology.

The telecommunications industry is capital intensive in nature. Technological changes continue to expand the capacities and functions of new infrastructure capable of delivering competing products and services. As a result, the Singtel Group may be required to incur significant additional capital expenditure in order to maintain the latest technological standards and remain competitive against these newer products and services. These changes may require the Singtel Group to replace and upgrade its network infrastructure.

The Singtel Group may be unable to obtain future financing on favourable terms, or at all, to fund its business.

The Singtel Group may be required to raise additional funds for its future capital needs or to refinance its current indebtedness. There can be no assurance that funding, if needed, will be available on terms that the Singtel Group considers favourable, or at all. Furthermore, any debt financing, if available, may involve restrictive covenants being imposed on the Singtel Group. In addition, any disruptions experienced in the international capital markets may lead to reduced liquidity and increased credit risk premiums for certain market participants, as well as increased risk in procuring financing. Financial markets continue to be volatile. In addition, the unprecedented global recessionary impact arising from the uncertainties posed by the COVID-19 outbreak may heighten execution risk for funding activities and increase credit risk premiums for market participants. If the Singtel Group is unable to borrow the amounts required on favourable terms, it may be unable to pursue its planned strategies. There can be no assurance that future conditions in the financial markets, particularly if it and other telecommunications companies seek increasingly large amounts of capital financing, will not adversely affect its ability to finance its operations.

The Singtel Group is exposed to currency risk and foreign exchange risk.

The currency risk of the Singtel Group arises from its capital expenditure and operational purchases denominated in currencies other than the functional currency. Although the Singtel Group enters into foreign exchange forward contracts, cross currency swaps and other hedging instruments to hedge against currency risk in accordance with the Singtel Group's hedging policy, the impact of future exchange rate fluctuations cannot be accurately predicted. Exchange rate fluctuations may have a material adverse impact on the Singtel Group's cost structure.

The foreign exchange risks of the Singtel Group arise from its subsidiaries and its associates and joint ventures operating in foreign countries such as Australia, India, Indonesia, the Philippines, Thailand and the United States of America. Additionally, the Singtel Group's joint venture company in India, Bharti Airtel Limited, has significant foreign currency borrowings and is exposed to foreign exchange risks from its operations in Sri Lanka and across Africa. The Singtel Group's consolidation/equity accounting of the financial results of these overseas subsidiaries and associates and joint ventures respectively could be materially affected by significant foreign exchange movements in such foreign currencies against the Singtel Group's functional currency. Additionally, while the functional and reporting currencies of the associates and joint ventures are based on their respective local currencies, a significant portion of their purchases and therefore liabilities are denominated in foreign currencies such as U.S. dollars, thereby giving rise to foreign exchange differences and/or fair value gains or losses when marked to market and changes to the cost structure of these associates and joint ventures.

The Singtel Group may face difficulties in converting and remitting foreign currencies.

The Singtel Group may operate in countries where it might face difficulties in converting and remitting foreign currencies. There could be insufficient liquidity or foreign exchange controls imposed in countries that limit conversion and remittance of currencies, which may in turn adversely affect the Singtel Group's ability to receive payments from, or make payments to, these countries.

The Singtel Group is exposed to interest rate risk.

The Singtel Group has cash balances placed with reputable banks and financial institutions. The Singtel Group manages its interest rate risk by placing such balances on varying maturities and interest rate terms. The Singtel Group has incurred indebtedness to finance its operations. Where appropriate, the Singtel Group seeks to minimise its cash flow interest rate risk exposure by entering into interest rate swap contracts to swap floating interest rates for fixed interest rates over the duration of its borrowings. However, its hedging policy may not adequately cover the Singtel Group's exposure to interest rate fluctuations and this may result in a large interest expense which may have an adverse effect on the Singtel Group's financial condition and results of operations.

The Singtel Group is exposed to counter-party risk.

The Singtel Group may enter into various transactions which will expose it to risks relating to the credit of its counter-parties and their ability to satisfy the terms of such contracts. For example, the Singtel Group may enter into swap arrangements, including multi-year swap arrangements, which expose it to the risk that the counter-party may default on its obligations to perform under the relevant contract. The Singtel Group's surplus funds may also be invested in interest-bearing deposits with financial institutions. In the event that a counter-party, including a financial institution, is declared bankrupt or becomes insolvent, this may result in delays in obtaining funds or in the Singtel Group having to liquidate its position, potentially leading to losses.

Credit ratings and ratings outlook assigned to Singtel may be subject to change.

Singtel has been assigned an overall corporate credit rating of “A1” with a rating outlook of “negative” by Moody’s and “A” with a rating outlook of “stable” by S&P. A credit rating is not a recommendation to buy, sell or hold the Securities. Each series of Securities issued under the Programme may be rated or unrated. Credit ratings or ratings outlook are subject to (where applicable) revision, suspension or withdrawal at any time by the assigning rating agency. Rating agencies may also revise or replace entirely the methodology applied to assign credit ratings. Singtel has been assigned an overall corporate credit rating, and may additionally be issued a stand-alone credit rating. No assurance can be given that if Singtel were issued such a stand-alone credit rating, it would be the same as, or would not be lower than, its overall corporate credit rating. Moreover, no assurance can be given that a credit rating or rating outlook will remain for any given period of time or that a credit rating or rating outlook will not (where applicable) be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant or if a different methodology is applied to assign such credit ratings. Neither the Issuer nor Singtel has any obligation to inform Securityholders of any such (where applicable) revision, downgrade or withdrawal of credit ratings or ratings outlook. A suspension, reduction or withdrawal at any time of the credit rating or rating outlook, where applicable, assigned to Singtel, the Programme or the Securities may adversely affect the market price of the Securities, which may in turn have a material adverse effect on the Singtel Group’s financial condition and results of operations. Moreover, Singtel’s credit ratings or ratings outlook do not reflect the potential impact related to market or other considerations relating to the Securities.

The Singtel Group and its associates and joint ventures are exposed to various regulatory and litigation risks.

The Singtel Group operates internationally and provides services with facilities in many countries, which means that the Singtel Group is confronted with complex legal and regulatory requirements and judicial systems in many jurisdictions. These include the risk of regulatory and litigation action by regulators and private parties. In particular, as discussed in “Risk Factors – The Singtel Group and its associates and joint ventures operate in legal and regulatory systems where the interpretation, application and enforcement of laws and regulations may be uncertain”, the risks faced by the Singtel Group and its associates and joint ventures are compounded by the uncertainty or lack of clarity relating to the interpretation, application and enforcement of laws and regulations in the jurisdictions as described in that risk factor. In addition, assessment of whether the risks of regulatory or litigation actions by regulators or private parties are remote, possible, or probable may require significant judgment due to the complexities of such actions, and there is no assurance that the Singtel Group would be able to ascertain with certainty whether such actions will result in taxes, fines, penalties and/or other payments imposed on the Singtel Group or that such actions would not have a material adverse effect on the Singtel Group’s businesses, financial condition, results of operations, performance or prospects. Risks of regulatory or litigation action could materialise into losses or liabilities for the Singtel Group, such as through (without limitation) payment of significant damages, taxes, fines or other amounts, seizure, nationalisation, loss or disposal of material assets, curtailment or prohibition of material business operations or activities or cancellation, termination or loss of material licences or concessions. While the Singtel Group consults with its legal counsel and other experts (both within and outside the Singtel Group) on matters relating to such regulatory or litigation actions where relevant, there is no assurance that such regulatory or litigation actions will be concluded or settled on favourable or reasonable terms, or at all. In addition, any payment of taxes, fines, penalties or other amounts made or to be made as a result of such regulatory or litigation actions may be subject to disputes and may result in further liabilities, losses or regulatory actions being taken against the Singtel Group.

Further examples of regulatory and litigation actions which the Singtel Group is exposed to are disclosed in the section “Description of Singtel and the Singtel Group” and the financial statements attached hereto, in particular, the sections on “Contingent Liabilities” therein.

Labour activism and unrest may materially and adversely affect the Singtel Group's business.

Laws permitting the formation of labour unions, combined with weak economic conditions, have resulted, and may continue to result, in labour activism and unrest in certain countries in which the Singtel Group operates. Labour activism and unrest in certain countries in which the Singtel Group operates could materially and adversely affect the Singtel Group's business, financial condition, results of operations and prospects.

The Singtel Group may be adversely affected by the imposition and enforcement of more stringent environmental regulations.

The Singtel Group is subject to environmental laws, regulations and ordinances in the countries in which the Singtel Group operates. There can be no assurance that environmental laws, regulations and ordinances will not change in the future in a manner that could materially and adversely affect the Singtel Group. Environmental laws, regulations and ordinances may impose upon the Singtel Group obligations to investigate and remedy or pay for the investigation and remediation of environmental conditions, and to compensate public and private parties for related damages. Any such liability in connection with facilities currently owned or operated by the Singtel Group could materially and adversely affect the Singtel Group. It is also possible that existing environmental laws, regulations and ordinances could become more stringent in the future. Non-compliance with or changes in these environmental laws, regulations and ordinances could adversely affect the Singtel Group and may have a material adverse effect on the Singtel Group's results or operations.

The Singtel Group and its Regional Associates and Joint Ventures face the occurrence of natural catastrophes, severe weather conditions, other acts of God, or other uncontrollable events such as acts of terrorism.

The provision of the Singtel Group's services depends on the quality, stability, resilience and robustness of its networks and systems. The Singtel Group faces the risks of the malfunction of, loss of, or damage to, network infrastructure from natural or man-made causes or other events beyond the control of the Singtel Group and/or its Regional Associates and Joint Ventures. Some of the countries in which the Singtel Group and its Regional Associates and Joint Ventures operate have experienced a number of major natural catastrophes over the years, including typhoons, droughts, floods, fires and earthquakes. Some of these catastrophes have also increased in intensity and frequency due to climate change, which may cause a prolonged and exacerbated impact on the infrastructure and operations of the Singtel Group and/or its Regional Associates and Joint Ventures.

The Singtel Group and/or its Regional Associates and Joint Ventures could be required to comply with stricter regulatory requirements aimed to address climate change, such as reducing its carbon emissions, enforcing stricter emissions standards, paying carbon taxes, increasing energy prices or replacing and/or upgrading its network and system infrastructure to comply with such regulatory requirements on emissions, any of which could increase costs of operations for the Singtel Group and could have an adverse effect on the Singtel Group's financial condition and results of operations.

In addition, other events that are outside the control of the Singtel Group and/or its Regional Associates and Joint Ventures, such as fire, deliberate acts of sabotage, vendor failure/negligence, shutting down of operations due to pandemic outbreaks, industrial accidents, blackouts, terrorist attacks, criminal acts or large scale cyber-attacks on the network and systems of the Singtel Group and/or its Regional Associates and Joint Ventures, could damage, cause operational interruptions to, or otherwise adversely affect any of their facilities and activities, as well as potentially cause injury or death to their personnel. There is no assurance that the occurrence of such natural catastrophes, severe weather conditions, other acts of God or other uncontrollable events will not materially disrupt the business of the Singtel Group and/or its Regional Associates and Joint Ventures.

The Singtel Group may not be able to obtain appropriate insurance coverage on reasonable commercial terms or at all.

The Singtel Group takes out insurance policies to insure its properties, assets and projects in accordance with industry practices. Satellite insurance is procured to cover the launch and the first 12 months of the in-orbit operations of its satellites. Certain assets and some types of losses, such as losses resulting from wars, acts of terrorism or natural disasters, generally are not insured because they are either uninsurable or it is not economically practical to obtain insurance.

There can be no assurance that the Singtel Group will be able to obtain appropriate insurance on commercially reasonable terms, or at all. Failure to obtain insurance could reduce the Singtel Group's ability to access funding from banks and other financing for future construction projects and other commercial activities and may cause the Singtel Group to potentially incur significant financial loss upon the occurrence of a major uninsurable event. The inability of the Singtel Group to obtain or renew insurance coverage at a reasonable cost, or at all, may cause the Singtel Group's operating costs to increase significantly and may have an adverse effect on the financial condition and results of operations of the Singtel Group.

The Singtel Group depends on key management for the growth and successful implementation of its strategy.

The Singtel Group believes that the growth it has achieved to date, as well as its position as one of Asia's leading telecommunications groups, are to a large extent attributable to a strong and experienced management team. The Singtel Group believes that its continued growth and the successful implementation of its business strategy depends upon the retention of its key management executives and its ability to attract and retain other highly capable individuals. The loss of some or all of the Singtel Group's senior executives, or the inability of the Singtel Group to attract or retain other key talent, could materially and adversely affect the Singtel Group's business.

Singtel is majority owned by a single shareholder.

As at 5 October 2020, Temasek Holdings (Private) Limited ("**Temasek**") had an aggregate (direct and deemed) interest of 52.67 per cent. of Singtel's shares. Temasek has stated that companies in its portfolio are guided and managed by their respective board and management, and Temasek does not direct their business decisions or operations. At that level of share ownership, Temasek may cast a deciding vote on most matters requiring shareholders' approval, including the election of directors, approval of significant corporate transactions and approval of final dividend payments by Singtel. No assurance can be given that Temasek's objectives will not conflict with Singtel's business goals and objectives or that any such conflict will not have an adverse effect on the financial condition and results of operations of the Singtel Group. Temasek is also deemed interested in shares of certain independently-managed companies which hold licences to operate telecommunications services in Singapore and which compete with the Singtel Group, including StarHub Ltd. and M1 Limited. There can be no assurance that Temasek will remain the majority shareholder of Singtel or that there will not be a change of ownership of the Singtel Group or the entry of another major shareholder with the ability to exert significant influence on the direction or operations of the Singtel Group, or that the Singtel Group's business, financial condition and results of operations would not be adversely affected by such a change in ownership or influence.

The Singtel Group is exposed to perceived risks associated with electromagnetic energy.

Concerns have been expressed relating to possible adverse health consequences associated with the operation of mobile communications devices or mobile transmission equipment due to exposure to electromagnetic energy.

While the Singtel Group is not aware of any substantiated evidence of public health risks from exposure to the levels of electromagnetic energy typically emitted from mobile communications devices or exposures from mobile base station equipment, there is a risk that an actual or perceived health risk could result in:

- litigation against the Singtel Group;
- reduced demand for mobile communications services; and
- restrictions on the ability of the Singtel Group, or higher compliance costs, to deploy its mobile communications networks as a result of government environmental controls which exist or may be introduced to address such perceived risks,

any of which could have a material adverse effect on the Singtel Group's financial performance and results of operations.

The Singtel Group is exposed to information technology and cybersecurity risks.

As the Singtel Group's businesses and operations rely heavily on information technology, the Singtel Group is exposed to risks of cybersecurity threats, data privacy breaches as well as other network security risks. The scale and level of sophistication of cybersecurity threats have increased especially in recent times. The Singtel Group is exposed to the risks of cyber-attacks that can cause disruptions to the network and services provided to customers, and cyber theft of sensitive and/or confidential information, which may result in litigation actions from customers, an adverse impact on the reputation of the Singtel Group and/or regulatory fines and penalties. The Singtel Group's exposure to these risks increases with the growing dependency on connectivity and smart devices by customers.

While the Singtel Group has established appropriate policies and frameworks, developed in-house capabilities and established partnerships with top-tier technology partners to ensure information system security and network security, there can be no assurance that these initiatives are sufficient or that the Singtel Group's business, financial condition and results of operations would not be adversely affected by such cybersecurity threats, data privacy breaches as well as other network security risks.

In addition, Group Enterprise is growing its cybersecurity business globally (see the section "Description of Singtel and the Singtel Group – Group Enterprise" for further information). The failure to keep up with and counteract increasing cybersecurity threats may materially and adversely affect the reputation, cybersecurity business and growth strategy of Group Enterprise and the Singtel Group.

The Singtel Group is exposed to potential risks relating to security of customer data and privacy breaches.

Concerns around data privacy have been escalating, with the governments in many countries that the Singtel Group operates in (both in its core telecommunications services to enterprise customers and consumers and in new digital services), enacting laws and regulations relating to data privacy. In Singapore, the Personal Data Protection Act 2012 imposes certain obligations on Singtel when Singtel collects, uses or discloses personal data. See "Description of Singtel and the Singtel Group – Regulatory Environment – The Personal Data Protection Act 2012 (No. 26 of 2012) of Singapore". In Australia, Optus is subject to compliance regulations covering privacy matters, including a requirement to take reasonable steps to secure the personal information it holds and to notify customers in the event of unauthorised disclosure of their personal information.

The Singtel Group seeks to protect the data privacy of its customers in its networks and systems infrastructure. Significant failure of security measures or lapses in established processes may undermine customer confidence and result in litigation actions from customers and/or regulatory fines and penalties. Failure of security mechanisms may also result in the imposition of additional regulatory measures relating to the security and privacy of customer data. Regulators in various countries have strengthened existing legislation and introduced new laws to protect consumer privacy. For example, in Australia, regulators are increasingly active in enforcing existing laws and are examining options to extend these laws to address public concern over data breaches and the activities of social media platforms. In the United States, regulators in California have implemented new legislation governing consumer data and privacy. The imposition of such additional regulatory measures may have a material adverse effect on the Singtel Group's business, financial condition and results of operations.

Risks relating to Securities issued under the Programme

The Securities may not be a suitable investment for all investors.

Each potential investor in the Securities must determine the suitability of that investment in the light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- has sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Offering Circular or any applicable amendment or supplement;
- has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact an investment in the Securities will have on its overall investment portfolio;
- has sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including Securities with principal, interest or distribution payable in one or more currencies, or where the currency for principal, interest or distribution payable payments is different from the potential investor's currency;
- understands thoroughly the terms of the Securities and is familiar with the behaviour of any relevant indices and financial markets; and
- is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Securities which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of the Securities and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Offering Circular or incorporated by reference herein.

Risks related to the structure of a particular issue of Securities

A wide range of Securities may be issued under the Programme. A number of these Securities may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

The regulation and reform of “benchmarks” may adversely affect the value of Securities linked to or referencing such “benchmarks”.

Interest rates and indices which are deemed to be “benchmarks” (including LIBOR and EURIBOR, SIBOR and SOR), are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Securities linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (which, for these purposes, includes the United Kingdom). Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Securities linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. The UK Financial Conduct Authority has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

Separately, the euro risk-free rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system.

In addition, as the SOR methodology relies on USD LIBOR in its computation, the likely discontinuation of LIBOR after the end of 2021 will impact the future sustainability of SOR. On 30 August 2019, the Monetary Authority of Singapore announced that it has established a steering committee to oversee an industry-wide interest rate benchmark transition from SOR to the Singapore Overnight Rate Average.

It is not possible to predict with certainty whether, and to what extent, LIBOR, EURIBOR, SIBOR or SOR will continue to be supported going forward. This may cause the benchmarks to perform differently than they have done in the past, and may have other consequences which cannot be predicted.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Securities linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

In the case where “Benchmark Replacement (General)” or “Benchmark Replacement (ARRC)” is stated to be applicable in the relevant Pricing Supplement, the Terms and Conditions of the Notes or, as the case may be, the Terms and Conditions of the Subordinated Securities provide for certain fallback arrangements in the event that the relevant Reference Rate and/or any page on which the relevant Reference Rate may be published (or any other successor service) becomes unavailable or a Benchmark Event (as defined in the Terms and Conditions) otherwise occurs. Such fallback arrangements include the possibility that the Rate of Interest, Reset Rate of Distribution or Rate of Distribution (as applicable) (each term as defined in the Terms and Conditions) could be set by reference to a Successor Rate or an Alternative Reference Rate (both as defined in the Terms and Conditions of the Notes and the Terms and Conditions of the Subordinated Securities), with or without the application of an adjustment spread and may include amendments to the Terms and Conditions of the Notes and the Terms and Conditions of the Subordinated Securities to ensure the proper operation of the successor or replacement benchmark, all as determined by the Issuer or the Independent Adviser, as applicable (acting in good faith and in a commercially reasonable manner). An adjustment spread, if applied could be positive or negative and would be applied with a view to reducing or eliminating, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant Reference Rate. However, it may not be possible to determine or apply an adjustment spread and even if an adjustment is applied, such adjustment spread may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment spread can be determined, a Successor Rate or Alternative Reference Rate may nonetheless be used to determine the Rate of Interest. The use of a Successor Rate or Alternative Reference Rate (including with the application of an adjustment spread) will still result in any Securities linked to or referencing the relevant Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the relevant Reference Rate were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is determined, the ultimate fallback for the purposes of calculation (i) (in the case of Floating Rate Notes and Floating Rate Dated Securities) the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used; (ii) (in the case of Floating Rate Perpetual Securities) the Rate of Distribution for a particular Distribution Period (as defined in the Terms and Conditions of the Subordinated Securities) may result in the Rate of Distribution for the last preceding Distribution Period being used; (iii) (in the case of Fixed Rate Dated Securities) the Reset Rate of Interest for a particular Reset Period (as defined in the Terms and Conditions of the Subordinated Securities) may result in the Reset Rate of Interest for the last preceding Reset Period being used; and (iv) (in the case of Fixed Rate Perpetual Securities) the Reset Rate of Distribution for a particular Reset Period may result in the Reset Rate of Distribution for the last preceding Reset Period being used. This may result in the effective application of a fixed rate for such Securities based on the rate which was last observed on the Relevant Screen Page. Due to the uncertainty concerning the availability of Successor Rates and Alternative

Reference Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

If “Benchmark Replacement (General)” or “Benchmark Replacement (ARRC)” is specified to be “Not Applicable” in the relevant Pricing Supplement, investors should be aware that if the relevant Reference Rate were discontinued or otherwise unavailable, the Rate of Interest on Notes and Dated Securities or the Rate of Distribution on Perpetual Securities which reference the relevant Reference Rate will be determined for the relevant period by the fallback provisions applicable to such Securities. Depending on the manner in which the relevant Reference Rate is to be determined under the Terms and Conditions of the Notes or, as the case may be, the Terms and Conditions of the Subordinated Securities, this may in certain circumstances (i) be reliant upon the provision by reference banks of offered quotations for the relevant Reference Rate which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective application of a fixed rate for such Securities as mentioned above. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any such Securities which reference the relevant Reference Rate.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Securities linked to or referencing a benchmark.

Securities subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Securities containing such a feature. During any period when the Issuer may elect to redeem Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Securities when its cost of borrowing is lower than the interest or distribution rate on the Securities. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest or distribution rate on the Securities being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index Linked Notes, Dual Currency Notes and Dual Currency Subordinated Securities

The Issuer may issue Securities with principal, interest or distribution determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or to other factors (each, a “**Relevant Factor**”). In addition, the Issuer may issue Securities with principal, interest or distribution payable in one or more currencies which may be different from the currency in which the Securities are denominated. Potential investors should be aware that:

- the market price of such Securities may be volatile;
- they may receive no interest or distribution;
- payment of principal, interest or distribution may occur at a different time or in a different currency than expected;
- they may lose all or a substantial portion of their principal;
- a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

- if a Relevant Factor is applied to Securities in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal, interest or distribution payable likely will be magnified; and
- the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

The historical experience of an index or other Relevant Factor should not be viewed as an indication of the future performance of such Relevant Factor during the term of any Securities. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Securities linked to a Relevant Factor and the suitability of such Securities in light of its particular circumstances.

Partly Paid Notes or Partly Paid Subordinated Securities

The Issuer may issue Securities where the issue price is payable in more than one instalment. Any failure by an investor to pay any subsequent instalment on a Partly Paid Note or, as the case may be, Partly Paid Subordinated Security could result in such investor losing all of his investment.

Inverse Floating Rate Notes or Inverse Floating Rate Subordinated Securities

Securities with inverse floating rates have an interest rate or, as the case may be, distribution rate, equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Securities typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes and Floating Rate Subordinated Securities are more volatile because an increase in the reference rate not only decreases the interest rate or, as the case may be, distribution rate of the Securities, but may also reflect an increase in prevailing interest rates or, as the case may be, distribution rates, which further adversely affects the market value of these Securities.

Fixed/Floating Rate Notes and Fixed/Floating Rate Subordinated Securities

Securities may bear interest or confer a right to distribution at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest or distribution basis, and any conversion of the interest or distribution basis, may affect the secondary market in, and the market value of, such Securities as the change of interest or distribution basis may result in a lower interest or distribution return for Noteholders and Subordinated Securityholders. Where the Securities convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes or Fixed/Floating Rate Subordinated Securities may be less favourable than then prevailing spreads on comparable Floating Rate Notes or Floating Rate Subordinated Securities tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Securities. Where the Securities convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Securities and could affect the market value of an investment in the relevant Securities.

Securities which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

Risks related to Securities generally

Set out below is a description of material market risks relating to the Securities generally:

Modification and waiver

The terms and conditions of the Securities governed by Singapore Law and the terms and conditions of the Securities governed by English Law both contain provisions for calling meetings of Noteholders and Subordinated Securityholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing. These provisions permit defined majorities to bind all Noteholders or, as the case may be, Subordinated Securityholders including Noteholders or, as the case may be, Subordinated Securityholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution, and those Noteholders or, as the case may be, Subordinated Securityholders who voted in a manner contrary to the majority.

Application of Singapore insolvency and related laws to the Issuer and the Guarantor may result in a material adverse effect on the Noteholders or, as the case may be, Subordinated Securityholders

There can be no assurance that the Issuer and/or the Guarantor will not become bankrupt, unable to pay its debts or insolvent or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuer and/or the Guarantor, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Noteholders or, as the case may be, Subordinated Securityholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Noteholders or, as the case may be, Subordinated Securityholders.

Where the Issuer or, as the case may be, the Guarantor is insolvent or close to insolvent and undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Issuer or, as the case may be, the Guarantor. It may also be possible that if a company related to the Issuer or, as the case may be, the Guarantor proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Issuer or, as the case may be, the Guarantor may also seek a moratorium even if the Issuer or, as the case may be, the Guarantor is not in itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, with the consent of the judicial manager or with court permission. Accordingly, if for instance there is any need for the Trustee to bring an action against the Issuer or, as the case may be, the Guarantor, the need to obtain court permission or the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Noteholders or, as the case may be, Subordinated Securityholders may be made subject to a binding scheme of arrangement where the majority in number representing 75 per cent. in value of creditors and the court approve such scheme. In respect of company-initiated creditor schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing 75 per cent. in value of the creditors meant to be bound by the scheme have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Noteholders or, as the case may be, Subordinated Securityholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 (Act 40 of 2018) (the “**IRD Act**”) was passed in Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with, a debenture. However, it may apply to related contracts that are not found to be directly connected with the Securities.

*Restructuring Plan under Part 26A of the Companies Act 2006 of the United Kingdom (“**UK Companies Act**”)*

Where the Issuer or the Guarantor encounters, or is likely to encounter, financial difficulties that are affecting, or will or may affect, its ability to carry on business as a going concern, it may propose a Restructuring Plan (a “**Plan**”) with its creditors under Part 26A of the UK Companies Act (introduced by the Corporate Insolvency and Governance Act 2020 of the United Kingdom) to eliminate, reduce, prevent or mitigate the effect of any of those financial difficulties. Should this happen, creditors whose rights are affected are organised into creditor classes and can vote on any such Plan (subject to being excluded from the vote by the English courts for having no genuine economic interest in the Issuer or the Guarantor). Provided that one class of creditors (who would receive a payment, or have a genuine economic interest in the Issuer or the Guarantor) has approved the Plan, and in the view of the English courts that any dissenting class(es) who did not approve the Plan are no worse off under the Plan than they would be in the event of the “relevant alternative” (such as, broadly, liquidation or administration), then the English court can sanction the Plan where it would be a proper exercise of its discretion. A sanctioned Plan is binding on all creditors and members, regardless of whether they approved it. Any such sanctioned Plan in relation to the Issuer or the Guarantor may, therefore, adversely affect the rights of Noteholders or, as the case may be, Subordinated Securityholders and the price or value of their investment in the Securities, as it may have the effect of modifying or disapplying certain terms of the Securities (by, for example, writing down the principal amount of the Securities, modifying the interest or distribution payable on the Securities, the maturity date or dates on which any payments are due or substituting the Issuer) or modifying or disapplying certain terms of the Guarantee or substituting the Guarantor.

Change of law

The terms and conditions of the Securities are based on English or Singapore law, as the case may be, in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English or Singapore law, as the case may be, or administrative practice after the date of this Offering Circular and any such change could materially adversely impact the value of any Securities affected by it.

Securities where denominations involve integral multiples: definitive Securities

In relation to any issue of Securities which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Securities may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Securities at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system

at the relevant time may not receive a definitive Security in respect of such holding (should definitive Securities be printed or issued) and would need to purchase a principal amount of Securities at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Securities in definitive form are issued, holders should be aware that definitive Securities which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The Guarantee provided by the Guarantor will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defences that may limit its validity and enforceability

The Guarantee given by the Guarantor provides holders of Securities with a direct claim against the Guarantor in respect of the Issuer's obligations under the Securities. Enforcement of the Guarantee would be subject to certain generally available defences. Local laws and defences may vary, and may include those that relate to corporate benefit (*ultra vires*), fraudulent conveyance or transfer (*actio pauliana*), voidable preference, financial assistance, corporate purpose, liability in tort, subordination and capital maintenance or similar laws and concepts. They may also include regulations or defences which affect the rights of creditors generally.

If a court were to find the Guarantee given by the Guarantor, or a portion thereof, void or unenforceable as a result of such local laws or defences, or to the extent that agreed limitations on guarantees apply, holders would cease to have any claim in respect of the Guarantor and would be creditors solely of the Issuer and, if payment had already been made under the Guarantee, the court could require that the recipient return the payment to the Guarantor.

Performance of contractual obligations

The ability of the Issuer or the Guarantor to make payments in respect of the Securities may depend upon the due performance by the other parties to the transaction documents of the obligations thereunder including the performance by the Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Transfer Agents, the Registrars, the Exchange Agent and/or the Calculation Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer nor the Guarantor of their obligations to make payments in respect of the Securities, the Issuer and/or the Guarantor may not, in such circumstances, be able to fulfil its/their obligations to the Noteholders, the Subordinated Securityholders and the Couponholders.

Noteholders and Subordinated Securityholders are exposed to financial risk

Interest and distribution payments, where applicable, and principal repayments for debts occur at specified periods regardless of the performance of the Issuer and the Guarantor. The Issuer and the Guarantor may be unable to make interest or distribution payments, where applicable, or principal repayments, under a series of Securities should they suffer a serious decline in net operating cash flows.

Risk of structural subordination of the Securities

The Securities and the Guarantee are structurally subordinated to the indebtedness of Singtel's subsidiaries (other than the Issuer). Generally, claims of creditors, including trade creditors, and other claims of preferred shareholders, if any, of such subsidiaries will have priority with respect to the assets and earnings of such subsidiaries over the claims of Singtel and its creditors, including the Noteholders and the Subordinated Securityholders seeking to enforce the Guarantee.

Where the Global Notes or Global Certificates are held by or on behalf of Euroclear, Clearstream and/or CDP, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

Securities issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with (i) a common depository for Euroclear and Clearstream and/or (ii) CDP. Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive definitive Securities or Certificates. Euroclear, Clearstream or CDP (as the case may be) will maintain records of the beneficial interests in the Global Notes or Global Certificates. While the Securities are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through Euroclear, Clearstream or CDP (as the case may be).

While the Securities are represented by one or more Global Notes or Global Certificates, the Issuer will discharge its payment obligations under the Securities by making payments to or to the order of (i) the common depository for Euroclear and Clearstream and/or (ii) CDP (as the case may be) for distribution to their account holders. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of Euroclear, Clearstream or CDP (as the case may be) to receive payments under the relevant Securities. The Issuer and the Guarantor have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right to vote in respect of the relevant Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear, Clearstream or CDP (as the case may be) to appoint appropriate proxies.

Similarly, holders of beneficial interests in the Global Notes or Global Certificates will not have a direct right under the respective Global Notes or Global Certificates to take enforcement action against the Issuer in the event of a default under the relevant Securities but will have to rely upon their rights under the English Law Trust Deed or the Singapore Law Trust Deed, as the case may be.

Risks applicable to Notes

Variable Rate Notes with a multiplier or other leverage factors

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Singapore taxation risk

The Notes to be issued from time to time under the Programme during the period from the date of this Offering Circular to 31 December 2023 are, pursuant to the Income Tax Act, Chapter 134 of Singapore (“ITA”), intended to be qualifying debt securities for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section “Taxation – Singapore Taxation”.

However, there is no assurance that any Notes issued under the Programme will continue to enjoy the tax concessions should the relevant tax laws or MAS circulars be amended or revoked at any time.

If payments of interest and other income (if any) with respect to the Singapore Dollar Notes are not exempt from Singapore withholding tax under the above qualifying debt securities scheme for whatever reason, such payments to non-residents of Singapore would generally be subject to withholding of tax by the Issuer or, as the case may be, the Guarantor. In such circumstances, the Issuer or, as the case may be, the Guarantor, is not obliged to pay any additional amounts with respect to such payments in respect of the Singapore Dollar Notes in connection with such withholding tax.

Risks applicable to Subordinated Securities

Perpetual Securities may be issued for which investors have no right to require redemption

Perpetual Securities may be issued under the Programme. Perpetual Securities will be perpetual securities with no fixed final maturity date. Holders of such Perpetual Securities have no right to require the Issuer to redeem Perpetual Securities at any time, and an investor who acquires Perpetual Securities may only dispose of such Perpetual Securities by sale. Holders of such Perpetual Securities who wish to sell their Perpetual Securities may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, potential investors should be aware that they may be required to bear the financial risks of an investment in Perpetual Securities for an indefinite period of time.

If specified in the applicable Pricing Supplement, Subordinated Securityholders may not receive Interest or Distribution payments if the Issuer elects to defer Interest or Distribution payments

If “Interest Deferral” or “Distribution Deferral” is specified as being applicable in the applicable Pricing Supplement, the Issuer may, at its sole discretion, elect to defer any scheduled interest or distribution (in whole or in part) on the Subordinated Securities which is otherwise scheduled to be paid on (i) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date or, as the case may be, Interest Payment Date; and (ii) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date or, as the case may be, Interest Payment Date to the next Distribution Payment Date or, as the case may be, Interest Payment Date. If “Dividend Stopper” is specified as being applicable in the applicable Pricing Supplement, the Issuer and the Guarantor may be subject to certain restrictions in relation to the payment of dividends on its Junior Obligations (as defined in the Terms and Conditions of the Subordinated Securities) or Parity Obligations (as defined in the Terms and Conditions of the Subordinated Securities) and the redemption and repurchase of its Junior Obligations and its Parity Obligations unless and until the Issuer or the Guarantor (aa) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) has satisfied in full all outstanding Arrears of Interest or Arrears of Distribution (and, if applicable, any Additional Interest Amounts or Additional Distribution Amounts); (bb) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Subordinated Securities in accordance with Condition 6 of the Subordinated Securities has occurred, the next scheduled Interest or Distribution has been paid in full, or an Optional Interest or Optional Distribution equal to the amount of an Interest or a Distribution payable with respect to the most recent Interest Payment Date or, as the case may be, Distribution Payment Date that was unpaid in full or in part, has been paid in full; or (cc) is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Subordinated Securityholders, and/or as otherwise specified in the applicable Pricing Supplement.

If “Cumulative Deferral” is specified as being applicable in the applicable Pricing Supplement, the Issuer is not subject to any limit as to the number of times or to the extent of the amount with respect to which Interest or Distribution can be deferred pursuant to the Terms and Conditions of the Subordinated Securities subject to compliance with the foregoing restrictions. Interest or

distribution may be cumulative or non-cumulative, as will be set out in the applicable Pricing Supplement. The Issuer may defer its payment for an indefinite period of time by delivering the relevant deferral notices to the holders, and holders have no rights to claim any interest, distribution, Arrears of Interest, Arrears of Distribution, Additional Interest Amount or Additional Distribution Amount if there is such a deferral. Investors should be aware that the interests of the Issuer may be different to the interests of the Subordinated Securityholders.

Any deferral of interest or distribution, or perception that the Issuer will exercise its deferral right, will likely have an adverse effect on the market price of the Subordinated Securities. In addition, as a result of the interest or distribution deferral provisions of the Subordinated Securities, the market price of the Subordinated Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the financial condition of the Issuer.

If specified in the applicable Pricing Supplement, the Subordinated Securities may be redeemed at the Issuer's option at date(s) specified in the applicable Pricing Supplement or on the occurrence of certain other events

The Terms and Conditions of the Subordinated Securities provide that the Subordinated Securities may, if "Redemption at the Option of the Issuer" is specified as being applicable in the applicable Pricing Supplement, be redeemed at the option of the Issuer on certain date(s) specified in the applicable Pricing Supplement at the amount specified in the applicable Pricing Supplement.

In addition, the Issuer may also have the right (but not the obligation) to redeem the Subordinated Securities at an amount specified in the applicable Pricing Supplement (a) for taxation reasons; and (b) (if specified in the applicable Pricing Supplement) upon the occurrence of an Accounting Event, upon the occurrence of a Tax Deductibility Event or upon the occurrence of a Ratings Event or as otherwise provided in the Terms and Conditions of the Subordinated Securities or specified in the applicable Pricing Supplement.

The date on which the Issuer elects to redeem the Subordinated Securities may not accord with the preference of individual Subordinated Securityholders. This may be disadvantageous to Subordinated Securityholders in light of market conditions or the individual circumstances of a Subordinated Securityholder. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective interest or distribution rate at the same level as that of the Subordinated Securities.

There are limited remedies for default under the Subordinated Securities and the Subordinated Guarantee

Any scheduled interest or distribution will not be due if the Issuer elects not to pay all or a part of that interest or distribution pursuant to the Terms and Conditions of the Subordinated Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute Winding-Up (as defined in the Terms and Conditions of the Subordinated Securities) in respect of the Issuer and/or the Guarantor is limited to circumstances where payment has become due and the Issuer or, as the case may be, the Guarantor fails to make the payment when due. The only remedy against the Issuer and/or the Guarantor available to any Subordinated Securityholder for recovery of amounts in respect of the Subordinated Securities following the occurrence of a payment default after any sum becomes due in respect of the Subordinated Securities and/or the Subordinated Guarantee will be to institute proceedings for the Winding-Up of the Issuer or the Guarantor, as the case may be, and/or prove in the Winding-Up of the Issuer or the Guarantor, as the case may be, and/or claim in the liquidation of the Issuer and/or the Guarantor, as the case may be, for such payment.

The Issuer or the Guarantor may raise or redeem other capital which affects the price of the Subordinated Securities

The Issuer or the Guarantor may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Issuer or, as the case may be, the Guarantor may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Securities or, as the case may be, the Subordinated Guarantee. Similarly, subject to compliance with the Terms and Conditions of the Subordinated Securities, the Issuer may redeem securities that rank junior to, *pari passu* with, or senior to the Subordinated Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities may reduce the amount (if any) recoverable by holders of Subordinated Securities on a Winding-Up of the Issuer and/or the Guarantor, and may increase the likelihood of a deferral of interest or distribution under the Subordinated Securities. The issue of any such securities or the incurrence of any such other liabilities or the redemption of any such securities might also have an adverse impact on the trading price of the Subordinated Securities and/or the ability of Subordinated Securityholders to sell their Subordinated Securities.

Tax treatment of the Subordinated Securities is unclear

It is not clear whether any particular tranche of the Subordinated Securities (the “**Relevant Tranche of the Subordinated Securities**”) will be regarded as “debt securities” by the Inland Revenue Authority of Singapore (the “**IRAS**”) for the purposes of the ITA, whether interest or distribution payments made under each tranche of the Subordinated Securities will be regarded as interest payable on indebtedness and whether the tax exemptions and concessions available for qualifying debt securities under the qualifying debt securities scheme (as set out in “Taxation – Singapore Taxation”) would apply to the Relevant Tranche of the Subordinated Securities.

If the Relevant Tranche of the Subordinated Securities is not regarded as “debt securities” for the purposes of the ITA, interest or distribution payments made under each tranche of the Subordinated Securities are not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax exemptions or concessions under the qualifying debt securities scheme, the tax treatment to holders may differ.

Investors and holders of the Relevant Tranche of the Subordinated Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Relevant Tranche of the Subordinated Securities.

The Subordinated Securities and the Subordinated Guarantee are subordinated obligations

The obligations of the Issuer under the Subordinated Securities, and the Guarantor under the Subordinated Guarantee, will constitute direct, unsecured and subordinated obligations of the Issuer and the Guarantor respectively. In the event of the Winding-Up of the Issuer or the Guarantor, the rights of the holders of Subordinated Securities to receive payments in respect of the Subordinated Securities or the Subordinated Guarantee will rank *pari passu* and without any preference among themselves and with the holders of all Parity Obligations, but junior to the claims of all other senior creditors, including, for the avoidance of doubt, the holders of the Notes. In the event of a shortfall of funds or a Winding-Up, there is a real risk that an investor in the Subordinated Securities will lose all or some of his investment and will not receive a full return of the principal amount or any unpaid Arrears of Interest, Arrears of Distribution, Additional Interest Amounts, Additional Distribution Amounts or accrued interest or distribution.

In addition, subject to the limit on the aggregate principal amount of Securities that can be issued under the Programme (which can be amended from time to time by the Issuer and the Guarantor without the consent of the Subordinated Securityholders), there is no restriction on the amount of

unsubordinated securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Securities on a Winding-Up of the Issuer or the Guarantor and/or may increase the likelihood of a non-payment of interest or distribution under the Subordinated Securities and/or the Subordinated Guarantee.

Risks related to the market generally

There is no active trading market for the Securities

Securities may have no established trading market when issued, and one may never develop. If a market for the Securities does develop, it may not be very liquid. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for the Securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of the Securities.

Exchange rate risks and exchange controls

The Issuer will pay principal, interest and distribution on the Securities and the Guarantor will make any payments under the Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Securities, (2) the Investor's Currency-equivalent value of the principal payable on the Securities and (3) the Investor's Currency-equivalent market value of the Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer or the Guarantor to make payments in respect of the Securities. As a result, investors may receive less principal, interest and distribution than expected, or no principal, interest and distribution.

Interest rate risk

Noteholders and Subordinated Securityholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Securities, resulting in a capital loss for the Noteholders or, as the case may be, Subordinated Securityholders. However, the Noteholders and Subordinated Securityholders may reinvest the interest or distribution payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Securities may rise. The Noteholders and Subordinated Securityholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Inflation risk

Noteholders or, as the case may be, Subordinated Securityholders may suffer erosion on the return of their investments due to inflation. Noteholders or, as the case may be, Subordinated Securityholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Securities. An unexpected increase in inflation could reduce the actual returns.

The market value of the Securities may fluctuate

Trading prices of the Securities are influenced by numerous factors, including the operating results, business and/or financial condition of the Issuer, the Guarantor and the Singtel Group, political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, the Guarantor and the Singtel Group generally. Adverse economic developments, acts of war and health hazards in countries in which the Singtel Group operates could have a material adverse effect on the Singtel Group's operations, operating results, business, financial position, and performance.

Global financial turmoil has led to volatility in international capital markets which may adversely affect the market price of any Series of Securities

Global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may adversely affect the market price of any Series of Securities.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should seek independent legal advice to determine whether and to what extent (1) the Securities are legal investments for the potential investor, (2) the Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Securities under any applicable risk-based capital or similar rules.

TERMS AND CONDITIONS OF THE NOTES GOVERNED BY SINGAPORE LAW

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are constituted by an amended and restated Singapore Law Trust Deed (as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Trust Deed**”) dated 2 November 2020 between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 2 November 2020 has been entered into in relation to the Notes between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon, London Branch as initial issuing and paying agent, paying agent and calculation agent in relation to each Series of Notes other than Series of Notes to be held through CDP and DTC, The Bank of New York Mellon as initial DTC paying agent, exchange agent, transfer agent, registrar and calculation agent in relation to each Series of Notes to be held through DTC, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent, transfer agent, registrar and calculation agent in relation to each Series of Notes to be held through CDP, The Bank of New York Mellon SA/NV, Luxembourg Branch as initial transfer agent, registrar and calculation agent in relation to each Series of Registered Notes (as defined below) other than Series of Notes to be held through CDP and DTC. The issuing and paying agent, the DTC paying agent, the CDP paying agent, the other paying agents, the registrars, the exchange agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**DTC Paying Agent**”, the “**CDP Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the DTC Paying Agent and the CDP Paying Agent), the “**Registrars**”, the “**Exchange Agent**”, the “**Transfer Agents**” (which expression shall include the Registrars) and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the Issuing and Paying Agent shall (i) with respect to a Series of Notes to be held through DTC, be deemed to be a reference to the DTC Paying Agent and (ii) with respect to a Series of Notes to be held through CDP, be deemed to be a reference to the CDP Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

Notes may be denominated in Singapore dollars (“**Singapore Dollar Notes**”) or in other currencies (“**Non-Singapore Dollar Notes**”). The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects.

1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area (for these purposes, references to the European Economic Area include the United Kingdom) in circumstances which require the publication of a Prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

*All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum denominations of US\$100,000 (or its equivalent in another currency) and higher integral multiples of US\$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Notes which are listed on SGX-ST will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.*

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** Subject to paragraph (f) (*Closed Periods*), one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for transfer, exercise or redemption. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any due date for the payment of interest.

3 Guarantee and Status

- (a) **Guarantee:** The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes, the Receipts and the Coupons. Its obligations in that respect (the “**Senior Guarantee**”) are contained in the Trust Deed.
- (b) **Status of Notes and Senior Guarantee:** The Notes and the Receipts and Coupons relating to them constitute (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and Coupons relating to them and of the Guarantor under the Senior Guarantee shall, save for such exceptions as may be provided by applicable law and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, present and future.

4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will create, or permit to subsist, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues to secure any Relevant Indebtedness of the Issuer or the Guarantor, or any guarantee or indemnity by the Issuer or the Guarantor in respect of any Relevant Indebtedness of the Issuer or the Guarantor or any of the Subsidiaries (as defined in the Trust Deed) of the Guarantor, without at the same time or prior thereto according to the

Notes and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity, or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In this Condition 4, “**Relevant Indebtedness**” means any indebtedness which is in the form of, or represented by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange or over-the-counter or other securities market having an original maturity of more than 365 days from their date of issue.

5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(i).
- (b) **Interest on Floating Rate Notes and Index Linked Interest Notes (for Non-Singapore Dollar Notes only):**
- (i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(i). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer (or an Independent Adviser appointed by it) shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as notified to and determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer (or an Independent Adviser appointed by it) by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer (or an Independent Adviser appointed by it) suitable for such purpose) informs the Issuer (or an Independent Adviser appointed by it) it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of

Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) **Interest on Floating Rate Notes and Index Linked Interest Notes (for Singapore Dollar Notes only):**

- (i) *Interest Payment Dates:* Each Floating Rate Note or Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period specified hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* Each Floating Rate Note bears interest at a floating rate determined by reference to the Reference Rate as stated hereon, including (in the case of Singapore Dollar Notes) the Singapore dollar Swap Offer Rate (“SOR”) (in which case such Note will be a Swap Rate Note). A “**Swap Rate Note**” means a Note which bears interest calculated in the manner set out in paragraph (iv)(B) below.

- (iv) *Determination of Rate of Interest*: The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Calculation Agent on the basis of the following provisions:
- (A) In the case of Floating Rate Notes which are not Swap Rate Notes, the Calculation Agent will determine the Rate of Interest in respect of any Interest Accrual Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period as follows:
- (1) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest in respect of each Interest Accrual Period will, subject as provided below, be:
- (aa) the Reference Rate (where such Reference Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity); or
- (bb) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates of the persons whose Reference Rates appear on the Relevant Screen Page, in each case appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date;
- (2) if the Relevant Screen Page is not available or if paragraph (A)(1)(aa) above applies and no Reference Rate appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (A)(1)(bb) above applies and fewer than two Reference Rates appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which is the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates that each of the Reference Banks is quoting to leading banks in Singapore at the Relevant Time on the Interest Determination Date, as requested and selected by the Issuer (or an Independent Adviser appointed by it) and notified to and determined by the Calculation Agent; and
- (3) if paragraph (A)(2) above applies and fewer than two Reference Banks are so quoting Reference Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.
- (B) In the case of Floating Rate Notes which are Swap Rate Notes:
- (1) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Accrual Period, determine the Rate of Interest for such Interest Accrual Period as being the rate which appears on the Reuters Screen ABSFIX1 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Accrual Period;
- (2) if on any Interest Determination Date no such rate is quoted on Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX1 Page (or such other replacement page as

aforesaid) is unavailable for any reason, the Rate of Interest for such Interest Accrual Period will be the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest 5 decimal places)) for a period equal to the duration of such Interest Accrual Period published by a recognised industry body selected by the Issuer (or an Independent Adviser appointed by it) where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as selected by the Issuer (or an Independent Adviser appointed by it), in each case as notified to and determined by the Calculation Agent;

- (3) if on any Interest Determination Date the Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (1) and (2) above, the Rate of Interest shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer (or an Independent Adviser appointed by it) at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Accrual Period by whatever means they determine to be most appropriate, or if on such Interest Determination Date, one only or none of the Reference Banks provides the Issuer (or an Independent Adviser appointed by it) with such quotation, the Rate of Interest for the relevant Interest Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date, in each case as notified to and determined by the Calculation Agent; and
 - (4) if paragraph (3) above applies and fewer than two Reference Banks are quoting the rate as being their cost of funding or quoting the prime lending rates for Singapore Dollars on such Interest Determination Date, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.
- (C) On the last day of each Interest Accrual Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Accrual Period relates at the Rate of Interest for such Interest Accrual Period.
- (v) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.
- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

- (e) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.
- (f) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.
- (g) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (h) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with this Condition 5 by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (i) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

- (j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information as soon as possible after their determination but in no event later than (i) (if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority require the Issuer to notify the Rate of Interest and Interest Amount) the commencement of the relevant Interest Period, if determined prior to such time, provided that the Issuer makes a prior written request to the Calculation Agent or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 5 but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (k) **Determination or Calculation by Independent Adviser:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, and no replacement Calculation Agent has been appointed by the Issuer within 2 Business Days of the relevant Determination Date or Interest Determination Date, the Issuer shall appoint an Independent Adviser on its behalf to do so. In doing so, the Independent Adviser shall apply the foregoing provisions of this Condition 5, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Independent Adviser pursuant to this Condition 5(k) shall (in the absence of manifest error) be final and binding upon all parties.

- (l) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Notes denominated in a currency other than Singapore Dollars or euros, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of Notes denominated in euros, a day on which the TARGET system is operating (a **“TARGET Business Day”**) and/or
- (iii) in the case of Singapore Dollar Notes, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments to Singapore and/or
- (iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual – ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if **“Actual/365 (Fixed)”** is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if **“Actual/360”** is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vi) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

- (vii) if “**Actual/Actual-ICMA**” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“**Independent Adviser**” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Notes issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date, or the relevant payment date if the Notes become payable on a date other than an Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means (x) in the case of Non-Singapore Dollar Notes, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro; or (y) in the case of Singapore Dollar Notes, in respect of any Interest Accrual Period, that number of Business Days in Singapore prior to the first day of the Interest Accrual Period as specified hereon.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as may be updated, amended or supplemented from time to time), unless otherwise specified hereon. For the avoidance of doubt, this definition does not apply to Condition 5(n)(ii).

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market; (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; and (iii) in the case of a determination of the relevant Reference Rate, SIBOR or SOR, the principal Singapore office of three major banks in the Singapore inter-bank market in each case selected by the Issuer (or an Independent Adviser appointed by it) or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the relevant Business Centre specified hereon or, if none is specified, the local time in the relevant Business Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the relevant Business Centre or, if no such customary local time exists, 11.00 a.m. in the relevant Business Centre and, for the purpose of this definition “local time” means, with respect to the Euro-zone as a relevant Business Centre, Central European Time.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (m) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (n) **Benchmark Replacement:** In addition, notwithstanding the provisions above in this Condition 5:
- (i) where “Benchmark Replacement (General)” is specified as being applicable in the relevant Pricing Supplement, if a Benchmark Event has occurred in relation to the current Reference Rate when any Rate of Interest (or the relevant component part thereof) remains to be determined by the current Reference Rate, then the following provisions shall apply:
- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner and in consultation with the Issuer), no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period

(the “**IA Determination Cut-off Date**”), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;

- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;
- (c) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, such Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(n)(i); provided, however, that if sub-paragraph (b) above applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant IA Determination Cut-off Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest Period (or alternatively, if there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest (if any)) (subject, where applicable, to substituting the Margin that applied to such preceding Interest Period for the Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (c) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(n)(i);
- (d) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition

5(n)(i). Noteholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee or Issuing and Paying Agent (if required); and

- (e) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread, give notice thereof to the Trustee, the Issuing and Paying Agent, the Calculation Agent and the Noteholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread and any consequential changes made to these Conditions.

For the purposes of this Condition 5(n)(i):

“Adjustment Spread” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders, Receiptholders and Couponholders as a result of the replacement of the current Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the current Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the current Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (in each case acting in good faith and in a commercially reasonable manner) to be appropriate;

“Alternative Reference Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the current Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the current Reference Rate;

“Benchmark Event” means:

- (i) the current Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist;
- (ii) a public statement by the administrator of the current Reference Rate that it will, by a specified date within the following six months, cease publishing the current Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the current Reference Rate), unless such cessation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iii) a public statement by the supervisor of the administrator of the current Reference Rate, that the current Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued, unless such discontinuation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iv) a public statement by the supervisor of the administrator of the current Reference Rate as a consequence of which the current Reference Rate will be prohibited from being used either generally, or in respect of the Notes, and in each case within the following six months, unless such prohibition is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (v) it has become unlawful for any Issuing and Paying Agent, Calculation Agent, the Issuer or other party (including any Independent Adviser appointed by the Issuer for these purposes) to calculate any payments due to be made to any Noteholder using the current Reference Rate; or
- (vi) a public statement by the supervisor of the administrator of the current Reference Rate announcing that such Reference Rate is no longer representative or may no longer be used;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Notes issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Relevant Nominating Body” means, in respect of a Reference Rate:

- (i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

“Successor Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the current Reference Rate which is formally recommended by any Relevant Nominating Body;

- (ii) where “Benchmark Replacement (ARRC)” is specified as being applicable in the relevant Pricing Supplement, if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, then the following provisions shall apply:
 - (a) the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates, and the Issuer shall promptly give notice thereof to the Trustee, the Calculation Agent, the Issuing and Paying Agent and the Noteholders, which shall specify the effective date(s) for such Benchmark Replacement and any Benchmark Replacement Conforming Changes;
 - (b) in connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time; and
 - (c) any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5(n)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee’s sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from any other party;

For the purposes of this Condition 5(n)(ii):

“Benchmark” means, initially, LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

“Benchmark Replacement” means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then **“Benchmark Replacement”** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the sum of: (a) Term SOFR and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) Compounded SOFR and (b) the Benchmark Replacement Adjustment;
- (iii) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;

- (iv) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; and
- (v) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period” and “Interest Accrual Period”, timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period or Interest Accrual Period, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of paragraphs (i) or (ii) of the definition of “Benchmark Transition Event”, the later of: (a) the date of the public statement or publication of information referenced therein, and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of paragraph (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“Compounded SOFR” means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period or Interest Accrual Period) being established by the Issuer or its designee in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR;

provided that if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with paragraph (i) above, then:

- (ii) the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate notes at such time.

Notwithstanding the foregoing, Compounded SOFR may include such lookback and/or suspension period as specified in the relevant Pricing Supplement as a mechanism to determine the interest amount payable prior to the end of each Interest Period or Interest Accrual Period;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

“designee” means a designee as selected and separately appointed by the Issuer in writing, which may include a subsidiary or affiliate of the Issuer or an Independent Adviser;

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Notes issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Interpolated Benchmark” with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“LIBOR” means London Interbank Offered Rate;

“Reference Time” with respect to any determination of the Benchmark means:

- (i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination; and
- (ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website;

“Term SOFR” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

6 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption:

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption:

- (i) *Zero Coupon Notes:*
 - (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
 - (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or as the case may be, the Guarantor) has or will become obliged to pay additional amounts as described under Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws or regulations, rulings or other administrative pronouncements promulgated thereunder of Singapore or any political subdivision or, in each case, any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, or the Notes do not qualify as "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore, which change or amendment is made public or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or Senior Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment.

- (d) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 6 and the provisions specified hereon.
- (g) **Purchases:** The Issuer, the Guarantor and any of their respective Subsidiaries as defined in the Trust Deed may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (h) **Cancellation:** All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

7 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Notes:**
- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
 - (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer and the Guarantor shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Fiscal Laws:** Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (“**FATCA**”).

- (e) **Appointment of Agents:** The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, any other Paying Agent, the Registrars, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) an Exchange Agent in relation to Restricted Global Certificates (as defined in the Trust Deed), (iv) a Transfer Agent in relation to Registered Notes, (v) a DTC Paying Agent in relation to Notes cleared through DTC, (vi) a CDP Paying Agent in relation to Notes cleared through CDP, (vii) one or more Calculation Agent(s) where the Conditions so require, (viii) a Paying Agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Notes are exchanged for Definitive Notes, for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require and (ix) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes), such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 3 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, the Receipts and the Coupons or under the Senior Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in relation to Singapore Dollar Notes, the Issuer or, as the case may be, the Guarantor will not be obliged to pay any additional amounts in respect of any such withholding or deduction from payments in respect of such Singapore Dollar Notes for, or on account of, any such taxes or duties, and in relation to Non-Singapore Dollar Notes, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts ("**Additional Amounts**") as shall result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of Singapore or as having a permanent establishment in Singapore for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Singapore other than the mere holding of the Note, Receipt or Coupon; or

- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or
- (c) **Failure to comply with requirements:** which would not be payable or due but for the failure of the holder or beneficial owner of such Note, Receipt or Coupon to comply with any certification, identification or other reporting requirements of Singapore concerning the nationality, residence, identity or other attributes of such holder or beneficial owner required in connection with a claim, of eligibility for avoidance or reduction of withholding or deduction of tax under the laws of Singapore, if requested in writing addressed to such holder or beneficial owner by the Issuer to comply with such requirements.

Foreign Account Tax Compliance Act: Payments will be subject in all cases to any withholding or deduction required pursuant to FATCA, as provided in Condition 7. No Additional Amounts shall be payable by the Issuer or, as the case may be, the Guarantor, where such deduction or withholding is imposed or required to be withheld pursuant to FATCA.

9 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 3 years from the appropriate Relevant Date in respect of them, unless otherwise provided in the relevant Pricing Supplement.

10 Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured to its satisfaction), give written notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

- (a) default is made (in the case of principal, for more than 7 days and in the case of interest, for more than 14 days) in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is not remedied within 60 days after notice of such default shall have been given to the Issuer by the Trustee; or
- (c) (A) any other indebtedness of the Issuer or the Guarantor in respect of borrowed money becomes due and payable prior to its stated maturity by reason of any default, event of default or any analogous event (however described), or (B) any such indebtedness of the Issuer or the Guarantor in respect of borrowed money is not paid when due or, as the case may be, within any applicable grace period, or (C) the Issuer or the Guarantor fails to pay when due or, as the case may be, within any applicable grace period, any amount payable by it under any guarantee for, or indemnity in respect of, any moneys borrowed or raised; provided that no Event of Default will occur under this Condition 10(c) unless and until the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred exceeds US\$100,000,000 or its equivalent in other currencies; or

- (d) an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer or the Guarantor; or
- (e) the Issuer or the Guarantor (A) shall apply or petition for a winding-up or judicial management order in respect of itself, or (B) through an official action or a resolution of its board of directors ceases or threatens to cease to carry on all or a material part of its business or operations (except for any cessation or proposed cessation pursuant to either (i) a reconstruction, amalgamation, reorganisation, merger or consolidation, in each case, not involving insolvency or (ii) a disposal which is neither likely to have a material adverse effect on the ability of the Issuer to perform or comply with its payment obligations under the Notes nor likely to have a material adverse effect on the ability of the Guarantor to perform or comply with its payment obligations under the Senior Guarantee) or (C) has an interim judicial manager appointed pursuant to Section 94 of the Insolvency, Restructuring and Dissolution Act; or
- (f) (i) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition or other similar laws, or an application is made (or documents filed with a court) for the appointment of a receiver, receiver and manager, judicial manager or other similar official, or a receiver, receiver and manager, judicial manager or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or a substantial part of the assets of any of them, or an encumbrancer takes possession of the whole or a substantial part of the assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the assets of any of them, and (ii) in any case (other than the appointment of a judicial manager) is not discharged or stayed within 60 days; or
- (g) the Issuer or the Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition or other similar laws (including the obtaining of a moratorium or where a moratorium otherwise arises by operation of law) in respect of or affecting all or a material part of the debts of the Issuer or the Guarantor or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) in respect of or affecting all or a material part of the debts of the Issuer or the Guarantor; or
- (h) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Notes and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) in the case of Notes governed under the laws of England, to make the Notes and the Trust Deed admissible in evidence in the courts of England or in the case of Notes governed under the laws of Singapore, to make such Notes admissible in the courts of Singapore, is not taken, fulfilled or done; or
- (i) the Senior Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect; or
- (j) it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of its payment or other material obligations under any of the Notes or the Trust Deed; or
- (k) any event occurs that under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events referred to in paragraphs (d), (e), (f) or (g) above,

provided that in the case of paragraphs (b) and (c), the Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

11 Meetings of Noteholders, Modification, Waiver and Substitution

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Senior Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification and Waiver of the Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of applicable law or as required by Euroclear and/or Clearstream and/or CDP, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the

Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any Subsidiary (as defined in the Trust Deed) of the Issuer or its successor in business or the substitution of the Guarantor's successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer or the Guarantor, as the case may be, or of any previous substituted company, as principal debtor or guarantor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in nominal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Guarantor, the Trustee, the Noteholders and the Couponholders.

14 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer or the Guarantor may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

16 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times*). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

17 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or the Guarantor or otherwise) by any Noteholder or

Couponholder in respect of any sum expressed to be due to it from the Issuer or the Guarantor shall only constitute a discharge to the Issuer or the Guarantor, as the case may be, to the extent of the amount in the currency of payment under the relevant Note, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note, Coupon or Receipt, the Issuer, failing whom the Guarantor, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, failing whom the Guarantor, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 17, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantor's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

18 Rights of Third Parties

No person shall have the right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

19 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, Singapore law.
- (b) **Jurisdiction:** The Courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Senior Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons, Talons or the Senior Guarantee ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of the courts of Singapore and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

TERMS AND CONDITIONS OF THE NOTES GOVERNED BY ENGLISH LAW

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are constituted by an amended and restated English Law Trust Deed (as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Trust Deed**”) dated 2 November 2020 between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 2 November 2020 has been entered into in relation to the Notes between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon, London Branch as initial issuing and paying agent, paying agent and calculation agent in relation to each Series of Notes other than Series of Notes to be held through CDP and DTC, The Bank of New York Mellon as initial DTC paying agent, exchange agent, transfer agent, registrar and calculation agent in relation to each Series of Notes to be held through DTC, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent, transfer agent, registrar and calculation agent in relation to each Series of Notes to be held through CDP, The Bank of New York Mellon SA/NV, Luxembourg Branch as initial transfer agent, registrar and calculation agent in relation to each Series of Registered Notes (as defined below) other than Series of Notes to be held through CDP and DTC. The issuing and paying agent, the DTC paying agent, the CDP paying agent, the other paying agents, the registrars, the exchange agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**DTC Paying Agent**”, the “**CDP Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the DTC Paying Agent and the CDP Paying Agent), the “**Registrars**”, the “**Exchange Agent**”, the “**Transfer Agents**” (which expression shall include the Registrars) and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the Issuing and Paying Agent shall (i) with respect to a Series of Notes to be held through DTC, be deemed to be a reference to the DTC Paying Agent and (ii) with respect to a Series of Notes to be held through CDP, be deemed to be a reference to the CDP Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

Notes may be denominated in Singapore dollars (“**Singapore Dollar Notes**”) or in other currencies (“**Non-Singapore Dollar Notes**”). The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects.

1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area (for these purposes, references to the European Economic Area include the United Kingdom) in circumstances which require the publication of a Prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

*All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum denominations of US\$100,000 (or its equivalent in another currency) and higher integral multiples of US\$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Notes which are listed on SGX-ST will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.*

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** Subject to paragraph (f) (*Closed Periods*), one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or (c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for transfer, exercise or redemption. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any due date for the payment of interest.

3 Guarantee and Status

- (a) **Guarantee:** The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes, the Receipts and the Coupons. Its obligations in that respect (the “**Senior Guarantee**”) are contained in the Trust Deed.
- (b) **Status of Notes and Senior Guarantee:** The Notes and the Receipts and Coupons relating to them constitute (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and Coupons relating to them and of the Guarantor under the Senior Guarantee shall, save for such exceptions as may be provided by applicable law and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, present and future.

4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will create, or permit to subsist, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues to secure any Relevant Indebtedness of the Issuer or the Guarantor, or any guarantee or indemnity by the Issuer or the Guarantor in respect of any Relevant Indebtedness of the Issuer or the Guarantor or any of the Subsidiaries (as defined in the Trust Deed) of the Guarantor, without at the same time or prior thereto according to the

Notes and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity, or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In this Condition 4, “**Relevant Indebtedness**” means any indebtedness which is in the form of, or represented by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange or over-the-counter or other securities market having an original maturity of more than 365 days from their date of issue.

5 Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(i).
- (b) **Interest on Floating Rate Notes and Index Linked Interest Notes (for Non-Singapore Dollar Notes only):**
- (i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(i). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer (or an Independent Adviser appointed by it) shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as notified to and determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer (or an Independent Adviser appointed by it) by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer (or an Independent Adviser appointed by it) suitable for such purpose) informs the Issuer (or an Independent Adviser appointed by it) it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of

Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) **Interest on Floating Rate Notes and Index Linked Interest Notes (for Singapore Dollar Notes only):**

- (i) *Interest Payment Dates:* Each Floating Rate Note or Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period specified hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* Each Floating Rate Note bears interest at a floating rate determined by reference to the Reference Rate as stated hereon, including (in the case of Singapore Dollar Notes) the Singapore dollar Swap Offer Rate (“SOR”) (in which case such Note will be a Swap Rate Note). A “**Swap Rate Note**” means a Note which bears interest calculated in the manner set out in paragraph (iv)(B) below.

- (iv) *Determination of Rate of Interest*: The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Calculation Agent on the basis of the following provisions:
- (A) In the case of Floating Rate Notes which are not Swap Rate Notes, the Calculation Agent will determine the Rate of Interest in respect of any Interest Accrual Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period as follows:
- (1) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest in respect of each Interest Accrual Period will, subject as provided below, be:
- (aa) the Reference Rate (where such Reference Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity); or
- (bb) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates of the persons whose Reference Rates appear on the Relevant Screen Page, in each case appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date;
- (2) if the Relevant Screen Page is not available or if paragraph (A)(1)(aa) above applies and no Reference Rate appears on the Relevant Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (A)(1)(bb) above applies and fewer than two Reference Rates appear on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which is the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates that each of the Reference Banks is quoting to leading banks in Singapore at the Relevant Time on the Interest Determination Date, as requested and selected by the Issuer (or an Independent Adviser appointed by it) and notified to and determined by the Calculation Agent; and
- (3) if paragraph (A)(2) above applies and fewer than two Reference Banks are so quoting Reference Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.
- (B) In the case of Floating Rate Notes which are Swap Rate Notes:
- (1) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Accrual Period, determine the Rate of Interest for such Interest Accrual Period as being the rate which appears on the Reuters Screen ABSFIX1 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Accrual Period;

- (2) if on any Interest Determination Date no such rate is quoted on Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Rate of Interest for such Interest Accrual Period will be the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest 5 decimal places)) for a period equal to the duration of such Interest Accrual Period published by a recognised industry body selected by the Issuer (or an Independent Adviser appointed by it) where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as selected by the Issuer (or an Independent Adviser appointed by it), in each case as notified to and determined by the Calculation Agent;
 - (3) if on any Interest Determination Date the Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (1) and (2) above, the Rate of Interest shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer (or an Independent Adviser appointed by it) at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Accrual Period by whatever means they determine to be most appropriate, or if on such Interest Determination Date, one only or none of the Reference Banks provides the Issuer (or an Independent Adviser appointed by it) with such quotation, the Rate of Interest for the relevant Interest Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date, in each case as notified to and determined by the Calculation Agent; and
 - (4) if paragraph (3) above applies and fewer than two Reference Banks are quoting the rate as being their cost of funding or quoting the prime lending rates for Singapore Dollars on such Interest Determination Date, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.
- (C) On the last day of each Interest Accrual Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Accrual Period relates at the Rate of Interest for such Interest Accrual Period.
- (v) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (e) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.
- (f) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.
- (g) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.
- (h) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with this Condition 5 by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (i) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of

the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

- (j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information as soon as possible after their determination but in no event later than (i) (if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority require the Issuer to notify the Rate of Interest and Interest Amount) the commencement of the relevant Interest Period, if determined prior to such time, provided that the Issuer makes a prior written request to the Calculation Agent or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 5 but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (k) **Determination or Calculation by Independent Adviser:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, and no replacement Calculation Agent has been appointed by the Issuer within 2 Business Days of the relevant Determination Date or Interest Determination Date, the Issuer shall appoint an Independent Adviser on its behalf to do so. In doing so, the Independent Adviser shall apply the foregoing provisions of this Condition 5, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Independent Adviser pursuant to this Condition 5(k) shall (in the absence of manifest error) be final and binding upon all parties.

- (l) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Notes denominated in a currency other than Singapore Dollars or euros, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of Notes denominated in euros, a day on which the TARGET system is operating (a **“TARGET Business Day”**) and/or
- (iii) in the case of Singapore Dollar Notes, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments to Singapore and/or
- (iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual – ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if **“Actual/365 (Fixed)”** is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if **“Actual/360”** is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vi) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

- (vii) if “**Actual/Actual-ICMA**” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“**Independent Adviser**” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Notes issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date, or the relevant payment date if the Notes become payable on a date other than an Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means (x) in the case of Non-Singapore Dollar Notes, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro; or (y) in the case of Singapore Dollar Notes, in respect of any Interest Accrual Period, that number of Business Days in Singapore prior to the first day of the Interest Accrual Period as specified hereon.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date, or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as may be updated, amended or supplemented from time to time), unless otherwise specified hereon. For the avoidance of doubt, this definition does not apply to Condition 5(n)(ii).

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market; (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; and (iii) in the case of a determination of the relevant Reference Rate, SIBOR or SOR, the principal Singapore office of three major banks in the Singapore inter-bank market in each case selected by the Issuer (or an Independent Adviser appointed by it) or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the relevant Business Centre specified hereon or, if none is specified, the local time in the relevant Business Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the relevant Business Centre or, if no such customary local time exists, 11.00 a.m. in the relevant Business Centre and, for the purpose of this definition “local time” means, with respect to the Euro-zone as a relevant Business Centre, Central European Time.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (m) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (n) **Benchmark Replacement:** In addition, notwithstanding the provisions above in this Condition 5:
- (i) where “Benchmark Replacement (General)” is specified as being applicable in the relevant Pricing Supplement, if a Benchmark Event has occurred in relation to the current Reference Rate when any Rate of Interest (or the relevant component part thereof) remains to be determined by the current Reference Rate, then the following provisions shall apply:
- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner and in consultation with the Issuer), no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period

(the “**IA Determination Cut-off Date**”), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;

- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;
- (c) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, such Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(n)(i); provided, however, that if sub-paragraph (b) above applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant IA Determination Cut-off Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest Period (or alternatively, if there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest (if any)) (subject, where applicable, to substituting the Margin that applied to such preceding Interest Period for the Margin that is to be applied to the relevant Interest Period); for the avoidance of doubt, the proviso in this sub-paragraph (c) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(n)(i);
- (d) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition

5(n)(i). Noteholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee or Issuing and Paying Agent (if required); and

- (e) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread, give notice thereof to the Trustee, the Issuing and Paying Agent, the Calculation Agent and the Noteholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread and any consequential changes made to these Conditions.

For the purposes of this Condition 5(n)(i):

“Adjustment Spread” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Noteholders, Receiptholders and Couponholders as a result of the replacement of the current Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the current Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the current Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (in each case acting in good faith and in a commercially reasonable manner) to be appropriate;

“Alternative Reference Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the current Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the current Reference Rate;

“Benchmark Event” means:

- (i) the current Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist;
- (ii) a public statement by the administrator of the current Reference Rate that it will, by a specified date within the following six months, cease publishing the current Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the current Reference Rate), unless such cessation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iii) a public statement by the supervisor of the administrator of the current Reference Rate, that the current Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued, unless such discontinuation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iv) a public statement by the supervisor of the administrator of the current Reference Rate as a consequence of which the current Reference Rate will be prohibited from being used either generally, or in respect of the Notes, and in each case within the following six months, unless such prohibition is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (v) it has become unlawful for any Issuing and Paying Agent, Calculation Agent, the Issuer or other party (including any Independent Adviser appointed by the Issuer for these purposes) to calculate any payments due to be made to any Noteholder using the current Reference Rate; or
- (vi) a public statement by the supervisor of the administrator of the current Reference Rate announcing that such Reference Rate is no longer representative or may no longer be used;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Notes issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Relevant Nominating Body” means, in respect of a Reference Rate:

- (i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

“Successor Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the current Reference Rate which is formally recommended by any Relevant Nominating Body;

- (ii) where “Benchmark Replacement (ARRC)” is specified as being applicable in the relevant Pricing Supplement, if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, then the following provisions shall apply:
- (a) the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates, and the Issuer shall promptly give notice thereof to the Trustee, the Calculation Agent, the Issuing and Paying Agent and the Noteholders, which shall specify the effective date(s) for such Benchmark Replacement and any Benchmark Replacement Conforming Changes;
 - (b) in connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time; and
 - (c) any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 5(n)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee’s sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from any other party;

For the purposes of this Condition 5(n)(ii):

“**Benchmark**” means, initially, LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then “**Benchmark**” means the applicable Benchmark Replacement;

“**Benchmark Replacement**” means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then “**Benchmark Replacement**” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the sum of: (a) Term SOFR and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) Compounded SOFR and (b) the Benchmark Replacement Adjustment;
- (iii) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- (iv) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; and

- (v) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period” and “Interest Accrual Period”, timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period or Interest Accrual Period, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of paragraphs (i) or (ii) of the definition of “Benchmark Transition Event”, the later of: (a) the date of the public statement or publication of information referenced therein, and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of paragraph (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“Compounded SOFR” means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period or Interest Accrual Period) being established by the Issuer or its designee in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR;

provided that if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with paragraph (i) above, then:

- (ii) the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate notes at such time.

Notwithstanding the foregoing, Compounded SOFR may include such lookback and/or suspension period as specified in the relevant Pricing Supplement as a mechanism to determine the interest amount payable prior to the end of each Interest Period or Interest Accrual Period;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

“designee” means a designee as selected and separately appointed by the Issuer in writing, which may include a subsidiary or affiliate of the Issuer or an Independent Adviser;

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Notes issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Interpolated Benchmark” with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“LIBOR” means London Interbank Offered Rate;

“Reference Time” with respect to any determination of the Benchmark means:

- (i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination; and
- (ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website;

“Term SOFR” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

6 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption:

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption:

- (i) *Zero Coupon Notes:*
 - (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
 - (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or as the case may be, the Guarantor) has or will become obliged to pay additional amounts as described under Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws or regulations, rulings or other administrative pronouncements promulgated thereunder of Singapore or any political subdivision or, in each case, any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, or the Notes do not qualify as "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore, which change or amendment is made public or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or Senior Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment.

- (d) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 6 and the provisions specified hereon.
- (g) **Purchases:** The Issuer, the Guarantor and any of their respective Subsidiaries as defined in the Trust Deed may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (h) **Cancellation:** All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

7 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Notes:**
- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer and the Guarantor shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Fiscal Laws:** Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (“**FATCA**”).

- (e) **Appointment of Agents:** The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, any other Paying Agent, the Registrars, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) an Exchange Agent in relation to Restricted Global Certificates (as defined in the Trust Deed), (iv) a Transfer Agent in relation to Registered Notes, (v) a DTC Paying Agent in relation to Notes cleared through DTC, (vi) a CDP Paying Agent in relation to Notes cleared through CDP, (vii) one or more Calculation Agent(s) where the Conditions so require, (viii) a Paying Agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Notes are exchanged for Definitive Notes, for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require and (ix) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes), such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 3 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
 - (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, the Receipts and the Coupons or under the Senior Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in relation to Singapore Dollar Notes, the Issuer or, as the case may be, the Guarantor will not be obliged to pay any additional amounts in respect of any such withholding or deduction from payments in respect of such Singapore Dollar Notes for, or on account of, any such taxes or duties, and in relation to Non-Singapore Dollar Notes, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts ("**Additional Amounts**") as shall result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of Singapore or as having a permanent establishment in Singapore for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Singapore other than the mere holding of the Note, Receipt or Coupon; or

- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or
- (c) **Failure to comply with requirements:** which would not be payable or due but for the failure of the holder or beneficial owner of such Note, Receipt or Coupon to comply with any certification, identification or other reporting requirements of Singapore concerning the nationality, residence, identity or other attributes of such holder or beneficial owner required in connection with a claim, of eligibility for avoidance or reduction of withholding or deduction of tax under the laws of Singapore, if requested in writing addressed to such holder or beneficial owner by the Issuer to comply with such requirements.

Foreign Account Tax Compliance Act: Payments will be subject in all cases to any withholding or deduction required pursuant to FATCA, as provided in Condition 7. No Additional Amounts shall be payable by the Issuer or, as the case may be, the Guarantor, where such deduction or withholding is imposed or required to be withheld pursuant to FATCA.

9 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 3 years from the appropriate Relevant Date in respect of them, unless otherwise provided in the relevant Pricing Supplement.

10 Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured to its satisfaction), give written notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

- (a) default is made (in the case of principal, for more than 7 days and in the case of interest, for more than 14 days) in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed which default is not remedied within 60 days after notice of such default shall have been given to the Issuer by the Trustee; or
- (c) (A) any other indebtedness of the Issuer or the Guarantor in respect of borrowed money becomes due and payable prior to its stated maturity by reason of any default, event of default or any analogous event (however described), or (B) any such indebtedness of the Issuer or the Guarantor in respect of borrowed money is not paid when due or, as the case may be, within any applicable grace period, or (C) the Issuer or the Guarantor fails to pay when due or, as the case may be, within any applicable grace period, any amount payable by it under any guarantee for, or indemnity in respect of, any moneys borrowed or raised; provided that no Event of Default will occur under this Condition 10(c) unless and until the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(c) have occurred exceeds US\$100,000,000 or its equivalent in other currencies; or

- (d) an order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer or the Guarantor; or
- (e) the Issuer or the Guarantor (A) shall apply or petition for a winding-up or judicial management order in respect of itself, or (B) through an official action or a resolution of its board of directors ceases or threatens to cease to carry on all or a material part of its business or operations (except for any cessation or proposed cessation pursuant to either (i) a reconstruction, amalgamation, reorganisation, merger or consolidation, in each case, not involving insolvency or (ii) a disposal which is neither likely to have a material adverse effect on the ability of the Issuer to perform or comply with its payment obligations under the Notes nor likely to have a material adverse effect on the ability of the Guarantor to perform or comply with its payment obligations under the Senior Guarantee) or (C) has an interim judicial manager appointed pursuant to Section 94 of the Insolvency, Restructuring and Dissolution Act; or
- (f) (i) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition or other similar laws, or an application is made (or documents filed with a court) for the appointment of a receiver, receiver and manager, judicial manager or other similar official, or a receiver, receiver and manager, judicial manager or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or a substantial part of the assets of any of them, or an encumbrancer takes possession of the whole or a substantial part of the assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the assets of any of them, and (ii) in any case (other than the appointment of a judicial manager) is not discharged or stayed within 60 days; or
- (g) the Issuer or the Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition or other similar laws (including the obtaining of a moratorium or where a moratorium otherwise arises by operation of law) in respect of or affecting all or a material part of the debts of the Issuer or the Guarantor or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) in respect of or affecting all or a material part of the debts of the Issuer or the Guarantor; or
- (h) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Notes and the Trust Deed, (ii) to ensure that those obligations are legally binding and enforceable and (iii) in the case of Notes governed under the laws of England, to make the Notes and the Trust Deed admissible in evidence in the courts of England or in the case of Notes governed under the laws of Singapore, to make such Notes admissible in the courts of Singapore, is not taken, fulfilled or done; or
- (i) the Senior Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect; or
- (j) it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of its payment or other material obligations under any of the Notes or the Trust Deed; or
- (k) any event occurs that under the laws of any relevant jurisdiction has an analogous or equivalent effect to any of the events referred to in paragraphs (d), (e), (f) or (g) above,

provided that in the case of paragraphs (b) and (c), the Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Noteholders.

11 Meetings of Noteholders, Modification, Waiver and Substitution

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Senior Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification and Waiver of the Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of applicable law or as required by Euroclear and/or Clearstream and/or CDP, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any Subsidiary (as defined in the Trust Deed) of the Issuer or its successor in business or the substitution of the Guarantor's successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer or the Guarantor, as the case may be, or of any previous substituted company, as principal debtor or guarantor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in nominal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Guarantor, the Trustee, the Noteholders and the Couponholders.

14 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer or the Guarantor may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

16 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times*). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

17 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or the Guarantor or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer or the Guarantor shall only constitute a discharge to the Issuer or the Guarantor, as the case may

be, to the extent of the amount in the currency of payment under the relevant Note, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note, Coupon or Receipt, the Issuer, failing whom the Guarantor, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, failing whom the Guarantor, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 17, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantor's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

18 Rights of Third Parties

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

19 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **Jurisdiction:** The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Senior Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons, Talons or the Senior Guarantee ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- (c) **Service of Process:** Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed Singtel (Europe) Limited of Noah's Yard, 10 York Way, London N1 9AA, United Kingdom as their agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer or the Guarantor). If for any reason such process agent ceases to be able to act as such or no longer has an address in England, each of the Issuer and the Guarantor irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 16. Nothing shall affect the right to serve process in any manner permitted by law.

TERMS AND CONDITIONS OF THE SUBORDINATED SECURITIES GOVERNED BY SINGAPORE LAW

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Subordinated Securities issued in exchange for the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on the Certificates relating to such Subordinated Securities. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the Certificates. References in the Conditions to “Subordinated Securities” are to the Subordinated Securities of one Series only, not to all Subordinated Securities that may be issued under the Programme.

The Subordinated Securities is one of a Series of Dated Securities or Perpetual Securities (as specified in the applicable Pricing Supplement) and are constituted by an amended and restated Singapore Law Trust Deed (as amended or supplemented as at the date of issue of the Subordinated Securities (the “**Issue Date**”), the “**Trust Deed**”) dated 2 November 2020 between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Subordinated Securityholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of Certificates referred to below. An Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 2 November 2020 has been entered into in relation to the Subordinated Securities between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon, London Branch as initial issuing and paying agent, paying agent and calculation agent in relation to each Series of Subordinated Securities other than Series of Subordinated Securities to be held through CDP and DTC, The Bank of New York Mellon as initial DTC paying agent, exchange agent, transfer agent, registrar and calculation agent in relation to each Series of Subordinated Securities to be held through DTC, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent, transfer agent, registrar and calculation agent in relation to each Series of Subordinated Securities to be held through CDP, The Bank of New York Mellon SA/NV, Luxembourg Branch as initial transfer agent and registrar in relation to each Series of Subordinated Securities other than Series of Subordinated Securities to be held through CDP and DTC. The issuing and paying agent, the DTC paying agent, the CDP paying agent, the other paying agents, the registrars, the exchange agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**DTC Paying Agent**”, the “**CDP Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the DTC Paying Agent and the CDP Paying Agent), the “**Registrars**”, the “**Exchange Agent**”, the “**Transfer Agents**” (which expression shall include the Registrars) and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references (other than in relation to the determination of distribution and other amounts payable in respect of the Subordinated Securities) to the Issuing and Paying Agent shall (i) with respect to a Series of Subordinated Securities to be held through DTC, be deemed to be a reference to the DTC Paying Agent and (ii) with respect to a Series of Subordinated Securities to be held through CDP, be deemed to be a reference to the CDP Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

Subordinated Securities may be denominated in Singapore dollars (“**Singapore Dollar Subordinated Securities**”) or in other currencies (“**Non-Singapore Dollar Subordinated Securities**”). The Subordinated Securityholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Relevant Date**” in respect of any Subordinated Security means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Subordinated Securityholders that, upon further presentation of the Certificate being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Subordinated Securities, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**distribution**” shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) “**principal**” and/or “**distribution**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

As used in these Conditions, “**Tranche**” means Subordinated Securities which are identical in all respects.

As used in these Conditions and in the applicable Pricing Supplement, where Dated Securities is specified as applicable in the applicable Pricing Supplement, references to “**Distribution**” and “**distribution**” are deemed to mean “**Interest**” and “**interest**”, as applicable.

1 Form, Denomination and Title

The Subordinated Securities are issued in registered form only in the Specified Denomination(s) shown hereon provided that in the case of any Subordinated Securities which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area (for these purposes, references to the European Economic Area include the United Kingdom) in circumstances which require the publication of a Prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Subordinated Securities).

*All Subordinated Securities shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Dated Securities which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) will have a minimum denomination of £100,000 (or its equivalent in other currencies).*

Subordinated Securities sold in reliance on Rule 144A will be in minimum denominations of US\$100,000 (or its equivalent in another currency) and higher integral multiples of US\$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Subordinated Securities which are listed on SGX-ST will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.

This Subordinated Security is a Fixed Rate Subordinated Security, a Floating Rate Subordinated Security, a Dual Currency Subordinated Security or a Partly Paid Subordinated Security, a combination of any of the foregoing or any other kind of Subordinated Security, depending upon the Distribution and Redemption/Payment Basis shown hereon.

Subordinated Securities are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(b), each Certificate shall represent the entire holding of Subordinated Securities by the same holder.

Title to the Subordinated Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Subordinated Security shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Subordinated Securityholder**” or “**holder**” means the person in whose name a Subordinated Security is registered and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Subordinated Securities.

2 Transfers of Subordinated Securities

- (a) **Transfer of Subordinated Securities:** Subject to paragraph (e) (*Closed Periods*), one or more Subordinated Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Subordinated Securities to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require. In the case of a transfer of part only of a holding of Subordinated Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Subordinated Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Subordinated Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Subordinated Securityholder upon request.
- (b) **Exercise of Options or Partial Redemption in Respect of Subordinated Securities:** In the case of an exercise of an Issuer’s option in respect of, or a partial redemption of, a holding of Subordinated Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Subordinated Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Subordinated Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Subordinated Securities to a person who is already a holder of Subordinated Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (c) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(a) or (b) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for transfer or exercise or redemption. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (d) **Transfers Free of Charge:** Transfers of Subordinated Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (e) **Closed Periods:** No Subordinated Securityholder may require the transfer of a Subordinated Security to be registered (i) during the period of 15 days ending on the due date for redemption of that Subordinated Security, (ii) during the period of 15 days prior to any date on which Subordinated Securities may be called for redemption by the Issuer at its option pursuant to Condition 6(g), (iii) after any such Subordinated Security has been called for redemption or (iv) during the period of seven days ending on (and including) any due date for the payment of distribution.

3 Guarantee and Status

- (a) **Status of Subordinated Securities – Subordinated:** The Subordinated Securities constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and with any Parity Obligations of the Issuer. The rights and claims of the Subordinated Securityholders in respect of the Subordinated Securities are subordinated as provided in this Condition 3.
- (b) **Ranking of claims on Winding-Up – Issuer:** Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-Up of the Issuer, the rights of the Subordinated Securityholders to payment of principal of and distribution on the Subordinated Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Securities, and in priority to the claims of shareholders of the Issuer, and/or as otherwise specified in the applicable Pricing Supplement.
- (c) **Set-off – Issuer:** Subject to applicable law, no Subordinated Securityholder may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Securities, and each Subordinated Securityholder shall, by virtue of his holding of any Subordinated Securities, be deemed to have waived all such rights of set-off, deduction, withholding,

counterclaim, compensation or retention against the Issuer. Notwithstanding the preceding sentence, if at any time any of the amounts owing to any Subordinated Securityholder by the Issuer in respect of, or arising under or in connection with, the Subordinated Securities is discharged by set-off, such Subordinated Securityholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its Winding-Up, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

- (d) **Guarantee of Subordinated Securities:** The payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Subordinated Securities are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor. The obligations of the Guarantor under the Subordinated Guarantee (as defined in the Trust Deed) are contained in the Trust Deed.

The obligations of the Guarantor under the Subordinated Guarantee constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and rank *pari passu* and without any preference among themselves and with any Parity Obligations of the Guarantor. The rights and claims of the Subordinated Securityholders in respect of the Subordinated Guarantee are subordinated as provided in this Condition 3.

- (e) **Ranking of claims on Winding-Up – Guarantor:** Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-Up of the Guarantor, the rights of the Subordinated Securityholders to payment under the Subordinated Guarantee are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Guarantor but at least *pari passu* with all other subordinated obligations of the Guarantor that are not expressed by their terms to rank junior to the Subordinated Guarantee and in priority to the claims of shareholders of the Guarantor and/or as otherwise specified in the applicable Pricing Supplement.
- (f) **Set-off – Guarantor:** Subject to applicable law, no Subordinated Securityholder may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Guarantor in respect of, arising under or in connection with, the Subordinated Guarantee, and each Subordinated Securityholder shall, by virtue of his holding of any Subordinated Securities, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the Guarantor. Notwithstanding the preceding sentence, if at any time any of the amounts owing to any Subordinated Securityholder by the Guarantor in respect of, or arising under or in connection with the Subordinated Guarantee is discharged by set-off, such Subordinated Securityholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Guarantor (or, in the event of its Winding-Up, the liquidator or, as appropriate, administrator of the Guarantor) and, until such time as payment is made, shall hold such amount in trust for the Guarantor (or the liquidator or, as appropriate, administrator of the Guarantor) and accordingly any such discharge shall be deemed not to have taken place.

As used in these Conditions:

“Parity Obligation”

(a) means:

- (i) in relation to the Issuer, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer (A) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Securities of the Issuer and (B) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer, the issuer thereof;
- (ii) in relation to the Guarantor, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Guarantor (A) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Guarantee and (B) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Guarantor and/or, in the case of an instrument or security guaranteed by the Guarantor, the issuer thereof; or
- (iii) as otherwise specified in the applicable Pricing Supplement; and

(b) includes all subordinated securities and instruments other than the Junior Obligations.

“Winding-Up” of a person means an order by a competent authority for the bankruptcy, termination, winding-up, administration, judicial management, dissolution, liquidation or similar proceedings of that person and any equivalent or analogous procedure under the law of any jurisdiction in which it is incorporated, domiciled or resident or carries on business or has assets.

4 Distribution and other Calculations

(a) **Distribution on Fixed Rate Subordinated Securities:**

Subject to Condition 5, each Fixed Rate Subordinated Security confers a right to receive distribution on its outstanding nominal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such distribution being payable in arrear on each Distribution Payment Date. The Rate(s) of Distribution may be reset in the manner provided in the applicable Pricing Supplement.

The amount of distribution payable shall be determined in accordance with Condition 4(h).

(b) **Distribution on Floating Rate Subordinated Securities (for Non-Singapore Dollar Subordinated Securities only):**

- (i) *Distribution Payment Dates:* Subject to Condition 5, each Floating Rate Subordinated Security confers a right to receive distribution on its outstanding nominal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such distribution being payable in arrear on each Distribution Payment Date. The amount of distribution payable shall be determined in accordance with Condition 4(h). Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which falls the number of months or other period shown hereon as the Distribution Period after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Distribution for Floating Rate Subordinated Securities:* The Rate of Distribution in respect of Floating Rate Subordinated Securities for each Distribution Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Subordinated Securities

Where ISDA Determination is specified hereon as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this subparagraph (A), “**ISDA Rate**” for a Distribution Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and

- (z) the relevant Reset Date is the first day of that Distribution Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Subordinated Securities

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Distribution Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Subordinated Securities is specified hereon as being other than LIBOR or EURIBOR, the Rate of Distribution in respect of such Subordinated Securities will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer (or an Independent Adviser appointed by it) shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Distribution Determination Date in question. If two or more of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered quotations, the Rate of Distribution for such Distribution Accrual Period shall be the arithmetic mean of such offered quotations as notified to and determined by the Calculation Agent; and

(z) if paragraph (y) above applies and fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Distribution shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer (or an Independent Adviser appointed by it) by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Distribution Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer (or an Independent Adviser appointed by it) suitable for such purpose) informs the Issuer (or an Independent Adviser appointed by it) it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Distribution cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Distribution shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period, in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period).

(c) Distribution on Floating Rate Subordinated Securities (for Singapore Dollar Subordinated Securities only):

(i) *Distribution Payment Dates:* Subject to Condition 5, each Floating Rate Subordinated Security confers a right to receive distribution on its outstanding nominal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such distribution being payable in arrear on each Distribution Payment Date. Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which falls the number of months or other period specified hereon as the Distribution Period after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Distribution for Floating Rate Subordinated Securities*: Each Floating Rate Subordinated Security bears distribution at a floating rate determined by reference to the Reference Rate as stated hereon, including the Singapore dollar Swap Offer Rate (“**SOR**”) (in which case such Subordinated Security will be a Swap Rate Subordinated Security). A “**Swap Rate Subordinated Security**” means a Subordinated Security which bears distribution calculated in the manner set out in paragraph (iv)(B) below.
- (iv) *Determination of Rate of Distribution*: The Rate of Distribution payable from time to time in respect of each Floating Rate Subordinated Security will be determined by the Calculation Agent on the basis of the following provisions:
 - (A) In the case of Floating Rate Subordinated Securities which are not Swap Rate Subordinated Securities, the Calculation Agent will determine the Rate of Distribution in respect of any Distribution Accrual Period at or about the Relevant Time on the Distribution Determination Date in respect of such Distribution Accrual Period as follows:
 - (1) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution in respect of each Distribution Accrual Period will, subject as provided below, be:
 - (aa) the Reference Rate (where such Reference Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity); or
 - (bb) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates of the persons whose Reference Rates appear on the Relevant Screen Page, in each case appearing on the Relevant Screen Page at the Relevant Time on the Distribution Determination Date;

- (2) if the Relevant Screen Page is not available or if paragraph (A)(1)(aa) above applies and no Reference Rate appears on the Relevant Screen Page at the Relevant Time on the Distribution Determination Date or if paragraph (A)(1)(bb) above applies and fewer than two Reference Rates appear on the Relevant Screen Page at the Relevant Time on the Distribution Determination Date, subject as provided below, the Rate of Distribution shall be the rate per annum which is the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates that each of the Reference Banks is quoting to leading banks in Singapore at the Relevant Time on the Distribution Determination Date, as requested and selected by the Issuer (or an Independent Adviser appointed by it) and notified to and determined by the Calculation Agent; and
 - (3) if paragraph (A)(2) above applies and fewer than two Reference Banks are so quoting Reference Rates, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date.
- (B) In the case of Floating Rate Subordinated Securities which are Swap Rate Subordinated Securities:
- (1) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Accrual Period, determine the Rate of Distribution for such Distribution Accrual Period as being the rate which appears on the Reuters Screen ABSFIX1 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Accrual Period;
 - (2) if on any Distribution Determination Date no such rate is quoted on Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Rate of Distribution for such Distribution Accrual Period will be the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest 5 decimal places)) for a period equal to the duration of such Distribution Accrual Period published by a recognised industry body selected by the Issuer (or an Independent Adviser appointed by it) where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as selected by the Issuer (or an Independent Adviser appointed by it), in each case as notified to and determined by the Calculation Agent;
 - (3) if on any Distribution Determination Date the Calculation Agent is otherwise unable to determine the Rate of Distribution under paragraphs (1) and (2) above, the Rate of Distribution shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer (or an Independent Adviser appointed by it) at or about the Relevant Time

on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding an amount equal to the aggregate principal amount of the relevant Floating Rate Subordinated Securities for such Distribution Accrual Period by whatever means they determine to be most appropriate, or if on such Distribution Determination Date, one only or none of the Reference Banks provides the Issuer (or an Independent Adviser appointed by it) with such quotation, the Rate of Distribution for the relevant Distribution Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date, in each case as notified to and determined by the Calculation Agent; and

- (4) if paragraph (3) above applies and fewer than two Reference Banks are quoting the rate as being their cost of funding or quoting the prime lending rates for Singapore Dollars on such Distribution Determination Date, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date.

(C) On the last day of each Distribution Accrual Period, the Issuer will pay distribution on each Floating Rate Subordinated Security to which such Distribution Accrual Period relates at the Rate of Distribution for such Distribution Accrual Period.

- (d) **Dual Currency Subordinated Securities:** In the case of Dual Currency Subordinated Securities, if the rate or amount of distribution falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of distribution payable shall be determined in the manner specified hereon.
- (e) **Partly Paid Subordinated Securities:** In the case of Partly Paid Subordinated Securities, distribution will accrue as aforesaid on the paid-up nominal amount of such Subordinated Securities and otherwise as specified hereon.
- (f) **Accrual of Distribution:** Distribution shall cease to accrue on each Subordinated Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event distribution shall continue to accrue (both before and after judgment) at the Rate of Distribution in the manner provided in this Condition 4 to the Relevant Date.
- (g) **Margin, Maximum/Minimum Rates of Distribution and Redemption Amounts and Rounding:**
 - (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Distribution Accrual Periods), an adjustment shall be made to all Rates of Distribution, in the case of (x), or the Rates of Distribution for the specified Distribution Accrual Periods, in the case of (y), calculated in accordance with this Condition 4 by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
 - (ii) If any Maximum or Minimum Rate of Distribution or Redemption Amount is specified hereon, then any Rate of Distribution, or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (h) **Calculations:** The amount of distribution payable per Calculation Amount in respect of any Subordinated Security for any Distribution Accrual Period shall be equal to the product of the Rate of Distribution, the Calculation Amount specified hereon, and the Day Count Fraction for such Distribution Accrual Period, unless a Distribution Amount (or a formula for its calculation) is applicable to such Distribution Accrual Period, in which case the amount of distribution payable per Calculation Amount in respect of such Subordinated Security for such Distribution Accrual Period shall equal such Distribution Amount (or be calculated in accordance with such formula). Where any Distribution Period comprises two or more Distribution Accrual Periods, the amount of distribution payable per Calculation Amount in respect of such Distribution Period shall be the sum of the Distribution Amounts payable in respect of each of those Distribution Accrual Periods. In respect of any other period for which distribution is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which distribution is required to be calculated.
- (i) **Determination and Publication of Rates of Distribution, Distribution Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts:** The Calculation Agent shall, as soon as practicable on each Distribution Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Distribution Amounts for the relevant Distribution Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Distribution and the Distribution Amounts for each Distribution Accrual Period and the relevant Distribution Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or any Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Subordinated Securityholders, any other Calculation Agent appointed in respect of the Subordinated Securities that is to make a further calculation upon receipt of such information as soon as possible after their determination but in no event later than (i) (if the Subordinated Securities are listed on a stock exchange and the rules of such exchange or other relevant authority require the Issuer to notify the Rate of Distribution and Distribution Amount) the commencement of the relevant Distribution Period, if determined prior to such time, provided that the Issuer makes a prior written request to the Calculation Agent or (ii) in all other cases, the fourth Business Day after such determination. Where any Distribution Payment Date or Distribution Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Distribution Amounts and the Distribution Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period. If the Subordinated Securities become due and payable under Condition 10, the accrued distribution and the Rate of Distribution payable in respect of the Subordinated Securities shall nevertheless continue to be calculated as previously in accordance with this Condition 4 but no publication of the Rate of Distribution or the Distribution Amount

so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (j) **Determination or Calculation by Independent Adviser:** If the Calculation Agent does not at any time for any reason determine or calculate the applicable Reset Rate of Distribution (as specified in the applicable Pricing Supplement), the Rate of Distribution for a Distribution Accrual Period or any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, and no replacement Calculation Agent has been appointed by the Issuer within 2 Business Days of the relevant Determination Date or Distribution Determination Date, the Issuer shall appoint an Independent Adviser on its behalf to do so. In doing so, the Independent Adviser shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Independent Adviser pursuant to this Condition 4(j) shall (in the absence of manifest error) be final and binding upon all parties.
- (k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Subordinated Securities denominated in a currency other than Singapore Dollars or euros, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of Subordinated Securities denominated in euros, a day on which the TARGET system is operating (a **“TARGET Business Day”**) and/or
- (iii) in the case of Singapore Dollar Subordinated Securities, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments to Singapore and/or
- (iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of distribution on any Subordinated Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period or a Distribution Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual – ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)

- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30.

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

- (vi) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the due date for redemption or (ii) such number would be 31, in which case D₂ will be 30.

- (vii) if “**Actual/Actual-ICMA**” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Distribution Payment Date(s).

“Distribution Accrual Period” means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Period Date and each successive period beginning on (and including) a Distribution Period Date and ending on (but excluding) the next succeeding Distribution Period Date, or the relevant payment date if the Subordinated Securities become payable on a date other than a Distribution Period Date.

“Distribution Amount” means:

- (i) in respect of a Distribution Accrual Period, the amount of distribution payable per Calculation Amount for that Distribution Accrual Period and which, in the case of Fixed Rate Subordinated Securities, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Distribution Payment Date ending the Distribution Period of which such Distribution Accrual Period forms part; and
- (ii) in respect of any other period, the amount of distribution payable per Calculation Amount for that period.

“Distribution Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Distribution Determination Date” means (x) in the case of Non-Singapore Dollar Subordinated Securities, with respect to a Rate of Distribution and Distribution Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Distribution Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Distribution Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Distribution Accrual Period if the Specified Currency is euro; or (y) in the case of Singapore Dollar Subordinated Securities, in respect of any Distribution Accrual Period, that number of Business Days in Singapore prior to the first day of the Distribution Accrual Period as specified hereon.

“Distribution Period” means the period beginning on and including the Distribution Commencement Date and ending on but excluding the first Distribution Payment Date and each successive period beginning on and including a Distribution Payment Date and ending on but excluding the next succeeding Distribution Payment Date, or the relevant payment date if the Subordinated Securities become payable on a date other than a Distribution Payment Date.

“Distribution Period Date” means each Distribution Payment Date unless otherwise specified hereon.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Subordinated Securities issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as may be updated, amended or supplemented from time to time), unless otherwise specified hereon. For the avoidance of doubt, this definition does not apply to Condition 4(m)(ii).

“Rate of Distribution” means the rate of distribution payable from time to time in respect of this Subordinated Security and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market; (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; and (iii) in the case of a determination of the relevant Reference Rate, SIBOR or SOR, the principal Singapore office of three major banks in the Singapore inter-bank market in each case selected by the Issuer (or an Independent Adviser appointed by it) or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Time” means, with respect to any Distribution Determination Date, the local time in the relevant Business Centre specified hereon or, if none is specified, the local time in the relevant Business Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the relevant Business Centre or, if no such customary local time exists, 11.00 a.m. in the relevant Business Centre and, for the purpose of this definition “local time” means, with respect to the Euro-zone as a relevant Business Centre, Central European Time.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Subordinated Securities are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (l) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Subordinated Security is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Subordinated Securities, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for a Distribution Accrual Period or to calculate any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (m) **Benchmark Replacement:** In addition, notwithstanding the provisions above in this Condition 4:
- (i) where “Benchmark Replacement (General)” is specified as being applicable in the relevant Pricing Supplement, if a Benchmark Event has occurred in relation to the current Reference Rate when any (in the case of Fixed Rate Subordinated Securities) Reset Rate of Distribution and (in the case of Floating Rate Subordinated Securities) Rate of Distribution (or the relevant component part thereof) remains to be determined by the current Reference Rate, then the following provisions shall apply:
- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner and in consultation with the Issuer), (in the case of Fixed Rate Subordinated Securities) no later than five Business Days prior to the relevant Reset Determination Date (as specified in the applicable Pricing Supplement) relating to the next succeeding Reset Period (as specified in the applicable Pricing Supplement) (or such other date as may be agreed with the Calculation Agent) or (in the case of Floating Rate Subordinated Securities) no later than five Business Days prior to the relevant Distribution Determination Date relating to the next succeeding Distribution Period (the “**IA Determination Cut-off Date**”), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Reset Rate of Distribution or, as the case may be, Rate of Distribution (or the relevant component part thereof) applicable to the Subordinated Securities;
- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;
- (c) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, such Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future (in the case of Fixed Rate Subordinated Securities) Reset Periods or (in the case of Floating

Rate Subordinated Securities) Distribution Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(m)(i); provided, however, that if sub-paragraph (b) above applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant IA Determination Cut-off Date:

- (x) (in the case of Fixed Rate Subordinated Securities) the Reset Rate of Distribution applicable to the next succeeding Reset Period shall be equal to the Reset Rate of Distribution last determined in relation to the Subordinated Securities in respect of the preceding Reset Period (or alternatively, if there has not been a First Reset Date (as specified in the applicable Pricing Supplement), the Reset Rate of Distribution shall be the initial Rate of Distribution (if any)) (subject, where applicable, to substituting the Margin that applied to such preceding Reset Period for the Margin that is to be applied to the relevant Reset Period); for the avoidance of doubt, the proviso in this sub-paragraph (c) shall apply to the relevant Reset Period only and any subsequent Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(m)(i); and
- (y) (in the case of Floating Rate Subordinated Securities) the Rate of Distribution applicable to the next succeeding Distribution Period shall be equal to the Rate of Distribution last determined in relation to the Subordinated Securities in respect of the preceding Distribution Period (or alternatively, if there has not been a first Distribution Payment Date, the Rate of Distribution shall be the initial Rate of Distribution (if any)) (subject, where applicable, to substituting the Margin that applied to such preceding Distribution Period for the Margin that is to be applied to the relevant Distribution Period); for the avoidance of doubt, the proviso in this sub-paragraph (c) shall apply to the relevant Distribution Period only and any subsequent Distribution Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(m)(i);
- (d) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Reset Determination Date or as the case may be, Distribution Determination Date and/or the definition of Reference Rate applicable to the Subordinated Securities, and the method for determining the fallback rate in relation to the Subordinated Securities, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such

consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(m)(i). Subordinated Securityholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee or Issuing and Paying Agent (if required); and

- (e) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread, give notice thereof to the Trustee, the Issuing and Paying Agent, the Calculation Agent and the Subordinated Securityholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread and any consequential changes made to these Conditions.

For the purposes of this Condition 4(m)(i):

“Adjustment Spread” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Subordinated Securityholders as a result of the replacement of the current Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the current Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the current Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (in each case acting in good faith and in a commercially reasonable manner) to be appropriate;

“Alternative Reference Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the current Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of distribution in respect of Subordinated Securities denominated in the Specified Currency and of a comparable duration to the relevant Reset Period or, as the case may be, Distribution Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the current Reference Rate;

“Benchmark Event” means:

- (i) the current Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist;
- (ii) a public statement by the administrator of the current Reference Rate that it will, by a specified date within the following six months, cease publishing the current Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the current Reference Rate), unless (in the case of Dated Securities) such cessation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iii) a public statement by the supervisor of the administrator of the current Reference Rate, that the current Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued, unless (in the case of Dated Securities) such discontinuation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iv) a public statement by the supervisor of the administrator of the current Reference Rate as a consequence of which the current Reference Rate will be prohibited from being used either generally, or in respect of the Subordinated Securities, and in each case within the following six months, unless (in the case of Dated Securities) such prohibition is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (v) it has become unlawful for any Issuing and Paying Agent, Calculation Agent, the Issuer or other party (including any Independent Adviser appointed by the Issuer for these purposes) to calculate any payments due to be made to any Subordinated Securityholder using the current Reference Rate; or
- (vi) a public statement by the supervisor of the administrator of the current Reference Rate announcing that such Reference Rate is no longer representative or may no longer be used;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Subordinated Securities issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Relevant Nominating Body” means, in respect of a Reference Rate:

- (i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

“Successor Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the current Reference Rate which is formally recommended by any Relevant Nominating Body;

- (ii) where “Benchmark Replacement (ARRC)” is specified as being applicable in the relevant Pricing Supplement, if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, then the following provisions shall apply:
 - (a) the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Subordinated Securities in respect of such determination on such date and all determinations on all subsequent dates, and the Issuer shall promptly give notice thereof to the Trustee, the Calculation Agent, the Issuing and Paying Agent and the Subordinated Securityholders, which shall specify the effective date(s) for such Benchmark Replacement and any Benchmark Replacement Conforming Changes;
 - (b) in connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time; and
 - (c) any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(m)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee’s sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Subordinated Securities, shall become effective without consent from any other party;

For the purposes of this Condition 4(m)(ii):

“Benchmark” means, initially, LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

“Benchmark Replacement” means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then **“Benchmark Replacement”** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the sum of: (a) Term SOFR and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) Compounded SOFR and (b) the Benchmark Replacement Adjustment;
- (iii) the sum of: (a) the alternate rate of distribution that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;

- (iv) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; and
- (v) the sum of: (a) the alternate rate of distribution that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of distribution as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate securities at such time and (b) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate securities at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Distribution Period”, “Reset Period” and “Distribution Accrual Period”, timing and frequency of determining rates and making payments of distribution, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Distribution Period, Reset Period or Distribution Accrual Period, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of paragraphs (i) or (ii) of the definition of “Benchmark Transition Event”, the later of: (a) the date of the public statement or publication of information referenced therein, and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of paragraph (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“Compounded SOFR” means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the distribution amount payable prior to the end of each Distribution Period, Reset Period or Distribution Accrual Period) being established by the Issuer or its designee in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR;

provided that if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with paragraph (i) above, then:

- (ii) the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate securities at such time.

Notwithstanding the foregoing, Compounded SOFR may include such lookback and/or suspension period as specified in the relevant Pricing Supplement as a mechanism to determine the distribution amount payable prior to the end of each Distribution Period, Reset Period or Distribution Accrual Period;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

“designee” means a designee as selected and separately appointed by the Issuer in writing, which may include a subsidiary or affiliate of the Issuer or an Independent Adviser;

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Subordinated Securities issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Interpolated Benchmark” with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“LIBOR” means London Interbank Offered Rate;

“Reference Time” with respect to any determination of the Benchmark means:

- (i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination; and
- (ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website;

“Term SOFR” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

5 Distribution Deferral

- (a) **Optional Deferral:** If Distribution Deferral is specified as being applicable in the applicable Pricing Supplement, the Issuer may, at its sole discretion, elect to defer any Distribution (in whole or in part) which is otherwise scheduled to be paid on (i) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date; and (ii) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date to the next Distribution Payment Date, by giving notice (a **“Deferral Election Notice”**) to the Subordinated Securityholders in accordance with Condition 15, the Trustee and the Issuing and Paying Agent not more than 20 nor less than 10 business days prior to a scheduled Distribution Payment Date (or such other notice period as may be specified in the applicable Pricing Supplement).

If Dividend Pusher is specified as being applicable in the applicable Pricing Supplement, the Issuer may not elect to defer any Distribution if, during such period(s) prior to such Distribution Payment Date as may be specified in the applicable Pricing Supplement, either or both of the following has occurred:

- (i) a discretionary dividend or distribution has been declared or paid by the Issuer or the Guarantor on or in respect of any of its Junior Obligations or Parity Obligations; or
- (ii) the Issuer or the Guarantor has at its discretion repurchased, redeemed, reduced, cancelled, bought back or otherwise acquired any of its Junior Obligations or Parity Obligations,

in each case, other than (x) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Guarantor and its subsidiaries (the **“Group”**), (y) in relation to a payment, repurchase or redemption of Parity Obligations of the Issuer or the Guarantor, where such payment, repurchase or redemption is made on a *pro-rata* basis with a repurchase or redemption of the Subordinated Securities, or (z) as a result of the exchange or conversion of any of its Parity Obligations for Junior Obligations,

(a **“Compulsory Distribution Payment Event”**), subject as is otherwise specified in the applicable Pricing Supplement or as permitted by an Extraordinary Resolution (as defined in the Trust Deed) of the Subordinated Securityholders.

As used in these Conditions, “**Junior Obligations**” means:

- (i) in the case of the Issuer, any of its ordinary shares issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Subordinated Securities;
 - (ii) in the case of the Guarantor, any of its ordinary shares issued, entered into or guaranteed by the Guarantor that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Subordinated Securities or, as the case may be, the Subordinated Guarantee, as applicable; or
 - (iii) as otherwise specified in the applicable Pricing Supplement.
- (b) **No obligation to pay:** The Issuer shall have no obligation to pay any Distribution (including any Arrears of Distribution and any Additional Distribution Amount) on any Distribution Payment Date if it validly elects not to do so in accordance with Condition 5(a) and any failure to pay any Distribution in whole or in part shall not constitute a default of the Issuer in respect of the Subordinated Securities.
- (c) **Requirements as to Notice:** Each Deferral Election Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, and if Dividend Pusher is specified as being applicable in the applicable Pricing Supplement, by a certificate in the form of Schedule 3 to the Trust Deed signed by two authorised signatories of the Issuer confirming that no Compulsory Distribution Payment Event has occurred. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Subordinated Securityholder or any other person on any Deferral Election Notice or any certificate as aforementioned. Each Deferral Election Notice shall be conclusive and binding on the Subordinated Securityholders.
- (d) **Cumulative Deferral:** If Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement, any Distribution validly deferred pursuant to this Condition 5 shall constitute “**Arrears of Distribution**”. The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 5(a)) further defer any Arrears of Distribution (and, if applicable, any Additional Distribution Amount) by complying with the foregoing notice requirement applicable to any deferral of an accrued Distribution. The Issuer is not subject to any limit as to the number of times or to the extent of the amount with respect to which Distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 5 by complying with the foregoing notice requirements except that this Condition 5(d) shall be complied with until all outstanding Arrears of Distribution have been paid in full.

If Additional Distribution Amount is specified as being applicable in the applicable Pricing Supplement, each amount of Arrears of Distribution shall bear further distribution as if it constituted the principal of the Subordinated Securities at the Rate of Distribution and the amount of such distribution (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 5 and shall be calculated by applying the applicable Rate of Distribution to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 5. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

- (e) **Non-Cumulative Deferral:** If Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement, any Distribution deferred pursuant to this Condition 5 is non-cumulative and will not accrue distribution. The Issuer is not under any obligation to pay that or any other Distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an optional amount equal to the amount of Distribution which is unpaid in whole or in part (an “**Optional Distribution**”) at any time by giving irrevocable notice of such election to the Subordinated Securityholders (in accordance with Condition 15) and the Trustee and the Issuing and Paying Agent, not more than 20 nor less than 10 Business Days (or such other notice period as may be specified in the applicable Pricing Supplement) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution on the payment date specified in such notice).

Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the Subordinated Securityholders of all outstanding Subordinated Securities related to them on a *pro-rata* basis. Further provisions relating to this Condition 5(e) may be specified in the applicable Pricing Supplement.

- (f) **Restrictions in the case of Deferral:** If Dividend Stopper is specified as being applicable in the applicable Pricing Supplement and on any Distribution Payment Date, payment of Distributions (including Arrears of Distribution and Additional Distribution Amount) scheduled to be made on such date is not made in full by reason of this Condition 5, the Issuer and the Guarantor shall not:
- (i) voluntarily declare or pay any discretionary dividends, distributions or make any other discretionary payment on, and will procure that no discretionary dividend, distribution or other payment is made on any of its Junior Obligations or Parity Obligations; or
 - (ii) voluntarily redeem, repurchase, reduce, cancel, buy-back or acquire for any consideration any of its Junior Obligations or Parity Obligations,

in each case, other than (x) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants, (y) in relation to a payment, repurchase or redemption of Parity Obligations, where such payment, repurchase or redemption is made on a *pro-rata* basis with a repurchase or redemption of the Subordinated Securities, or (z) as a result of the exchange or conversion of its Parity Obligations for Junior Obligations, unless and until the Issuer or the Guarantor (aa) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) has satisfied in full all outstanding Arrears of Distribution (and, if applicable, any Additional Distribution Amounts); (bb) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Subordinated Securities in accordance with Condition 6 has occurred, the next scheduled Distribution has been paid in full, or an Optional Distribution equal to the amount of a Distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full; or (cc) is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Subordinated Securityholders, and/or as otherwise specified in the applicable Pricing Supplement.

(g) **Satisfaction of Arrears of Distribution:** The Issuer:

- (i) may, at its sole discretion, satisfy any Arrears of Distribution (in whole or in part) at any time by giving notice of such election to the Subordinated Securityholders (in accordance with Condition 15) and the Trustee and the Issuing and Paying Agent, not more than 20 nor less than 10 Business Days (or such other notice period as may be specified in the applicable Pricing Supplement) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part and including, if applicable, any Additional Distribution Amount) on the earliest of:
 - (A) the date (if any) of redemption of the Subordinated Securities in accordance with the redemption events set out in Condition 6;
 - (B) the next Distribution Payment Date immediately following a breach of Condition 5(f) or the occurrence of a Compulsory Distribution Payment Event;
 - (C) the date such amount becomes due under Condition 10 or on Winding-Up of the Issuer or the Guarantor; and
 - (D) the date of any substitution or variation in accordance with Condition 11(e).

Any partial payment of outstanding Arrears of Distribution by the Issuer shall be shared by the Subordinated Securityholders of all outstanding Subordinated Securities on a *pro-rata* basis. Further provisions relating to this Condition 5(g) may be specified in the applicable Pricing Supplement.

- (h) **No default:** Notwithstanding any other provision in these Conditions or the Trust Deed, the deferral of any Distribution payment in accordance with this Condition 5 shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 10) on the part of the Issuer or the Guarantor.

6 Redemption, Purchase and Options

(a) **Redemption:**

- (i) *Redemption at maturity:* Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Dated Security shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount); and
- (ii) *No fixed redemption date:* the Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 10) only have the right to redeem or purchase them in accordance with the following provisions of this Condition 6.

(b) **Early Redemption:**

The Early Redemption Amount payable in respect of any Subordinated Security, upon redemption of such Subordinated Security pursuant to this Condition 6 or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

- (c) **Redemption for Taxation Reasons:** The Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating Rate Subordinated Security), on giving not less than 30 nor more than 60 days' notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if:
- (i) the Issuer or, as the case may be, the Guarantor receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that:
 - (A) the Subordinated Securities will not be regarded as "debt securities" for the purposes of Section 43N(4) of the Income Tax Act, Chapter 134 of Singapore (the "ITA") and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or
 - (B) the distributions (including any Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) will not be regarded as interest payable by the Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or
 - (ii) (A) the Issuer or, as the case may be, the Guarantor has or will become obliged to pay additional amounts as described under Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws or any regulations, rulings or other administrative pronouncements promulgated thereunder of Singapore or any political subdivision or, in each case, any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, or the Subordinated Securities do not qualify as "qualifying debt securities" for the purposes of the ITA of Singapore, which change or amendment is made public or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities; and (B) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Subordinated Securities (or Subordinated Guarantee, as the case may be) then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer (or the Guarantor, as the case may be) shall deliver or procure that there is delivered to the Trustee:

- (I) a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and
- (II) in the case of a notice of redemption pursuant to Condition 6(c)(i), a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 6(c)(i) or, in the case of a notice of redemption

pursuant to Condition 6(c)(ii), an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change, amendment, interpretation or pronouncement.

The Trustee shall be entitled to accept such certificate, ruling or opinion (as the case may be) as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders.

- (d) **Redemption for Accounting Reasons:** If Redemption for Accounting Reasons is specified as being applicable in the applicable Pricing Supplement, the Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating Rate Subordinated Security), on giving not less than 30 nor more than 60 days' notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if, as a result of any changes or amendments to the Singapore Financial Reporting Standards (International) issued by the Singapore Accounting Standards Council (as amended from time to time, the "SFRS (I)") or any other accounting standards that may replace SFRS(I) for the purposes of the consolidated financial statements of the Guarantor (the "**Relevant Accounting Standard**"), the Subordinated Securities will not or will no longer be recorded as "equity" of the Issuer or, as the case may be, the Guarantor pursuant to the Relevant Accounting Standard (the "**Accounting Event**").

The Subordinated Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6(d), provided that such date for redemption shall be no earlier than 180 days prior to the last day before the date on which the Subordinated Securities must no longer be so recorded as "equity" of the Issuer or, as the case may be, the Guarantor pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer (or the Guarantor, as the case may be) shall deliver or procure that there is delivered to the Trustee (a) a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that an Accounting Event has occurred and the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer (or the Guarantor, as the case may be) so to redeem have occurred and (b) an opinion of independent auditors of the Issuer (or the Guarantor, as the case may be) to the effect that an Accounting Event has occurred and is prevailing, and the date on which the relevant change or amendment to the Relevant Accounting Standard is due to take effect. The Trustee shall be entitled to accept such certificate or opinion (as the case may be) as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders. All Subordinated Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

- (e) **Redemption for Tax Deductibility Event:** If Redemption for Tax Deductibility Event is specified as being applicable in the applicable Pricing Supplement, the Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating

Rate Subordinated Security), on giving not less than 30 nor more than 60 days' notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if

(i) as a result of:

- (A) any amendment to, or change in, the laws (or any rules, regulations, rulings or other administrative pronouncements promulgated or practice related thereto or thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities;
- (B) any amendment to, or change in, an application or official and binding interpretation of any such laws, rules, regulations, rulings or other administrative pronouncements promulgated or practice related thereto or by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities; or
- (C) any generally applicable official interpretation or pronouncement which is issued or announced on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities that provides for a position with respect to such laws, rules, regulations or practice related thereto that differs from the previous generally accepted position,

payments by the Issuer (or the Guarantor, as the case may be) would no longer, or within 90 days of the date of the opinion referred to in paragraph (B) below would not, be fully deductible by the Issuer (or the Guarantor, as the case may be) for Singapore income tax purposes, provided that no notice of redemption may be given earlier than 90 days prior to the effective date on which payments on the Subordinated Securities would not be fully tax deductible by the Issuer (or the Guarantor, as the case may be) for Singapore income tax purposes; or

- (ii) the Issuer (or the Guarantor, as the case may be) receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that the distributions (including any Optional Distribution, Arrears of Distribution and any Additional Distribution Amount (if any)) will not or will no longer be regarded as sums "payable by way of interest upon any money borrowed" for the purpose of Section 14(1)(a) of the ITA,

(the "**Tax Deductibility Event**"),

Prior to the publication of any notice of redemption pursuant to this Condition 6(e), the Issuer shall deliver or procure that there is delivered to the Trustee:

- (A) a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

- (B) in the case of a notice of redemption pursuant to Conditions 6(e)(i)(A) to 6(e)(i)(C) above, an opinion of independent tax or legal advisers of the Issuer of recognised standing to the effect that the circumstances referred to above prevail and the date on which the relevant change, amendment, interpretation or pronouncement has taken place or is due to take effect or in the case of a notice of redemption pursuant to Condition 6(e)(ii) above, a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 6(e)(ii).

The Trustee shall be entitled to accept such certificate, ruling or opinion (as the case may be) as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders.

All Subordinated Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6(e).

- (f) **Redemption for Ratings Event:** If Redemption for Ratings Event is specified as being applicable in the applicable Pricing Supplement, the Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating Rate Subordinated Security), on giving not less than 30 nor more than 60 days' notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if as of the date fixed for redemption, an amendment, clarification or change has occurred or will occur in the Distribution Period immediately following the date fixed for redemption occur in the equity credit criteria, guidelines or methodology of any Rating Agency requested from time to time by the Issuer to grant an equity classification to the Subordinated Securities and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Subordinated Securities assigned by that relevant Rating Agency immediately prior to that relevant amendment, clarification or change ("**Ratings Event**").

Prior to the publication of any notice of redemption pursuant to this Condition 6(f), the Issuer (or the Guarantor, as the case may be) shall deliver or procure that there is delivered to the Trustee a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that the Issuer (or the Guarantor, as the case may be) is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer (or the Guarantor, as the case may be) so to redeem have occurred. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders.

For the purposes of this Condition 6(f):

"Rating Agency" means Moody's Investors Service or its successors or Standard & Poor's Rating Services, a division of The McGraw Hill Companies Inc. or its successors or any other rating agency of equivalent international standing.

- (g) **Redemption at the Option of the Issuer:** If Call Option is specified as being applicable in the applicable Pricing Supplement, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Subordinated Securityholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Subordinated Securities on any Optional Redemption Date. Any such redemption of Subordinated Securities shall be at their Optional Redemption Amount together with distributions accrued to the date fixed for redemption. Any such redemption or exercise must relate to Subordinated Securities of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Subordinated Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(g).

In the case of a partial redemption the notice to Subordinated Securityholders shall also specify the nominal amount of Subordinated Securities drawn and the holder(s) of such Subordinated Securities to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (h) **Partly Paid Subordinated Securities:** Partly Paid Subordinated Securities will be redeemed, whether at maturity (in the case of Dated Securities), early redemption or otherwise, in accordance with the provisions of this Condition 6 and the provisions specified hereon.
- (i) **Purchases:** The Issuer, the Guarantor and any of their respective Subsidiaries as defined in the Trust Deed may at any time purchase Subordinated Securities in the open market or otherwise at any price.
- (j) **Cancellation:** All Subordinated Securities purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, by surrendering the Certificate representing such Subordinated Securities to the Registrar and, if so surrendered, shall, together with all Subordinated Securities redeemed by the Issuer, be cancelled forthwith. Any Subordinated Securities so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Subordinated Securities shall be discharged.

7 Payments

(a) Payments on Subordinated Securities:

- (i) Payments of principal in respect of Subordinated Securities shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Distribution on Subordinated Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of distribution on each Subordinated Security shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Subordinated Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before

the Record Date, such payment of distribution may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

- (b) **Payments subject to Fiscal Laws:** Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (“**FATCA**”).
- (c) **Appointment of Agents:** The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Subordinated Securityholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, any other Paying Agent, the Registrars, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar, (iii) an Exchange Agent in relation to Restricted Global Certificates (as defined in the Trust Deed), (iv) a Transfer Agent, (v) a DTC Paying Agent in relation to Subordinated Securities cleared through DTC, (vi) a CDP Paying Agent in relation to Subordinated Securities cleared through CDP, (vii) one or more Calculation Agent(s) where the Conditions so require, (viii) a Paying Agent in Singapore, where the Subordinated Securities may be presented or surrendered for payment or redemption, in the event that the Global Subordinated Securities are exchanged for Definitive Subordinated Securities, for so long as the Subordinated Securities are listed on the SGX-ST and the rules of the SGX-ST so require and (ix) such other agents as may be required by any other stock exchange on which the Subordinated Securities may be listed in each case, as approved by the Trustee.

Notice of any such change or any change of any specified office shall promptly be given to the Subordinated Securityholders.

- (d) **Non-Business Days:** If any date for payment in respect of any Subordinated Security is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any distribution or other sum in respect of such postponed payment.

8 Taxation

All payments of principal and distribution by or on behalf of the Issuer or the Guarantor in respect of the Subordinated Securities or under the Subordinated Guarantee, as applicable, shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in relation to Singapore Dollar Subordinated Securities, the Issuer or, as the case may be, the Guarantor will not be obliged to pay any additional amounts in respect of any such withholding or

deduction from payments in respect of such Singapore Dollar Subordinated Securities for, or on account of, any such taxes or duties, and in relation to Non-Singapore Dollar Subordinated Securities, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts (“**Additional Amounts**”) as shall result in receipt by the Subordinated Securityholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Subordinated Security:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of Singapore or as having a permanent establishment in Singapore for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Subordinated Security by reason of his having some connection with Singapore other than the mere holding of the Subordinated Security; or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or
- (c) **Failure to comply with requirements:** which would not be payable or due but for the failure of the holder or beneficial owner of such Subordinated Security to comply with any certification, identification or other reporting requirements of Singapore concerning the nationality, residence, identity or other attributes of such holder or beneficial owner required in connection with a claim, of eligibility for avoidance or reduction of withholding or deduction of tax under the laws of Singapore, if requested in writing addressed to such holder or beneficial owner by the Issuer to comply with such requirements.

Foreign Account Tax Compliance Act: Payments will be subject in all cases to any withholding or deduction required pursuant to FATCA, as provided in Condition 7. No Additional Amounts shall be payable by the Issuer or, as the case may be, the Guarantor, where such deduction or withholding is imposed or required to be withheld pursuant to FATCA.

9 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Subordinated Securities shall be prescribed and become void unless made within 3 years from the appropriate Relevant Date in respect of them, unless otherwise provided in the relevant Pricing Supplement.

10 Enforcement Event

(a) Non-payment when due

Notwithstanding any of the provisions below in this Condition 10, the right to institute proceedings for Winding-Up in respect of the Issuer and/or the Guarantor is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected to defer that distribution in accordance with Condition 5.

(b) Proceedings for Winding-Up

If (i) Winding-Up of the Issuer and/or the Guarantor occurs or (ii) the Issuer shall not make payment in respect of the Subordinated Securities or the Guarantor shall not make payment in respect of the Subordinated Guarantee, as applicable, for a period of 14 days (in the case of distribution) or seven days (in the case of principal) or more after the date on which such payment is due (together, the “**Enforcement Events**”), the Issuer (or, as the case may be, the Guarantor) shall be deemed to be in default under the Subordinated Securities (in the case of the Issuer) and the Subordinated Guarantee, as applicable (in the case of the Guarantor) and the Trustee at its discretion may, and if so requested in writing by holders of not less than 25 per cent. in principal amount of the Subordinated Securities then outstanding or if so directed by an Extraordinary Resolution shall (provided that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction) institute proceedings for the Winding-Up of the Issuer or the Guarantor, as the case may be, and/or prove in the Winding-Up of the Issuer or the Guarantor, as the case may be, and/or claim in the liquidation of the Issuer or the Guarantor, as the case may be, for such payment.

Without prejudice to this Condition 10(b) but subject to the provisions of Condition 10(d), the Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or actions against the Issuer and/or the Guarantor as it may think fit to enforce any term or condition binding on the Issuer and/or the Guarantor under the Subordinated Securities (other than any payment obligation of the Issuer or the Guarantor under or arising from the Subordinated Securities, including, without limitation, payment of any principal or premium or satisfaction of any Distributions (including any Arrears of Distribution and any Additional Distribution Amount) in respect of the Subordinated Securities, including any damages awarded for breach of any obligations) and in no event shall the Issuer or the Guarantor, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

(c) Right of Subordinated Securityholders

No Subordinated Securityholder shall be entitled to proceed directly against the Issuer or the Guarantor or to institute proceedings for the Winding-Up of the Issuer or the Guarantor or claim in the liquidation of the Issuer or the Guarantor or to prove in such Winding-Up of the Issuer or the Guarantor unless the Trustee, having become so bound to proceed or being able to prove in such Winding-Up of the Issuer or the Guarantor or claim in such liquidation or termination, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Subordinated Securityholder shall have only such rights against the Issuer and/or the Guarantor as those which the Trustee is entitled to exercise as set out in this Condition 10.

(d) Extent of Subordinated Securityholders' remedy

No remedy against the Issuer or the Guarantor, other than as referred to in this Condition 10, shall be available to the Trustee or the Subordinated Securityholders, whether for the recovery of amounts owing in respect of the Subordinated Securities or the Trust Deed or in respect of any breach by the Issuer or the Guarantor of any of their respective other obligations under or in respect of the Subordinated Securities or the Trust Deed.

11 Meetings of Subordinated Securityholders, Modification, Waiver and Substitution

- (a) **Meetings of Subordinated Securityholders:** The Trust Deed contains provisions for convening meetings of Subordinated Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Subordinated Securityholders holding not less than 10 per cent. in nominal amount of the Subordinated Securities for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Subordinated Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Subordinated Securityholders whatever the nominal amount of the Subordinated Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity (in the case of Dated Securities), the dates of redemption of the Subordinated Securities or any date for payment of distribution or Distribution Amounts on the Subordinated Securities, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Subordinated Securities, (iii) to reduce the rate or rates of distribution in respect of the Subordinated Securities or to vary the method or basis of calculating the rate or rates or amount of distribution or the basis for calculating any Distribution Amount in respect of the Subordinated Securities, (iv) if a Minimum and/or a Maximum Rate of Distribution, or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, (vi) to vary the currency or currencies of payment or denomination of the Subordinated Securities, (vii) to modify the provisions concerning the quorum required at any meeting of Subordinated Securityholders or the majority required to pass the Extraordinary Resolution, (viii) to modify or cancel the Subordinated Guarantee, or (ix) amending the subordination provisions of the Subordinated Securities in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Subordinated Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Subordinated Securityholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Subordinated Securities outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Subordinated Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Subordinated Securityholders.

These Conditions may be amended, modified or varied in relation to any Series of Subordinated Securities by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification and Waiver of the Trust Deed:** The Trustee may agree, without the consent of the Subordinated Securityholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of applicable law or as required by Euroclear and/or Clearstream and/or CDP, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of

the Trustee not materially prejudicial to the interests of the Subordinated Securityholders. Any such modification, authorisation or waiver shall be binding on the Subordinated Securityholders and, if the Trustee so requires, such modification shall be notified to the Subordinated Securityholders as soon as practicable.

- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Subordinated Securityholders, to the substitution of the Issuer's successor in business or any Subsidiary (as defined in the Trust Deed) of the Issuer or its successor in business or the substitution of the Guarantor's successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer or the Guarantor, as the case may be, or of any previous substituted company, as principal debtor or guarantor under the Trust Deed and the Subordinated Securities. In the case of such a substitution the Trustee may agree, without the consent of the Subordinated Securityholders, to a change of the law governing the Subordinated Securities and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Subordinated Securityholders.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Subordinated Securityholders as a class and shall not have regard to the consequences of such exercise for individual Subordinated Securityholders and the Trustee shall not be entitled to require, nor shall any Subordinated Securityholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Subordinated Securityholders.
- (e) **Special Event Substitution or Variation**

If Special Event Substitution or Variation is specified as being applicable in the applicable Pricing Supplement and if a Special Event has occurred and is continuing, then the Issuer may, subject to Condition 5 (without any requirement for the consent or approval of the Subordinated Securityholders or the Trustee) and subject to the receipt by the Trustee of the certificate signed by two authorised signatories of the Issuer referred to in sub-Clause 10.1.7 of the Trust Deed immediately prior to the giving of any notice referred to herein certifying that the provisions of this Condition 11(e) have been complied with, and having given not less than 30 nor more than 60 days' irrevocable notice to the Trustee and, in accordance with Condition 15, the Subordinated Securityholders, at any time either (i) substitute all, but not some only, of the Subordinated Securities for, or (ii) vary the terms of the Subordinated Securities with the effect that they remain or become (as the case may be), Qualifying Securities. Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, substitute the Subordinated Securities in accordance with this Condition 11(e).

In connection therewith, any outstanding Arrears of Distribution (including any Additional Distribution Amount) shall be satisfied in full in accordance with the provisions of Condition 5.

In connection with any substitution or variation in accordance with this Condition 11(e), the Issuer shall comply with the rules of any stock exchange on which the Subordinated Securities are for the time being listed or admitted to trading.

Any such substitution or variation in accordance with the foregoing provisions shall not be permitted if any such substitution or variation would itself give rise to a Special Event with respect to the Subordinated Securities or the Qualifying Securities.

For the purposes of these Conditions:

“Qualifying Securities” means securities that:

- (A) have terms not materially less favourable to an investor than the terms of the Subordinated Securities (as reasonably determined by the Issuer), and provided that a certification to such effect (and confirming that the conditions set out in (I) to (IV) below have been satisfied) signed by two authorised signatories of the Issuer, shall have been delivered to the Trustee and prior to the substitution or variation of the relevant Subordinated Securities upon which certificate the Trustee shall rely absolutely and shall be binding on the Subordinated Securityholders), provided that:
 - (I) they are issued by the Issuer or any wholly owned direct or indirect Subsidiary of the Guarantor;
 - (II) they are unconditionally and irrevocably guaranteed by the Guarantor;
 - (III) they and the guarantee as aforesaid shall rank *pari passu* with the Subordinated Securities or, as the case may be, the Subordinated Guarantee on a Winding-Up, shall preserve the Subordinated Securityholders' rights to any Arrears of Distribution, any Additional Distribution Amount and any other payment that has accrued with respect to the relevant Subordinated Securities, and shall contain terms which provide at least for the same Rate of Distribution, subsequent Distribution Payment Dates and redemption events, from time to time applying to the Subordinated Securities; and other terms of such securities are substantially identical (as reasonably determined by the Issuer) to the Subordinated Securities, save for any modifications or amendments to such terms that are required to be made in order to avoid or resolve the occurrence of the early redemption events set out under Conditions 6(c), 6(d), 6(e) and 6(f); and
 - (IV) they shall not contain loss absorbing provisions, such as principal write-offs, write-downs or conversion to equity;
- (B) have been, or will on issue be, assigned at least the same rating as that assigned by all relevant Rating Agencies where the Subordinated Securities were so rated (other than unsolicited ratings) prior to substitution or variation as provided in this Condition 11(e); and
- (C) (subject to the Subordinated Securities being listed on the SGX-ST or another securities exchange of international standing regularly used for the listing and quoting of debt securities offered and traded in the international markets) are listed on the SGX-ST or another securities exchange of international standing regularly used for the listing and quoting of debt securities offered and traded in the international markets.

“Special Event” means an early redemption event set out under Conditions 6(c), 6(d), 6(e) and 6(f) or any combination of the foregoing.

12 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Subordinated Securityholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Guarantor, the Trustee and the Subordinated Securityholders.

13 Replacement of Certificates

If a Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Registrar or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Subordinated Securityholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Certificate is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Certificates) and otherwise as the Issuer or the Guarantor may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

14 Further Issues

The Issuer may from time to time without the consent of the Subordinated Securityholders create and issue further Subordinated Securities either having the same terms and conditions as the Subordinated Securities in all respects (or in all respects except for the first payment of distribution on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Subordinated Securities) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Subordinated Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Subordinated Securities. Any further securities forming a single series with the outstanding securities of any series (including the Subordinated Securities) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Subordinated Securityholders and the holders of securities of other series where the Trustee so decides.

15 Notices

Notices to the holders of Subordinated Securities shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

16 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Subordinated Security is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or the Guarantor or otherwise) by any Subordinated Securityholder in respect of any sum expressed to be due to it from the Issuer or the Guarantor shall only constitute a discharge to the Issuer or the Guarantor, as the case may be, to the extent of the amount in the currency of payment under the relevant Subordinated Security that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Subordinated Security, the Issuer, failing whom the Guarantor, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, failing whom the Guarantor, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 16, it shall be sufficient for the Subordinated Securityholder to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantor's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Subordinated Securityholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Subordinated Security or any other judgment or order.

17 Rights of Third Parties

No person shall have the right to enforce any term or condition of the Subordinated Securities under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

18 Governing Law and Jurisdiction

- (a) **Governing Law:** The Subordinated Securities are governed by, and shall be construed in accordance with, Singapore law.
- (b) **Jurisdiction:** The Courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Subordinated Securities or the Subordinated Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Subordinated Securities or the Subordinated Guarantee ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of the courts of Singapore and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

TERMS AND CONDITIONS OF THE SUBORDINATED SECURITIES GOVERNED BY ENGLISH LAW

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Subordinated Securities issued in exchange for the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on the Certificates relating to such Subordinated Securities. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the Certificates. References in the Conditions to “Subordinated Securities” are to the Subordinated Securities of one Series only, not to all Subordinated Securities that may be issued under the Programme.

The Subordinated Securities is one of a Series of Dated Securities or Perpetual Securities (as specified in the applicable Pricing Supplement) and are constituted by an amended and restated English Law Trust Deed (as amended or supplemented as at the date of issue of the Subordinated Securities (the “**Issue Date**”), the “**Trust Deed**”) dated 2 November 2020 between the Issuer, the Guarantor and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Subordinated Securityholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of Certificates referred to below. An Amended and Restated Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 2 November 2020 has been entered into in relation to the Subordinated Securities between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon, London Branch as initial issuing and paying agent, paying agent and calculation agent in relation to each Series of Subordinated Securities other than Series of Subordinated Securities to be held through CDP and DTC, The Bank of New York Mellon as initial DTC paying agent, exchange agent, transfer agent, registrar and calculation agent in relation to each Series of Subordinated Securities to be held through DTC, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent, transfer agent, registrar and calculation agent in relation to each Series of Subordinated Securities to be held through CDP, The Bank of New York Mellon SA/NV, Luxembourg Branch as initial transfer agent and registrar in relation to each Series of Subordinated Securities other than Series of Subordinated Securities to be held through CDP and DTC. The issuing and paying agent, the DTC paying agent, the CDP paying agent, the other paying agents, the registrars, the exchange agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**DTC Paying Agent**”, the “**CDP Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the DTC Paying Agent and the CDP Paying Agent), the “**Registrars**”, the “**Exchange Agent**”, the “**Transfer Agents**” (which expression shall include the Registrars) and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references (other than in relation to the determination of distribution and other amounts payable in respect of the Subordinated Securities) to the Issuing and Paying Agent shall (i) with respect to a Series of Subordinated Securities to be held through DTC, be deemed to be a reference to the DTC Paying Agent and (ii) with respect to a Series of Subordinated Securities to be held through CDP, be deemed to be a reference to the CDP Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

Subordinated Securities may be denominated in Singapore dollars (“**Singapore Dollar Subordinated Securities**”) or in other currencies (“**Non-Singapore Dollar Subordinated Securities**”). The Subordinated Securityholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Relevant Date**” in respect of any Subordinated Security means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Subordinated Securityholders that, upon further presentation of the Certificate being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Subordinated Securities, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**distribution**” shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) “**principal**” and/or “**distribution**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

As used in these Conditions, “**Tranche**” means Subordinated Securities which are identical in all respects.

As used in these Conditions and in the applicable Pricing Supplement, where Dated Securities is specified as applicable in the applicable Pricing Supplement, references to “**Distribution**” and “**distribution**” are deemed to mean “**Interest**” and “**interest**”, as applicable.

1 Form, Denomination and Title

The Subordinated Securities are issued in registered form only in the Specified Denomination(s) shown hereon provided that in the case of any Subordinated Securities which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area (for these purposes, references to the European Economic Area include the United Kingdom) in circumstances which require the publication of a Prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Subordinated Securities).

*All Subordinated Securities shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Dated Securities which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 (“**FSMA**”) will have a minimum denomination of £100,000 (or its equivalent in other currencies).*

Subordinated Securities sold in reliance on Rule 144A will be in minimum denominations of US\$100,000 (or its equivalent in another currency) and higher integral multiples of US\$1,000 (or its equivalent in another currency) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Subordinated Securities which are listed on SGX-ST will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time.

This Subordinated Security is a Fixed Rate Subordinated Security, a Floating Rate Subordinated Security, a Dual Currency Subordinated Security or a Partly Paid Subordinated Security, a combination of any of the foregoing or any other kind of Subordinated Security, depending upon the Distribution and Redemption/Payment Basis shown hereon.

Subordinated Securities are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(b), each Certificate shall represent the entire holding of Subordinated Securities by the same holder.

Title to the Subordinated Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Subordinated Security shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Subordinated Securityholder**” or “**holder**” means the person in whose name a Subordinated Security is registered and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Subordinated Securities.

2 Transfers of Subordinated Securities

- (a) **Transfer of Subordinated Securities:** Subject to paragraph (e) (*Closed Periods*), one or more Subordinated Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Subordinated Securities to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require. In the case of a transfer of part only of a holding of Subordinated Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Subordinated Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Subordinated Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Subordinated Securityholder upon request.
- (b) **Exercise of Options or Partial Redemption in Respect of Subordinated Securities:** In the case of an exercise of an Issuer’s option in respect of, or a partial redemption of, a holding of Subordinated Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Subordinated Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Subordinated Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Subordinated Securities to a person who is already a holder of Subordinated Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (c) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(a) or (b) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for transfer or exercise or redemption. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (d) **Transfers Free of Charge:** Transfers of Subordinated Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (e) **Closed Periods:** No Subordinated Securityholder may require the transfer of a Subordinated Security to be registered (i) during the period of 15 days ending on the due date for redemption of that Subordinated Security, (ii) during the period of 15 days prior to any date on which Subordinated Securities may be called for redemption by the Issuer at its option pursuant to Condition 6(g), (iii) after any such Subordinated Security has been called for redemption or (iv) during the period of seven days ending on (and including) any due date for the payment of distribution.

3 Guarantee and Status

- (a) **Status of Subordinated Securities – Subordinated:** The Subordinated Securities constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and with any Parity Obligations of the Issuer. The rights and claims of the Subordinated Securityholders in respect of the Subordinated Securities are subordinated as provided in this Condition 3.
- (b) **Ranking of claims on Winding-Up – Issuer:** Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-Up of the Issuer, the rights of the Subordinated Securityholders to payment of principal of and distribution on the Subordinated Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer that are not expressed by their terms to rank junior to the Subordinated Securities, and in priority to the claims of shareholders of the Issuer, and/or as otherwise specified in the applicable Pricing Supplement.
- (c) **Set-off – Issuer:** Subject to applicable law, no Subordinated Securityholder may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Subordinated Securities, and each Subordinated Securityholder shall, by virtue of his holding of any Subordinated Securities, be deemed to have waived all such rights of set-off, deduction, withholding,

counterclaim, compensation or retention against the Issuer. Notwithstanding the preceding sentence, if at any time any of the amounts owing to any Subordinated Securityholder by the Issuer in respect of, or arising under or in connection with, the Subordinated Securities is discharged by set-off, such Subordinated Securityholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its Winding-Up, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any such discharge shall be deemed not to have taken place.

- (d) **Guarantee of Subordinated Securities:** The payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Subordinated Securities are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor. The obligations of the Guarantor under the Subordinated Guarantee (as defined in the Trust Deed) are contained in the Trust Deed.

The obligations of the Guarantor under the Subordinated Guarantee constitute direct, unconditional, unsecured and subordinated obligations of the Guarantor and rank *pari passu* and without any preference among themselves and with any Parity Obligations of the Guarantor. The rights and claims of the Subordinated Securityholders in respect of the Subordinated Guarantee are subordinated as provided in this Condition 3.

- (e) **Ranking of claims on Winding-Up – Guarantor:** Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-Up of the Guarantor, the rights of the Subordinated Securityholders to payment under the Subordinated Guarantee are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Guarantor but at least *pari passu* with all other subordinated obligations of the Guarantor that are not expressed by their terms to rank junior to the Subordinated Guarantee and in priority to the claims of shareholders of the Guarantor and/or as otherwise specified in the applicable Pricing Supplement.
- (f) **Set-off – Guarantor:** Subject to applicable law, no Subordinated Securityholder may exercise, claim or plead any right of set-off, deduction, withholding, counterclaim, compensation or retention in respect of any amount owed to it by the Guarantor in respect of, arising under or in connection with, the Subordinated Guarantee, and each Subordinated Securityholder shall, by virtue of his holding of any Subordinated Securities, be deemed to have waived all such rights of set-off, deduction, withholding, counterclaim, compensation or retention against the Guarantor. Notwithstanding the preceding sentence, if at any time any of the amounts owing to any Subordinated Securityholder by the Guarantor in respect of, or arising under or in connection with the Subordinated Guarantee is discharged by set-off, such Subordinated Securityholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Guarantor (or, in the event of its Winding-Up, the liquidator or, as appropriate, administrator of the Guarantor) and, until such time as payment is made, shall hold such amount in trust for the Guarantor (or the liquidator or, as appropriate, administrator of the Guarantor) and accordingly any such discharge shall be deemed not to have taken place.

As used in these Conditions:

“Parity Obligation”

(a) means:

- (i) in relation to the Issuer, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer (A) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Securities of the Issuer and (B) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Issuer and/or, in the case of an instrument or security guaranteed by the Issuer, the issuer thereof;
- (ii) in relation to the Guarantor, any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Guarantor (A) which ranks or is expressed to rank, by its terms or by operation of law, *pari passu* with the Subordinated Guarantee and (B) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Guarantor and/or, in the case of an instrument or security guaranteed by the Guarantor, the issuer thereof; or
- (iii) as otherwise specified in the applicable Pricing Supplement; and

(b) includes all subordinated securities and instruments other than the Junior Obligations.

“Winding-Up” of a person means an order by a competent authority for the bankruptcy, termination, winding-up, administration, judicial management, dissolution, liquidation or similar proceedings of that person and any equivalent or analogous procedure under the law of any jurisdiction in which it is incorporated, domiciled or resident or carries on business or has assets.

4 Distribution and other Calculations

(a) Distribution on Fixed Rate Subordinated Securities:

Subject to Condition 5, each Fixed Rate Subordinated Security confers a right to receive distribution on its outstanding nominal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such distribution being payable in arrear on each Distribution Payment Date. The Rate(s) of Distribution may be reset in the manner provided in the applicable Pricing Supplement.

The amount of distribution payable shall be determined in accordance with Condition 4(h).

(b) Distribution on Floating Rate Subordinated Securities (for Non-Singapore Dollar Subordinated Securities only):

(i) *Distribution Payment Dates:* Subject to Condition 5, each Floating Rate Subordinated Security confers a right to receive distribution on its outstanding nominal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such distribution being payable in arrear on each Distribution Payment Date. The amount of distribution payable shall be determined in accordance with Condition 4(h). Such

Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which falls the number of months or other period shown hereon as the Distribution Period after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Distribution for Floating Rate Subordinated Securities*: The Rate of Distribution in respect of Floating Rate Subordinated Securities for each Distribution Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Subordinated Securities

Where ISDA Determination is specified hereon as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for a Distribution Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Distribution Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Subordinated Securities

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Distribution Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Subordinated Securities is specified hereon as being other than LIBOR or EURIBOR, the Rate of Distribution in respect of such Subordinated Securities will be determined as provided hereon.

(y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer (or an Independent Adviser appointed by it) shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Issuer (or an Independent Adviser appointed by it) with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Distribution Determination Date in question. If two or more of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered quotations, the Rate of Distribution for such Distribution Accrual Period shall be the arithmetic mean of such offered quotations as notified to and determined by the Calculation Agent; and

(z) if paragraph (y) above applies and fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Distribution shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer (or an Independent Adviser appointed by it) by the Reference Banks or any two or more of them, at which such banks were offered, if

the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Distribution Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer (or an Independent Adviser appointed by it) with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer (or an Independent Adviser appointed by it) suitable for such purpose) informs the Issuer (or an Independent Adviser appointed by it) it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Distribution cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Distribution shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period, in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period).

(c) Distribution on Floating Rate Subordinated Securities (for Singapore Dollar Subordinated Securities only):

- (i) *Distribution Payment Dates:* Subject to Condition 5, each Floating Rate Subordinated Security confers a right to receive distribution on its outstanding nominal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such distribution being payable in arrear on each Distribution Payment Date. Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown hereon, Distribution Payment Date shall mean each date which falls the number of months or other period specified hereon as the Distribution Period after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such

date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

- (iii) *Rate of Distribution for Floating Rate Subordinated Securities:* Each Floating Rate Subordinated Security bears distribution at a floating rate determined by reference to the Reference Rate as stated hereon, including the Singapore dollar Swap Offer Rate (“**SOR**”) (in which case such Subordinated Security will be a Swap Rate Subordinated Security). A “**Swap Rate Subordinated Security**” means a Subordinated Security which bears distribution calculated in the manner set out in paragraph (iv)(B) below.

- (iv) *Determination of Rate of Distribution:* The Rate of Distribution payable from time to time in respect of each Floating Rate Subordinated Security will be determined by the Calculation Agent on the basis of the following provisions:
 - (A) In the case of Floating Rate Subordinated Securities which are not Swap Rate Subordinated Securities, the Calculation Agent will determine the Rate of Distribution in respect of any Distribution Accrual Period at or about the Relevant Time on the Distribution Determination Date in respect of such Distribution Accrual Period as follows:
 - (1) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution in respect of each Distribution Accrual Period will, subject as provided below, be:
 - (aa) the Reference Rate (where such Reference Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity); or
 - (bb) the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates of the persons whose Reference Rates appear on the Relevant Screen Page, in each case appearing on the Relevant Screen Page at the Relevant Time on the Distribution Determination Date;

- (2) if the Relevant Screen Page is not available or if paragraph (A)(1)(aa) above applies and no Reference Rate appears on the Relevant Screen Page at the Relevant Time on the Distribution Determination Date or if paragraph (A)(1)(bb) above applies and fewer than two Reference Rates appear on the Relevant Screen Page at the Relevant Time on the Distribution Determination Date, subject as provided below, the Rate of Distribution shall be the rate per annum which is the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the Reference Rates that each of the Reference Banks is quoting to leading banks in Singapore at the Relevant Time on the Distribution Determination Date, as requested and selected by the Issuer (or an Independent Adviser appointed by it) and notified to and determined by the Calculation Agent; and
 - (3) if paragraph (A)(2) above applies and fewer than two Reference Banks are so quoting Reference Rates, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date.
- (B) In the case of Floating Rate Subordinated Securities which are Swap Rate Subordinated Securities:
 - (1) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Accrual Period, determine the Rate of Distribution for such Distribution Accrual Period as being the rate which appears on the Reuters Screen ABSFIX1 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Accrual Period;
 - (2) if on any Distribution Determination Date no such rate is quoted on Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Rate of Distribution for such Distribution Accrual Period will be the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest 5 decimal places)) for a period equal to the duration of such Distribution Accrual Period published by a recognised industry body selected by the Issuer (or an Independent Adviser appointed by it) where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as selected by the Issuer (or an Independent Adviser appointed by it), in each case as notified to and determined by the Calculation Agent;
 - (3) if on any Distribution Determination Date the Calculation Agent is otherwise unable to determine the Rate of Distribution under paragraphs (1) and (2) above, the Rate of Distribution shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer (or an Independent Adviser appointed by it) at or about the Relevant Time

on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding an amount equal to the aggregate principal amount of the relevant Floating Rate Subordinated Securities for such Distribution Accrual Period by whatever means they determine to be most appropriate, or if on such Distribution Determination Date, one only or none of the Reference Banks provides the Issuer (or an Independent Adviser appointed by it) with such quotation, the Rate of Distribution for the relevant Distribution Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 5 decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date, in each case as notified to and determined by the Calculation Agent; and

- (4) if paragraph (3) above applies and fewer than two Reference Banks are quoting the rate as being their cost of funding or quoting the prime lending rates for Singapore Dollars on such Distribution Determination Date, the Rate of Distribution shall be the Rate of Distribution determined on the previous Distribution Determination Date.

(C) On the last day of each Distribution Accrual Period, the Issuer will pay distribution on each Floating Rate Subordinated Security to which such Distribution Accrual Period relates at the Rate of Distribution for such Distribution Accrual Period.

- (d) **Dual Currency Subordinated Securities:** In the case of Dual Currency Subordinated Securities, if the rate or amount of distribution falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of distribution payable shall be determined in the manner specified hereon.
- (e) **Partly Paid Subordinated Securities:** In the case of Partly Paid Subordinated Securities, distribution will accrue as aforesaid on the paid-up nominal amount of such Subordinated Securities and otherwise as specified hereon.
- (f) **Accrual of Distribution:** Distribution shall cease to accrue on each Subordinated Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event distribution shall continue to accrue (both before and after judgment) at the Rate of Distribution in the manner provided in this Condition 4 to the Relevant Date.
- (g) **Margin, Maximum/Minimum Rates of Distribution and Redemption Amounts and Rounding:**
 - (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Distribution Accrual Periods), an adjustment shall be made to all Rates of Distribution, in the case of (x), or the Rates of Distribution for the specified Distribution Accrual Periods, in the case of (y), calculated in accordance with this Condition 4 by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
 - (ii) If any Maximum or Minimum Rate of Distribution or Redemption Amount is specified hereon, then any Rate of Distribution, or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (h) **Calculations:** The amount of distribution payable per Calculation Amount in respect of any Subordinated Security for any Distribution Accrual Period shall be equal to the product of the Rate of Distribution, the Calculation Amount specified hereon, and the Day Count Fraction for such Distribution Accrual Period, unless a Distribution Amount (or a formula for its calculation) is applicable to such Distribution Accrual Period, in which case the amount of distribution payable per Calculation Amount in respect of such Subordinated Security for such Distribution Accrual Period shall equal such Distribution Amount (or be calculated in accordance with such formula). Where any Distribution Period comprises two or more Distribution Accrual Periods, the amount of distribution payable per Calculation Amount in respect of such Distribution Period shall be the sum of the Distribution Amounts payable in respect of each of those Distribution Accrual Periods. In respect of any other period for which distribution is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which distribution is required to be calculated.
- (i) **Determination and Publication of Rates of Distribution, Distribution Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts:** The Calculation Agent shall, as soon as practicable on each Distribution Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Distribution Amounts for the relevant Distribution Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Distribution and the Distribution Amounts for each Distribution Accrual Period and the relevant Distribution Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or any Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Subordinated Securityholders, any other Calculation Agent appointed in respect of the Subordinated Securities that is to make a further calculation upon receipt of such information as soon as possible after their determination but in no event later than (i) (if the Subordinated Securities are listed on a stock exchange and the rules of such exchange or other relevant authority require the Issuer to notify the Rate of Distribution and Distribution Amount) the commencement of the relevant Distribution Period, if determined prior to such time, provided that the Issuer makes a prior written request to the Calculation Agent or (ii) in all other cases, the fourth Business Day after such determination. Where any Distribution Payment Date or Distribution Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Distribution Amounts and the Distribution Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period. If the Subordinated Securities become due and payable under Condition 10, the accrued distribution and the Rate of Distribution payable in respect of the Subordinated Securities shall nevertheless continue to be calculated as previously in accordance with this Condition 4 but no publication of the Rate of Distribution or the Distribution Amount

so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (j) **Determination or Calculation by Independent Adviser:** If the Calculation Agent does not at any time for any reason determine or calculate the applicable Reset Rate of Distribution (as specified in the applicable Pricing Supplement), the Rate of Distribution for a Distribution Accrual Period or any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, and no replacement Calculation Agent has been appointed by the Issuer within 2 Business Days of the relevant Determination Date or Distribution Determination Date, the Issuer shall appoint an Independent Adviser on its behalf to do so. In doing so, the Independent Adviser shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Independent Adviser pursuant to this Condition 4(j) shall (in the absence of manifest error) be final and binding upon all parties.
- (k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Subordinated Securities denominated in a currency other than Singapore Dollars or euros, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of Subordinated Securities denominated in euros, a day on which the TARGET system is operating (a **“TARGET Business Day”**) and/or
- (iii) in the case of Singapore Dollar Subordinated Securities, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments to Singapore and/or
- (iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of distribution on any Subordinated Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period or a Distribution Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual – ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)

- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30.

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

- (vi) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the due date for redemption or (ii) such number would be 31, in which case D₂ will be 30.

- (vii) if “**Actual/Actual-ICMA**” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Distribution Payment Date(s).

“Distribution Accrual Period” means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Period Date and each successive period beginning on (and including) a Distribution Period Date and ending on (but excluding) the next succeeding Distribution Period Date, or the relevant payment date if the Subordinated Securities become payable on a date other than a Distribution Period Date.

“Distribution Amount” means:

- (i) in respect of a Distribution Accrual Period, the amount of distribution payable per Calculation Amount for that Distribution Accrual Period and which, in the case of Fixed Rate Subordinated Securities, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Distribution Payment Date ending the Distribution Period of which such Distribution Accrual Period forms part; and
- (ii) in respect of any other period, the amount of distribution payable per Calculation Amount for that period.

“Distribution Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Distribution Determination Date” means (x) in the case of Non-Singapore Dollar Subordinated Securities, with respect to a Rate of Distribution and Distribution Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Distribution Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Distribution Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Distribution Accrual Period if the Specified Currency is euro; or (y) in the case of Singapore Dollar Subordinated Securities, in respect of any Distribution Accrual Period, that number of Business Days in Singapore prior to the first day of the Distribution Accrual Period as specified hereon.

“Distribution Period” means the period beginning on and including the Distribution Commencement Date and ending on but excluding the first Distribution Payment Date and each successive period beginning on and including a Distribution Payment Date and ending on but excluding the next succeeding Distribution Payment Date, or the relevant payment date if the Subordinated Securities become payable on a date other than a Distribution Payment Date.

“Distribution Period Date” means each Distribution Payment Date unless otherwise specified hereon.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Subordinated Securities issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as may be updated, amended or supplemented from time to time), unless otherwise specified hereon. For the avoidance of doubt, this definition does not apply to Condition 4(m)(ii).

“Rate of Distribution” means the rate of distribution payable from time to time in respect of this Subordinated Security and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market; (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; and (iii) in the case of a determination of the relevant Reference Rate, SIBOR or SOR, the principal Singapore office of three major banks in the Singapore inter-bank market in each case selected by the Issuer (or an Independent Adviser appointed by it) or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Time” means, with respect to any Distribution Determination Date, the local time in the relevant Business Centre specified hereon or, if none is specified, the local time in the relevant Business Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the relevant Business Centre or, if no such customary local time exists, 11.00 a.m. in the relevant Business Centre and, for the purpose of this definition “local time” means, with respect to the Euro-zone as a relevant Business Centre, Central European Time.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Subordinated Securities are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (l) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Subordinated Security is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Subordinated Securities, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for a Distribution Accrual Period or to calculate any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (m) **Benchmark Replacement:** In addition, notwithstanding the provisions above in this Condition 4:
- (i) where “Benchmark Replacement (General)” is specified as being applicable in the relevant Pricing Supplement, if a Benchmark Event has occurred in relation to the current Reference Rate when any (in the case of Fixed Rate Subordinated Securities) Reset Rate of Distribution and (in the case of Floating Rate Subordinated Securities) Rate of Distribution (or the relevant component part thereof) remains to be determined by the current Reference Rate, then the following provisions shall apply:
- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner and in consultation with the Issuer), (in the case of Fixed Rate Subordinated Securities) no later than five Business Days prior to the relevant Reset Determination Date (as specified in the applicable Pricing Supplement) relating to the next succeeding Reset Period (as specified in the applicable Pricing Supplement) (or such other date as may be agreed with the Calculation Agent) or (in the case of Floating Rate Subordinated Securities) no later than five Business Days prior to the relevant Distribution Determination Date relating to the next succeeding Distribution Period (the “**IA Determination Cut-off Date**”), a Successor Rate (as defined below) or, alternatively, if there is no Successor Rate, an Alternative Reference Rate (as defined below) for purposes of determining the Reset Rate of Distribution or, as the case may be, Rate of Distribution (or the relevant component part thereof) applicable to the Subordinated Securities;
- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate;
- (c) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, such Alternative Reference Rate (as

applicable) shall be the Reference Rate for each of the future (in the case of Fixed Rate Subordinated Securities) Reset Periods or (in the case of Floating Rate Subordinated Securities) Distribution Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(m)(i); provided, however, that if sub-paragraph (b) above applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate prior to the relevant IA Determination Cut-off Date:

- (x) (in the case of Fixed Rate Subordinated Securities) the Reset Rate of Distribution applicable to the next succeeding Reset Period shall be equal to the Reset Rate of Distribution last determined in relation to the Subordinated Securities in respect of the preceding Reset Period (or alternatively, if there has not been a First Reset Date (as specified in the applicable Pricing Supplement), the Reset Rate of Distribution shall be the initial Rate of Distribution (if any)) (subject, where applicable, to substituting the Margin that applied to such preceding Reset Period for the Margin that is to be applied to the relevant Reset Period); for the avoidance of doubt, the proviso in this sub-paragraph (c) shall apply to the relevant Reset Period only and any subsequent Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(m)(i); and
- (y) (in the case of Floating Rate Subordinated Securities) the Rate of Distribution applicable to the next succeeding Distribution Period shall be equal to the Rate of Distribution last determined in relation to the Subordinated Securities in respect of the preceding Distribution Period (or alternatively, if there has not been a first Distribution Payment Date, the Rate of Distribution shall be the initial Rate of Distribution (if any)) (subject, where applicable, to substituting the Margin that applied to such preceding Distribution Period for the Margin that is to be applied to the relevant Distribution Period); for the avoidance of doubt, the proviso in this sub-paragraph (c) shall apply to the relevant Distribution Period only and any subsequent Distribution Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(m)(i);
- (d) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Reset Determination Date or as the case may be, Distribution Determination Date and/or the definition of Reference Rate applicable to the Subordinated Securities, and the method for determining the fallback rate in relation to the Subordinated Securities, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or

Alternative Reference Rate (as applicable) will apply without an Adjustment Spread. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(m)(i). Subordinated Securityholder consent shall not be required in connection with effecting the Successor Rate or Alternative Reference Rate (as applicable) or such other changes, including for the execution of any documents or other steps by the Trustee or Issuing and Paying Agent (if required); and

- (e) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread, give notice thereof to the Trustee, the Issuing and Paying Agent, the Calculation Agent and the Subordinated Securityholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any related Adjustment Spread and any consequential changes made to these Conditions.

For the purposes of this Condition 4(m)(i):

“Adjustment Spread” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Subordinated Securityholders as a result of the replacement of the current Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the current Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the current Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the Independent Adviser (in consultation with the Issuer) or the Issuer in its discretion (as applicable), determines (in each case acting in good faith and in a commercially reasonable manner) to be appropriate;

“Alternative Reference Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the current Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of distribution in respect of Subordinated Securities denominated in the Specified Currency and of a comparable duration to the relevant Reset Period or, as the case may be, Distribution Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such

rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the current Reference Rate;

“Benchmark Event” means:

- (i) the current Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist;
- (ii) a public statement by the administrator of the current Reference Rate that it will, by a specified date within the following six months, cease publishing the current Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the current Reference Rate), unless (in the case of Dated Securities) such cessation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iii) a public statement by the supervisor of the administrator of the current Reference Rate, that the current Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued, unless (in the case of Dated Securities) such discontinuation is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (iv) a public statement by the supervisor of the administrator of the current Reference Rate as a consequence of which the current Reference Rate will be prohibited from being used either generally, or in respect of the Subordinated Securities, and in each case within the following six months, unless (in the case of Dated Securities) such prohibition is reasonably expected by the Issuer to not occur prior to the Maturity Date;
- (v) it has become unlawful for any Issuing and Paying Agent, Calculation Agent, the Issuer or other party (including any Independent Adviser appointed by the Issuer for these purposes) to calculate any payments due to be made to any Subordinated Securityholder using the current Reference Rate; or
- (vi) a public statement by the supervisor of the administrator of the current Reference Rate announcing that such Reference Rate is no longer representative or may no longer be used;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Subordinated Securities issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Relevant Nominating Body” means, in respect of a Reference Rate:

- (i) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the

Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities, or (d) the Financial Stability Board or any part thereof; and

“Successor Rate” means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the current Reference Rate which is formally recommended by any Relevant Nominating Body;

- (ii) where “Benchmark Replacement (ARRC)” is specified as being applicable in the relevant Pricing Supplement, if the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, then the following provisions shall apply:
 - (a) the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Subordinated Securities in respect of such determination on such date and all determinations on all subsequent dates, and the Issuer shall promptly give notice thereof to the Trustee, the Calculation Agent, the Issuing and Paying Agent and the Subordinated Securityholders, which shall specify the effective date(s) for such Benchmark Replacement and any Benchmark Replacement Conforming Changes;
 - (b) in connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time; and
 - (c) any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(m)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee’s sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Subordinated Securities, shall become effective without consent from any other party;

For the purposes of this Condition 4(m)(ii):

“Benchmark” means, initially, LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

“Benchmark Replacement” means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then **“Benchmark Replacement”** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the sum of: (a) Term SOFR and (b) the Benchmark Replacement Adjustment;
- (ii) the sum of: (a) Compounded SOFR and (b) the Benchmark Replacement Adjustment;

- (iii) the sum of: (a) the alternate rate of distribution that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- (iv) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; and
- (v) the sum of: (a) the alternate rate of distribution that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of distribution as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate securities at such time and (b) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate securities at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Distribution Period”, “Reset Period” and “Distribution Accrual Period”, timing and frequency of determining rates and making payments of distribution, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Distribution Period, Reset Period or Distribution Accrual Period, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of paragraphs (i) or (ii) of the definition of “Benchmark Transition Event”, the later of: (a) the date of the public statement or publication of information referenced therein, and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

- (ii) in the case of paragraph (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“**Compounded SOFR**” means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the distribution amount payable prior to the end of each Distribution Period, Reset Period or Distribution Accrual Period) being established by the Issuer or its designee in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR;

provided that if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with paragraph (i) above, then:

- (ii) the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate securities at such time.

Notwithstanding the foregoing, Compounded SOFR may include such lookback and/or suspension period as specified in the relevant Pricing Supplement as a mechanism to determine the distribution amount payable prior to the end of each Distribution Period, Reset Period or Distribution Accrual Period;

“Corresponding Tenor” with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

“designee” means a designee as selected and separately appointed by the Issuer in writing, which may include a subsidiary or affiliate of the Issuer or an Independent Adviser;

“Federal Reserve Bank of New York’s Website” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source;

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser with the appropriate expertise or experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, the appointment of any person as an arranger, dealer or agent under this Programme or in connection with any Subordinated Securities issued under this Programme shall not in itself preclude the Issuer from appointing such person as an Independent Adviser;

“Interpolated Benchmark” with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“ISDA Fallback Adjustment” means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“LIBOR” means London Interbank Offered Rate;

“Reference Time” with respect to any determination of the Benchmark means:

- (i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such determination; and
- (ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website;

“Term SOFR” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

5 Distribution Deferral

- (a) **Optional Deferral:** If Distribution Deferral is specified as being applicable in the applicable Pricing Supplement, the Issuer may, at its sole discretion, elect to defer any Distribution (in whole or in part) which is otherwise scheduled to be paid on (i) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date; and (ii) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a Distribution Payment Date to the next Distribution Payment Date, by giving notice (a **“Deferral Election Notice”**) to the Subordinated Securityholders in accordance with Condition 15, the Trustee and the Issuing and Paying Agent not more than 20 nor less than 10 business days prior to a scheduled Distribution Payment Date (or such other notice period as may be specified in the applicable Pricing Supplement).

If Dividend Pusher is specified as being applicable in the applicable Pricing Supplement, the Issuer may not elect to defer any Distribution if, during such period(s) prior to such Distribution Payment Date as may be specified in the applicable Pricing Supplement, either or both of the following has occurred:

- (i) a discretionary dividend or distribution has been declared or paid by the Issuer or the Guarantor on or in respect of any of its Junior Obligations or Parity Obligations; or
- (ii) the Issuer or the Guarantor has at its discretion repurchased, redeemed, reduced, cancelled, bought back or otherwise acquired any of its Junior Obligations or Parity Obligations,

in each case, other than (x) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Guarantor and its subsidiaries (the “**Group**”), (y) in relation to a payment, repurchase or redemption of Parity Obligations of the Issuer or the Guarantor, where such payment, repurchase or redemption is made on a *pro-rata* basis with a repurchase or redemption of the Subordinated Securities, or (z) as a result of the exchange or conversion of any of its Parity Obligations for Junior Obligations,

(a “**Compulsory Distribution Payment Event**”), subject as is otherwise specified in the applicable Pricing Supplement or as permitted by an Extraordinary Resolution (as defined in the Trust Deed) of the Subordinated Securityholders.

As used in these Conditions, “**Junior Obligations**” means:

- (i) in the case of the Issuer, any of its ordinary shares issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Subordinated Securities;
 - (ii) in the case of the Guarantor, any of its ordinary shares issued, entered into or guaranteed by the Guarantor that ranks or is expressed to rank, whether by its terms or by operation of law, junior to the Subordinated Securities or, as the case may be, the Subordinated Guarantee, as applicable; or
 - (iii) as otherwise specified in the applicable Pricing Supplement.
- (b) **No obligation to pay:** The Issuer shall have no obligation to pay any Distribution (including any Arrears of Distribution and any Additional Distribution Amount) on any Distribution Payment Date if it validly elects not to do so in accordance with Condition 5(a) and any failure to pay any Distribution in whole or in part shall not constitute a default of the Issuer in respect of the Subordinated Securities.
- (c) **Requirements as to Notice:** Each Deferral Election Notice shall be accompanied, in the case of the notice to the Trustee and the Issuing and Paying Agent, and if Dividend Pusher is specified as being applicable in the applicable Pricing Supplement, by a certificate in the form of Schedule 3 to the Trust Deed signed by two authorised signatories of the Issuer confirming that no Compulsory Distribution Payment Event has occurred. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred and the Trustee and the Issuing and Paying Agent shall be entitled to rely without any obligation to verify the same and without liability to any Subordinated Securityholder or any other person on any Deferral Election Notice or any certificate as aforementioned. Each Deferral Election Notice shall be conclusive and binding on the Subordinated Securityholders.
- (d) **Cumulative Deferral:** If Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement, any Distribution validly deferred pursuant to this Condition 5 shall constitute “**Arrears of Distribution**”. The Issuer may, at its sole discretion, elect to (in the circumstances set out in Condition 5(a)) further defer any Arrears of Distribution (and, if applicable, any Additional Distribution Amount) by complying with the foregoing notice requirement applicable to any deferral of an accrued Distribution. The Issuer is not subject to any limit as to the number of times or to the extent of the amount with respect to which Distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 5 by complying with the foregoing notice requirements except that this Condition 5(d) shall be complied with until all outstanding Arrears of Distribution have been paid in full.

If Additional Distribution Amount is specified as being applicable in the applicable Pricing Supplement, each amount of Arrears of Distribution shall bear further distribution as if it constituted the principal of the Subordinated Securities at the Rate of Distribution and the amount of such distribution (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 5 and shall be calculated by applying the applicable Rate of Distribution to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 5. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

- (e) **Non-Cumulative Deferral:** If Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement, any Distribution deferred pursuant to this Condition 5 is non-cumulative and will not accrue distribution. The Issuer is not under any obligation to pay that or any other Distributions that have not been paid in whole or in part. The Issuer may, at its sole discretion, and at any time, elect to pay an optional amount equal to the amount of Distribution which is unpaid in whole or in part (an “**Optional Distribution**”) at any time by giving irrevocable notice of such election to the Subordinated Securityholders (in accordance with Condition 15) and the Trustee and the Issuing and Paying Agent, not more than 20 nor less than 10 Business Days (or such other notice period as may be specified in the applicable Pricing Supplement) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Optional Distribution on the payment date specified in such notice).

Any partial payment of outstanding Optional Distribution by the Issuer shall be shared by the Subordinated Securityholders of all outstanding Subordinated Securities related to them on a *pro-rata* basis. Further provisions relating to this Condition 5(e) may be specified in the applicable Pricing Supplement.

- (f) **Restrictions in the case of Deferral:** If Dividend Stopper is specified as being applicable in the applicable Pricing Supplement and on any Distribution Payment Date, payment of Distributions (including Arrears of Distribution and Additional Distribution Amount) scheduled to be made on such date is not made in full by reason of this Condition 5, the Issuer and the Guarantor shall not:
- (i) voluntarily declare or pay any discretionary dividends, distributions or make any other discretionary payment on, and will procure that no discretionary dividend, distribution or other payment is made on any of its Junior Obligations or Parity Obligations; or
 - (ii) voluntarily redeem, repurchase, reduce, cancel, buy-back or acquire for any consideration any of its Junior Obligations or Parity Obligations,

in each case, other than (x) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants, (y) in relation to a payment, repurchase or redemption of Parity Obligations, where such payment, repurchase or redemption is made on a *pro-rata* basis with a repurchase or redemption of the Subordinated Securities, or (z) as a result of the exchange or conversion of its Parity Obligations for Junior Obligations, unless and until the Issuer or the Guarantor (aa) (if Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) has satisfied in full all outstanding Arrears of

Distribution (and, if applicable, any Additional Distribution Amounts); (bb) (if Non-Cumulative Deferral is specified as being applicable in the applicable Pricing Supplement) a redemption of all the outstanding Subordinated Securities in accordance with Condition 6 has occurred, the next scheduled Distribution has been paid in full, or an Optional Distribution equal to the amount of a Distribution payable with respect to the most recent Distribution Payment Date that was unpaid in full or in part, has been paid in full; or (cc) is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Subordinated Securityholders, and/or as otherwise specified in the applicable Pricing Supplement.

(g) **Satisfaction of Arrears of Distribution:** The Issuer:

- (i) may, at its sole discretion, satisfy any Arrears of Distribution (in whole or in part) at any time by giving notice of such election to the Subordinated Securityholders (in accordance with Condition 15) and the Trustee and the Issuing and Paying Agent, not more than 20 nor less than 10 Business Days (or such other notice period as may be specified in the applicable Pricing Supplement) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the Issuer to pay the relevant Arrears of Distribution on the payment date specified in such notice); and
- (ii) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part and including, if applicable, any Additional Distribution Amount) on the earliest of:
 - (A) the date (if any) of redemption of the Subordinated Securities in accordance with the redemption events set out in Condition 6;
 - (B) the next Distribution Payment Date immediately following a breach of Condition 5(f) or the occurrence of a Compulsory Distribution Payment Event;
 - (C) the date such amount becomes due under Condition 10 or on Winding-Up of the Issuer or the Guarantor; and
 - (D) the date of any substitution or variation in accordance with Condition 11(e).

Any partial payment of outstanding Arrears of Distribution by the Issuer shall be shared by the Subordinated Securityholders of all outstanding Subordinated Securities on a *pro-rata* basis. Further provisions relating to this Condition 5(g) may be specified in the applicable Pricing Supplement.

- (h) **No default:** Notwithstanding any other provision in these Conditions or the Trust Deed, the deferral of any Distribution payment in accordance with this Condition 5 shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 10) on the part of the Issuer or the Guarantor.

6 Redemption, Purchase and Options

(a) **Redemption:**

- (i) *Redemption at maturity:* Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Dated Security shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount); and

- (ii) *No fixed redemption date*: the Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 10) only have the right to redeem or purchase them in accordance with the following provisions of this Condition 6.

(b) **Early Redemption:**

The Early Redemption Amount payable in respect of any Subordinated Security, upon redemption of such Subordinated Security pursuant to this Condition 6 or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

- (c) **Redemption for Taxation Reasons:** The Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating Rate Subordinated Security), on giving not less than 30 nor more than 60 days' notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if:

- (i) the Issuer or, as the case may be, the Guarantor receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that:
 - (A) the Subordinated Securities will not be regarded as "debt securities" for the purposes of Section 43N(4) of the Income Tax Act, Chapter 134 of Singapore (the "ITA") and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations; or
 - (B) the distributions (including any Optional Distribution, Arrears of Distribution and any Additional Distribution Amount) will not be regarded as interest payable by the Issuer for the purposes of the withholding tax exemption on interest for "qualifying debt securities" under the ITA; or
- (ii) (A) the Issuer or, as the case may be, the Guarantor has or will become obliged to pay additional amounts as described under Condition 8, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws or any regulations, rulings or other administrative pronouncements promulgated thereunder of Singapore or any political subdivision or, in each case, any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, or the Subordinated Securities do not qualify as "qualifying debt securities" for the purposes of the ITA of Singapore, which change or amendment is made public or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities; and (B) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Subordinated Securities (or Subordinated Guarantee, as the case may be) then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer (or the Guarantor, as the case may be) shall deliver or procure that there is delivered to the Trustee:

- (I) a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and
- (II) in the case of a notice of redemption pursuant to Condition 6(c)(i), a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 6(c)(i) or, in the case of a notice of redemption pursuant to Condition 6(c)(ii), an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change, amendment, interpretation or pronouncement.

The Trustee shall be entitled to accept such certificate, ruling or opinion (as the case may be) as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders.

- (d) **Redemption for Accounting Reasons:** If Redemption for Accounting Reasons is specified as being applicable in the applicable Pricing Supplement, the Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating Rate Subordinated Security), on giving not less than 30 nor more than 60 days' notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if, as a result of any changes or amendments to the Singapore Financial Reporting Standards (International) issued by the Singapore Accounting Standards Council (as amended from time to time, the "**SFRS (I)**") or any other accounting standards that may replace SFRS(I) for the purposes of the consolidated financial statements of the Guarantor (the "**Relevant Accounting Standard**"), the Subordinated Securities will not or will no longer be recorded as "equity" of the Issuer or, as the case may be, the Guarantor pursuant to the Relevant Accounting Standard (the "**Accounting Event**").

The Subordinated Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6(d), provided that such date for redemption shall be no earlier than 180 days prior to the last day before the date on which the Subordinated Securities must no longer be so recorded as "equity" of the Issuer or, as the case may be, the Guarantor pursuant to the Relevant Accounting Standard.

Prior to the publication of any notice of redemption pursuant to this Condition 6(d), the Issuer (or the Guarantor, as the case may be) shall deliver or procure that there is delivered to the Trustee (a) a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that an Accounting Event has occurred and the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer (or the Guarantor, as the case may be) so to redeem have occurred and (b) an opinion of independent auditors of the Issuer (or the Guarantor, as the case may be) to the effect that an Accounting Event has occurred and is prevailing, and the date on which the

relevant change or amendment to the Relevant Accounting Standard is due to take effect. The Trustee shall be entitled to accept such certificate or opinion (as the case may be) as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders. All Subordinated Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

(e) **Redemption for Tax Deductibility Event:** If Redemption for Tax Deductibility Event is specified as being applicable in the applicable Pricing Supplement, the Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating Rate Subordinated Security), on giving not less than 30 nor more than 60 days' notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if

(i) as a result of:

(A) any amendment to, or change in, the laws (or any rules, regulations, rulings or other administrative pronouncements promulgated or practice related thereto or thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities;

(B) any amendment to, or change in, an application or official and binding interpretation of any such laws, rules, regulations, rulings or other administrative pronouncements promulgated or practice related thereto or by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities; or

(C) any generally applicable official interpretation or pronouncement which is issued or announced on or after the date on which agreement is reached to issue the first Tranche of the Subordinated Securities that provides for a position with respect to such laws, rules, regulations or practice related thereto that differs from the previous generally accepted position,

payments by the Issuer (or the Guarantor, as the case may be) would no longer, or within 90 days of the date of the opinion referred to in paragraph (B) below would not, be fully deductible by the Issuer (or the Guarantor, as the case may be) for Singapore income tax purposes, provided that no notice of redemption may be given earlier than 90 days prior to the effective date on which payments on the Subordinated Securities would not be fully tax deductible by the Issuer (or the Guarantor, as the case may be) for Singapore income tax purposes; or

(ii) the Issuer (or the Guarantor, as the case may be) receives a ruling by the Comptroller of Income Tax in Singapore (or other relevant authority) which confirms that the distributions (including any Optional Distribution, Arrears of Distribution and any Additional Distribution Amount (if any)) will not or will not

longer be regarded as sums “payable by way of interest upon any money borrowed” for the purpose of Section 14(1)(a) of the ITA,

(the “**Tax Deductibility Event**”),

Prior to the publication of any notice of redemption pursuant to this Condition 6(e), the Issuer shall deliver or procure that there is delivered to the Trustee:

- (A) a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and
- (B) in the case of a notice of redemption pursuant to Conditions 6(e)(i)(A) to 6(e)(i)(C) above, an opinion of independent tax or legal advisers of the Issuer of recognised standing to the effect that the circumstances referred to above prevail and the date on which the relevant change, amendment, interpretation or pronouncement has taken place or is due to take effect or in the case of a notice of redemption pursuant to Condition 6(e)(ii) above, a copy of the ruling from the Comptroller of Income Tax in Singapore (or other relevant authority) to such effect as stated in Condition 6(e)(ii).

The Trustee shall be entitled to accept such certificate, ruling or opinion (as the case may be) as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders.

All Subordinated Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6(e).

- (f) **Redemption for Ratings Event:** If Redemption for Ratings Event is specified as being applicable in the applicable Pricing Supplement, the Subordinated Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Subordinated Security is a Floating Rate Subordinated Security) or at any time (if this Subordinated Security is not a Floating Rate Subordinated Security), on giving not less than 30 nor more than 60 days’ notice to the Subordinated Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with distributions accrued to the date fixed for redemption) (including any Arrears of Distribution and any Additional Distribution Amount, if applicable), if as of the date fixed for redemption, an amendment, clarification or change has occurred or will occur in the Distribution Period immediately following the date fixed for redemption occur in the equity credit criteria, guidelines or methodology of any Rating Agency requested from time to time by the Issuer to grant an equity classification to the Subordinated Securities and in each case, any of their respective successors to the rating business thereof, which amendment, clarification or change results or will result in a lower equity credit for the Subordinated Securities assigned by that relevant Rating Agency immediately prior to that relevant amendment, clarification or change (“**Ratings Event**”).

Prior to the publication of any notice of redemption pursuant to this Condition 6(f), the Issuer (or the Guarantor, as the case may be) shall deliver or procure that there is delivered to the Trustee a certificate signed by two authorised signatories of the Issuer (or the Guarantor, as the case may be) stating that the Issuer (or the Guarantor, as the case may be) is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer (or the Guarantor, as the

case may be) so to redeem have occurred. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Subordinated Securityholders.

For the purposes of this Condition 6(f):

“Rating Agency” means Moody’s Investors Service or its successors or Standard & Poor’s Rating Services, a division of The McGraw Hill Companies Inc. or its successors or any other rating agency of equivalent international standing.

- (g) **Redemption at the Option of the Issuer:** If Call Option is specified as being applicable in the applicable Pricing Supplement, the Issuer may, on giving not less than 15 nor more than 30 days’ irrevocable notice to the Subordinated Securityholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Subordinated Securities on any Optional Redemption Date. Any such redemption of Subordinated Securities shall be at their Optional Redemption Amount together with distributions accrued to the date fixed for redemption. Any such redemption or exercise must relate to Subordinated Securities of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Subordinated Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(g).

In the case of a partial redemption the notice to Subordinated Securityholders shall also specify the nominal amount of Subordinated Securities drawn and the holder(s) of such Subordinated Securities to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (h) **Partly Paid Subordinated Securities:** Partly Paid Subordinated Securities will be redeemed, whether at maturity (in the case of Dated Securities), early redemption or otherwise, in accordance with the provisions of this Condition 6 and the provisions specified hereon.
- (i) **Purchases:** The Issuer, the Guarantor and any of their respective Subsidiaries as defined in the Trust Deed may at any time purchase Subordinated Securities in the open market or otherwise at any price.
- (j) **Cancellation:** All Subordinated Securities purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, by surrendering the Certificate representing such Subordinated Securities to the Registrar and, if so surrendered, shall, together with all Subordinated Securities redeemed by the Issuer, be cancelled forthwith. Any Subordinated Securities so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Subordinated Securities shall be discharged.

7 Payments

(a) **Payments on Subordinated Securities:**

- (i) Payments of principal in respect of Subordinated Securities shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Distribution on Subordinated Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of distribution on each Subordinated Security shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Subordinated Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of distribution may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

- (b) **Payments subject to Fiscal Laws:** Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (“**FATCA**”).

- (c) **Appointment of Agents:** The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, the Exchange Agent, the Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Subordinated Securityholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the DTC Paying Agent, the CDP Paying Agent, any other Paying Agent, the Registrars, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar, (iii) an Exchange Agent in relation to Restricted Global Certificates (as defined in the Trust Deed), (iv) a Transfer Agent, (v) a DTC Paying Agent in relation to Subordinated Securities cleared through DTC, (vi) a CDP Paying Agent in relation to Subordinated Securities cleared through CDP, (vii) one or more Calculation Agent(s) where the Conditions so require, (viii) a Paying Agent in Singapore, where the Subordinated Securities may be presented or surrendered for payment or redemption, in the event that the Global Subordinated Securities are exchanged for Definitive Subordinated Securities, for so long as the Subordinated Securities are listed on the SGX-ST and the rules of the SGX-ST so require and (ix) such other agents as may be required by any other stock exchange on which the Subordinated Securities may be listed in each case, as approved by the Trustee.

Notice of any such change or any change of any specified office shall promptly be given to the Subordinated Securityholders.

- (d) **Non-Business Days:** If any date for payment in respect of any Subordinated Security is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any distribution or other sum in respect of such postponed payment.

8 Taxation

All payments of principal and distribution by or on behalf of the Issuer or the Guarantor in respect of the Subordinated Securities or under the Subordinated Guarantee, as applicable, shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in relation to Singapore Dollar Subordinated Securities, the Issuer or, as the case may be, the Guarantor will not be obliged to pay any additional amounts in respect of any such withholding or deduction from payments in respect of such Singapore Dollar Subordinated Securities for, or on account of, any such taxes or duties, and in relation to Non-Singapore Dollar Subordinated Securities, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts (“**Additional Amounts**”) as shall result in receipt by the Subordinated Securityholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Subordinated Security:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of Singapore or as having a permanent establishment in Singapore for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Subordinated Security by reason of his having some connection with Singapore other than the mere holding of the Subordinated Security; or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or
- (c) **Failure to comply with requirements:** which would not be payable or due but for the failure of the holder or beneficial owner of such Subordinated Security to comply with any certification, identification or other reporting requirements of Singapore concerning the nationality, residence, identity or other attributes of such holder or beneficial owner required in connection with a claim, of eligibility for avoidance or reduction of withholding or deduction of tax under the laws of Singapore, if requested in writing addressed to such holder or beneficial owner by the Issuer to comply with such requirements.

Foreign Account Tax Compliance Act: Payments will be subject in all cases to any withholding or deduction required pursuant to FATCA, as provided in Condition 7. No Additional Amounts shall be payable by the Issuer or, as the case may be, the Guarantor, where such deduction or withholding is imposed or required to be withheld pursuant to FATCA.

9 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Subordinated Securities shall be prescribed and become void unless made within 3 years from the appropriate Relevant Date in respect of them, unless otherwise provided in the relevant Pricing Supplement.

10 Enforcement Event

(a) Non-payment when due

Notwithstanding any of the provisions below in this Condition 10, the right to institute proceedings for Winding-Up in respect of the Issuer and/or the Guarantor is limited to circumstances where payment has become due. In the case of any distribution, such distribution will not be due if the Issuer has elected to defer that distribution in accordance with Condition 5.

(b) Proceedings for Winding-Up

If (i) Winding-Up of the Issuer and/or the Guarantor occurs or (ii) the Issuer shall not make payment in respect of the Subordinated Securities or the Guarantor shall not make payment in respect of the Subordinated Guarantee, as applicable, for a period of 14 days (in the case of distribution) or seven days (in the case of principal) or more after the date on which such payment is due (together, the “**Enforcement Events**”), the Issuer (or, as the case may be, the Guarantor) shall be deemed to be in default under the Subordinated Securities (in the case of the Issuer) and the Subordinated Guarantee, as applicable (in the case of the Guarantor) and the Trustee at its discretion may, and if so requested in writing by holders of not less than 25 per cent. in principal amount of the Subordinated Securities then outstanding or if so directed by an Extraordinary Resolution shall (provided that the Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction) institute proceedings for the Winding-Up of the Issuer or the Guarantor, as the case may be, and/or prove in the Winding-Up of the Issuer or the Guarantor, as the case may be, and/or claim in the liquidation of the Issuer or the Guarantor, as the case may be, for such payment.

Without prejudice to this Condition 10(b) but subject to the provisions of Condition 10(d), the Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or actions against the Issuer and/or the Guarantor as it may think fit to enforce any term or condition binding on the Issuer and/or the Guarantor under the Subordinated Securities (other than any payment obligation of the Issuer or the Guarantor under or arising from the Subordinated Securities, including, without limitation, payment of any principal or premium or satisfaction of any Distributions (including any Arrears of Distribution and any Additional Distribution Amount) in respect of the Subordinated Securities, including any damages awarded for breach of any obligations) and in no event shall the Issuer or the Guarantor, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

(c) Right of Subordinated Securityholders

No Subordinated Securityholder shall be entitled to proceed directly against the Issuer or the Guarantor or to institute proceedings for the Winding-Up of the Issuer or the Guarantor or claim in the liquidation of the Issuer or the Guarantor or to prove in such Winding-Up of the Issuer or the Guarantor unless the Trustee, having become so bound to proceed or being able to prove in such Winding-Up of the Issuer or the Guarantor or claim in such liquidation or termination, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing, in which case the Subordinated Securityholder shall have only such rights against the Issuer and/or the Guarantor as those which the Trustee is entitled to exercise as set out in this Condition 10.

(d) **Extent of Subordinated Securityholders' remedy**

No remedy against the Issuer or the Guarantor, other than as referred to in this Condition 10, shall be available to the Trustee or the Subordinated Securityholders, whether for the recovery of amounts owing in respect of the Subordinated Securities or the Trust Deed or in respect of any breach by the Issuer or the Guarantor of any of their respective other obligations under or in respect of the Subordinated Securities or the Trust Deed.

11 Meetings of Subordinated Securityholders, Modification, Waiver and Substitution

- (a) **Meetings of Subordinated Securityholders:** The Trust Deed contains provisions for convening meetings of Subordinated Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Subordinated Securityholders holding not less than 10 per cent. in nominal amount of the Subordinated Securities for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Subordinated Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Subordinated Securityholders whatever the nominal amount of the Subordinated Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity (in the case of Dated Securities), the dates of redemption of the Subordinated Securities or any date for payment of distribution or Distribution Amounts on the Subordinated Securities, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Subordinated Securities, (iii) to reduce the rate or rates of distribution in respect of the Subordinated Securities or to vary the method or basis of calculating the rate or rates or amount of distribution or the basis for calculating any Distribution Amount in respect of the Subordinated Securities, (iv) if a Minimum and/or a Maximum Rate of Distribution, or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, (vi) to vary the currency or currencies of payment or denomination of the Subordinated Securities, (vii) to modify the provisions concerning the quorum required at any meeting of Subordinated Securityholders or the majority required to pass the Extraordinary Resolution, (viii) to modify or cancel the Subordinated Guarantee, or (ix) amending the subordination provisions of the Subordinated Securities in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Subordinated Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Subordinated Securityholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Subordinated Securities outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Subordinated Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Subordinated Securityholders.

These Conditions may be amended, modified or varied in relation to any Series of Subordinated Securities by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification and Waiver of the Trust Deed:** The Trustee may agree, without the consent of the Subordinated Securityholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of applicable law or as required by Euroclear and/or Clearstream and/or CDP, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Subordinated Securityholders. Any such modification, authorisation or waiver shall be binding on the Subordinated Securityholders and, if the Trustee so requires, such modification shall be notified to the Subordinated Securityholders as soon as practicable.
- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Subordinated Securityholders, to the substitution of the Issuer's successor in business or any Subsidiary (as defined in the Trust Deed) of the Issuer or its successor in business or the substitution of the Guarantor's successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer or the Guarantor, as the case may be, or of any previous substituted company, as principal debtor or guarantor under the Trust Deed and the Subordinated Securities. In the case of such a substitution the Trustee may agree, without the consent of the Subordinated Securityholders, to a change of the law governing the Subordinated Securities and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Subordinated Securityholders.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Subordinated Securityholders as a class and shall not have regard to the consequences of such exercise for individual Subordinated Securityholders and the Trustee shall not be entitled to require, nor shall any Subordinated Securityholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Subordinated Securityholders.
- (e) **Special Event Substitution or Variation**

If Special Event Substitution or Variation is specified as being applicable in the applicable Pricing Supplement and if a Special Event has occurred and is continuing, then the Issuer may, subject to Condition 5 (without any requirement for the consent or approval of the Subordinated Securityholders or the Trustee) and subject to the receipt by the Trustee of the certificate signed by two authorised signatories of the Issuer referred to in sub-Clause 10.1.7 of the Trust Deed immediately prior to the giving of any notice referred to herein certifying that the provisions of this Condition 11(e) have been complied with, and having given not less than 30 nor more than 60 days' irrevocable notice to the Trustee and, in accordance with Condition 15, the Subordinated Securityholders, at any time either (i) substitute all, but not some only, of the Subordinated Securities for, or (ii) vary the terms of the Subordinated Securities with the effect that they remain or become (as the case may be), Qualifying Securities. Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, substitute the Subordinated Securities in accordance with this Condition 11(e).

In connection therewith, any outstanding Arrears of Distribution (including any Additional Distribution Amount) shall be satisfied in full in accordance with the provisions of Condition 5.

In connection with any substitution or variation in accordance with this Condition 11(e), the Issuer shall comply with the rules of any stock exchange on which the Subordinated Securities are for the time being listed or admitted to trading.

Any such substitution or variation in accordance with the foregoing provisions shall not be permitted if any such substitution or variation would itself give rise to a Special Event with respect to the Subordinated Securities or the Qualifying Securities.

For the purposes of these Conditions:

“Qualifying Securities” means securities that:

- (A) have terms not materially less favourable to an investor than the terms of the Subordinated Securities (as reasonably determined by the Issuer), and provided that a certification to such effect (and confirming that the conditions set out in (I) to (IV) below have been satisfied) signed by two authorised signatories of the Issuer, shall have been delivered to the Trustee and prior to the substitution or variation of the relevant Subordinated Securities upon which certificate the Trustee shall rely absolutely and shall be binding on the Subordinated Securityholders), provided that:
 - (I) they are issued by the Issuer or any wholly owned direct or indirect Subsidiary of the Guarantor;
 - (II) they are unconditionally and irrevocably guaranteed by the Guarantor;
 - (III) they and the guarantee as aforesaid shall rank *pari passu* with the Subordinated Securities or, as the case may be, the Subordinated Guarantee on a Winding-Up, shall preserve the Subordinated Securityholders’ rights to any Arrears of Distribution, any Additional Distribution Amount and any other payment that has accrued with respect to the relevant Subordinated Securities, and shall contain terms which provide at least for the same Rate of Distribution, subsequent Distribution Payment Dates and redemption events, from time to time applying to the Subordinated Securities; and other terms of such securities are substantially identical (as reasonably determined by the Issuer) to the Subordinated Securities, save for any modifications or amendments to such terms that are required to be made in order to avoid or resolve the occurrence of the early redemption events set out under Conditions 6(c), 6(d), 6(e) and 6(f); and
 - (IV) they shall not contain loss absorbing provisions, such as principal write-offs, write-downs or conversion to equity;
- (B) have been, or will on issue be, assigned at least the same rating as that assigned by all relevant Rating Agencies where the Subordinated Securities were so rated (other than unsolicited ratings) prior to substitution or variation as provided in this Condition 11(e); and
- (C) (subject to the Subordinated Securities being listed on the SGX-ST or another securities exchange of international standing regularly used for the listing and quoting of debt securities offered and traded in the international markets) are listed

on the SGX-ST or another securities exchange of international standing regularly used for the listing and quoting of debt securities offered and traded in the international markets.

“Special Event” means an early redemption event set out under Conditions 6(c), 6(d), 6(e) and 6(f) or any combination of the foregoing.

12 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Subordinated Securityholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Guarantor, the Trustee and the Subordinated Securityholders.

13 Replacement of Certificates

If a Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Registrar or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Subordinated Securityholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Certificate is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Certificates) and otherwise as the Issuer or the Guarantor may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

14 Further Issues

The Issuer may from time to time without the consent of the Subordinated Securityholders create and issue further Subordinated Securities either having the same terms and conditions as the Subordinated Securities in all respects (or in all respects except for the first payment of distribution on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Subordinated Securities) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Subordinated Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Subordinated Securities. Any further securities forming a single series with the outstanding securities of any series (including the Subordinated Securities) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Subordinated Securityholders and the holders of securities of other series where the Trustee so decides.

15 Notices

Notices to the holders of Subordinated Securities shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing.

16 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Subordinated Security is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or the Guarantor or otherwise) by any Subordinated Securityholder in respect of any sum expressed to be due to it from the Issuer or the Guarantor shall only constitute a discharge to the Issuer or the Guarantor, as the case may be, to the extent of the amount in the currency of payment under the relevant Subordinated Security that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Subordinated Security, the Issuer, failing whom the Guarantor, shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, failing whom the Guarantor, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 16, it shall be sufficient for the Subordinated Securityholder to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantor's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Subordinated Securityholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Subordinated Security or any other judgment or order.

17 Rights of Third Parties

No person shall have any right to enforce any term or condition of the Subordinated Securities under the Contracts (Rights of Third Parties) Act 1999.

18 Governing Law and Jurisdiction

- (a) **Governing Law:** The Subordinated Securities and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law, except that Condition 3 of the Subordinated Securities shall be governed by, and construed in accordance with, Singapore law.
- (b) **Jurisdiction:** The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Subordinated Securities or the Subordinated Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Subordinated Securities or the Subordinated Guarantee ("**Proceedings**") may be brought in such courts. Each of the Issuer and the Guarantor has in the Trust Deed irrevocably submitted to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

- (c) **Service of Process:** Each of the Issuer and the Guarantor has in the Trust Deed irrevocably appointed Singtel (Europe) Limited of Noah's Yard, 10 York Way, London N1 9AA, United Kingdom as their agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer or the Guarantor). If for any reason such process agent ceases to be able to act as such or no longer has an address in England, each of the Issuer and the Guarantor irrevocably agrees to appoint a substitute process agent and shall immediately notify Subordinated Securityholders of such appointment in accordance with Condition 15. Nothing shall affect the right to serve process in any manner permitted by law.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1. INITIAL ISSUE OF NOTES

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary (as defined herein) or CDP.

Upon the initial deposit of a Global Note with CDP or a common depositary for Euroclear and Clearstream (the “**Common Depositary**”) or registration of Registered Notes in the name of CDP or any nominee for Euroclear and Clearstream and delivery of the relative Global Certificate to CDP or the Common Depositary, CDP, Euroclear or Clearstream, as the case may be, will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Upon the initial deposit of a Global Certificate in respect of, and registration of, Registered Notes in the name of a nominee for DTC and delivery of the relevant Global Certificate to the Custodian for DTC, DTC will credit each participant with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with CDP or the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear, Clearstream and/or CDP held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, CDP and/or other clearing systems.

2. RELATIONSHIP OF ACCOUNTHOLDERS WITH CLEARING SYSTEMS

Each of the persons shown in the records of Euroclear, Clearstream, DTC, CDP or any other clearing system (an “**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, DTC, CDP or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, DTC, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

3. TRUSTEE’S POWERS

In considering the interests of Noteholders while any Global Note is, or any Notes represented by a Global Certificate are, held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Global Note or the Registered Notes and may consider such interests on the basis that such accountholders or participants were the holders of the Notes represented by such Global Note or Global Certificate.

4. EXCHANGE

4.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined herein):

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Overview of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

4.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 4.4 below, in part for Definitive Notes (i) if the permanent Global Note is held on behalf of Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so, or (ii) if the permanent Global Note is held by or on behalf of CDP and (a) an Event of Default (as defined in the Terms and Conditions of the Notes) entitling the Trustee to declare all the Notes to be due and payable as provided in the Terms and Conditions of the Notes has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in its terms and conditions for the provision of depository services and no alternative clearing system is available.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holdings and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

4.3 Global Certificates

(a) Unrestricted Global Certificates

If the Pricing Supplement states that the Notes are to be represented by an Unrestricted Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear, Clearstream, CDP or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by an Unrestricted Global Certificate pursuant to Condition 2(b) of the Notes may only be made:

- (i) in whole but not in part, if the Notes represented by the Unrestricted Global Certificate are held on behalf of Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so; or
- (ii) if the Notes represented by the Unrestricted Global Certificate are held by or on behalf of CDP and (a) an Event of Default (as defined in the Terms and Conditions of the Notes) entitling the Trustee to declare all the Notes to be due and payable as provided in the Terms and Conditions of the Notes has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in its terms and conditions for the provision of depository services and no alternative clearing system is available; or
- (iii) in whole or in part, with the consent of the Issuer,

provided that, in the case a transfer pursuant to paragraph 4.3(a)(i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

(b) Restricted Global Certificates

If the Pricing Supplement states that the Restricted Notes are to be represented by a Restricted Global Certificate on issue, the following will apply in respect of transfers of Notes held in DTC. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of DTC, but will limit the circumstances in which the Notes may be withdrawn from DTC. Transfers of the holding of Notes represented by that Restricted Global Certificate pursuant to Condition 2(b) of the Notes may only be made:

- (i) in whole but not in part, if such Notes are held on behalf of a Custodian for DTC and if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to that Restricted Global Certificate or DTC ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (ii) in whole or in part, with the Issuer's consent,

provided that, in the case of any transfer pursuant to paragraph 4.3(b)(i) above, the relevant Noteholder has given the relevant Registrar not less than 30 days' notice at its specified office of the Noteholder's intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Restricted Global Certificate shall bear the legend applicable to such Notes as set out in "Transfer Restrictions".

4.4 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of Euroclear, Clearstream or an Alternative Clearing System and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

4.5 Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. Global Notes and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the English Law Trust Deed or the Singapore Law Trust Deed, as the case may be. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

4.6 Exchange Date

“**Exchange Date**” means, in relation to a temporary Global Note, on or after the first day following the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days or in the case of exchange following failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given or, where applicable, after the 14th day on which a clearing system is closed for business, and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

5. AMENDMENT TO CONDITIONS

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes governed by Singapore Law and the terms and conditions of the Notes governed by English Law set out in this Offering Circular. The following is a summary of certain of those provisions:

5.1 Payments

No payment falling due on or after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes.

All payments in respect of Notes represented by a Global Certificate (other than a Global Certificate representing Notes cleared through CDP) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date, which is the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

5.2 Prescription

Claims against the Issuer and/or the Guarantor in respect of Notes that are represented by a permanent Global Note shall become void unless it is presented for payment within a period of three years (in the case of principal) and three years (in the case of interest) from the appropriate Relevant Date (as defined in the Conditions).

5.3 Meetings

The holder of a permanent Global Note or of Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

5.4 Cancellation

Cancellation of any Note represented by a Global Note that is required by the Conditions to be cancelled (other than upon its redemption) shall be effected by reduction in the nominal amount of the relevant Global Note representing such Note on its presentation to or to the order of the Issuing and Paying Agent for endorsement in the relevant schedule of such Global Note, whereupon the nominal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

5.5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer, the Guarantor or any of their respective Subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

5.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required.

5.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent (or, in the case of Notes cleared through DTC, the DTC Paying Agent and, in the case of Notes cleared through CDP, the CDP Paying Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the certificate numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Issuing and Paying Agent, or, in the case of Notes cleared through DTC, the DTC Paying Agent or, in the case of Notes cleared through CDP, the CDP Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation.

5.8 Events of Default

If any Event of Default has occurred, the Trustee may state in a notice given to the Issuing and Paying Agent and the Issuer (the "**Default Notice**") the nominal amount of Notes (which may be less than the outstanding nominal amount of the Global Note or Global Certificate) which is being declared due and payable.

If principal in respect of any Note is not paid when due, the holder of a Global Note cleared through CDP or Registered Notes represented by an Unrestricted Global Certificate cleared through CDP may elect for direct enforcement rights against the Issuer and the Guarantor under the terms of an amended and restated Deed of Covenant executed as a deed by the Issuer on 2 November 2020, amending and restating the Deed of Covenant dated 29 July 2010, as may be amended, supplemented and/or restated from time to time, to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Unrestricted Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made, in respect of Notes represented by a Global Note, on or before the Exchange Date, or in respect of Registered Notes represented by an Unrestricted Global Certificate, on or before the date of transfer described under paragraph 4.3(a) above, unless the holder elects in such notice that the transfer for such Notes shall no longer take place.

5.9 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note.

6. PARTLY PAID NOTES

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes or Global Certificates. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or Global Certificate or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

SUMMARY OF PROVISIONS RELATING TO THE SUBORDINATED SECURITIES WHILE IN GLOBAL FORM

1. INITIAL ISSUE OF SUBORDINATED SECURITIES

Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary (as defined herein) or CDP.

Upon the registration of Registered Subordinated Securities in the name of CDP or any nominee for Euroclear and Clearstream and delivery of the relative Global Certificate to CDP or a common depositary for Euroclear and Clearstream (the “**Common Depositary**”), CDP, Euroclear or Clearstream, as the case may be, will credit each subscriber with a nominal amount of Subordinated Securities equal to the nominal amount thereof for which it has subscribed and paid.

Upon the initial deposit of a Global Certificate in respect of, and registration of, Registered Subordinated Securities in the name of a nominee for DTC and delivery of the relevant Global Certificate to the Custodian for DTC, DTC will credit each participant with a nominal amount of Subordinated Securities equal to the nominal amount thereof for which it has subscribed and paid.

Subordinated Securities that are initially deposited with CDP or the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear, Clearstream and/or CDP held by such other clearing systems. Conversely, Subordinated Securities that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, CDP and/or other clearing systems.

2. RELATIONSHIP OF ACCOUNTHOLDERS WITH CLEARING SYSTEMS

Each of the persons shown in the records of Euroclear, Clearstream, DTC, CDP or any other clearing system (an “**Alternative Clearing System**”) as the holder of a Subordinated Security represented by a Global Certificate must look solely to Euroclear, Clearstream, DTC, CDP or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the holder of the underlying Registered Subordinated Securities, as the case may be, and in relation to all other rights arising under the Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, DTC, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Subordinated Securities for so long as the Subordinated Securities are represented by such Global Certificate and such obligations of the Issuer will be discharged by payment to the holder of the underlying Registered Subordinated Securities in respect of each amount so paid.

3. TRUSTEE’S POWERS

In considering the interests of Subordinated Securityholders while any Registered Subordinated Securities represented by a Global Certificate are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to any such Registered Subordinated Securities and may consider such interests as if such accountholders or participants were the holders of the Subordinated Securities represented by such Global Certificate.

4. EXCHANGE

4.1 Global Certificates

(a) Unrestricted Global Certificates

If the Pricing Supplement states that the Subordinated Securities are to be represented by an Unrestricted Global Certificate on issue, the following will apply in respect of transfers of Subordinated Securities held in Euroclear, Clearstream, CDP or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Subordinated Securities within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Subordinated Securities may be withdrawn from the relevant clearing system.

Transfers of the holding of Subordinated Securities represented by an Unrestricted Global Certificate pursuant to Condition 2(a) of the Subordinated Securities may only be made:

- (i) in whole but not in part, if the Subordinated Securities represented by the Unrestricted Global Certificate are held on behalf of Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so; or
- (ii) if the Subordinated Securities represented by the Unrestricted Global Certificate are held by or on behalf of CDP and (a) an Enforcement Event (as defined in the Terms and Conditions of the Subordinated Securities) entitling the Trustee to declare all the Subordinated Securities to be due and payable as provided in the Terms and Conditions of the Subordinated Securities has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Subordinated Securities and to continue performing its duties set out in its terms and conditions for the provision of depository services and no alternative clearing system is available; or
- (iii) in whole or in part, with the consent of the Issuer,

provided that, in the case a transfer pursuant to paragraph 4.1(a)(i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

(b) Restricted Global Certificates

If the Pricing Supplement states that the Restricted Subordinated Securities are to be represented by a Restricted Global Certificate on issue, the following will apply in respect of transfers of Subordinated Securities held in DTC. These provisions will not prevent the trading of interests in the Subordinated Securities within a clearing system whilst they are held on behalf of DTC, but will limit the circumstances in which the Subordinated Securities may be withdrawn from DTC. Transfers of the holding of Subordinated Securities represented by that Restricted Global Certificate pursuant to Condition 2(a) of the Subordinated Securities may only be made:

(i) in whole but not in part, if such Subordinated Securities are held on behalf of a Custodian for DTC and if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to that Restricted Global Certificate or DTC ceases to be a “clearing agency” registered under the Exchange Act or is at any time no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or

(ii) in whole or in part, with the Issuer’s consent,

provided that, in the case of any transfer pursuant to paragraph 4.1(b)(i) above, the relevant Subordinated Securityholder has given the relevant Registrar not less than 30 days’ notice at its specified office of the Subordinated Securityholder’s intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Restricted Global Certificate shall bear the legend applicable to such Subordinated Securities as set out in “Transfer Restrictions”.

5. AMENDMENT TO CONDITIONS

The Global Certificates contain provisions that apply to the Subordinated Securities that they represent, some of which modify the effect of the terms and conditions of the Subordinated Securities governed by Singapore Law and the terms and conditions of the Subordinated Securities governed by English Law set out in this Offering Circular. The following is a summary of certain of those provisions:

5.1 Payments

All payments in respect of Subordinated Securities represented by an Unrestricted Global Certificate (other than a Global Certificate representing Subordinated Securities cleared through CDP) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date, which is the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

5.2 Meetings

The holder of Subordinated Securities represented by a Global Certificate shall (unless such Global Certificate represents only one Subordinated Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Subordinated Securityholders and as being entitled to one vote in respect of each integral currency unit of the Specified Currency of the Subordinated Securities. (All holders of Subordinated Securities are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Subordinated Securities comprising such Subordinated Securityholder’s holding, whether or not represented by a Global Certificate.)

5.3 Enforcement Event

If any Enforcement Event has occurred, the Trustee may exercise its right to institute proceedings for the Winding-Up of the Issuer and/or the Guarantor and/or prove in the Winding-Up of the Issuer and/or the Guarantor and/or claim in the liquidation of the Issuer and/or the Guarantor for such payment.

If principal in respect of any Subordinated Security is not paid when due, the holder of a Registered Subordinated Securities represented by an Unrestricted Global Certificate cleared through CDP may elect for direct enforcement rights against the Issuer and the Guarantor under the terms of an amended and restated Deed of Covenant executed as a deed by the Issuer on 2 November 2020, amending and restating the Deed of Covenant dated 29 July 2010, as may be amended, supplemented and/or restated from time to time, to come into effect in relation to the whole or a part of one or more Registered Subordinated Securities in favour of the persons entitled to such part of such Registered Subordinated Securities, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, such Unregistered Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the Subordinated Securities. However, no such election may be made in respect of Subordinated Securities represented by an Unrestricted Global Certificate on or before the date of transfer described under paragraph 4.1(a) above, unless the holder elects in such notice that the transfer for such Notes shall no longer take place.

6. PARTLY PAID SUBORDINATED SECURITIES

The provisions relating to Partly Paid Subordinated Securities are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Certificates. If any Subordinated Securityholder fails to pay any instalment due on any Partly Paid Subordinated Securities within the time specified, the Issuer may forfeit such Subordinated Securities and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Securities will be applied by the Issuer to fund its ordinary course of business. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

DESCRIPTION OF THE ISSUER

The Issuer, a wholly-owned subsidiary of Singtel, is a private company limited by shares incorporated under the laws of Singapore on 7 March 2001. The principal activities of the Issuer are the provision of finance and treasury services to Singtel and its related companies. The Issuer will utilise the net proceeds of the issue, after deducting issue expenses, to fund its ordinary course of business. The Issuer's registered office is located at 31 Exeter Road, Comcentre, Singapore 239732. The issued share capital of the Issuer is S\$50,000,000.00 comprising fifty million ordinary shares issued and held by Singtel.

No financial statements for the Issuer are included in this Offering Circular, and the Issuer will not publish financial statements on an interim basis or otherwise (except for such statements, if any, which the Issuer is required by Singapore law to publish). The Issuer intends to furnish to the Trustee within 180 days after the end of each financial year a copy of its audited accounts as at the end of and for that financial year. Any such information or report, if published, will be made available for inspection during normal business hours at the specified office of the Paying Agent.

The following table sets forth the name and position of each member of the Board of Directors of the Issuer:

Name	Position
Ms. Chua Sock Koong	Director
Ms. Lim Cheng Cheng	Director

The establishment and update of the Programme was approved by the Board of Directors of the Issuer on 22 July 2010 and 21 October 2020.

DESCRIPTION OF SINGTEL AND THE SINGTEL GROUP

History and Background

Singtel traces its heritage, through its predecessors, to 1879 and has played an integral part in the development of Singapore as a major communications hub in the region.

Telecommunications services in Singapore first started in the late 19th century. Telecommunications services in Singapore were provided by the Telecommunication Authority of Singapore, a Singapore Government statutory board, from 1972 until its privatisation in 1992.

Singtel was incorporated in 1992 and was listed on the SGX-ST on 1 November 1993. Based on its closing price of S\$2.17 on 5 October 2020, Singtel had a market capitalisation of S\$35.4 billion and is one of the largest listed companies on the SGX-ST by market capitalisation. The Singtel Group provides a wide spectrum of multimedia and ICT solutions, including voice, data and video services over fixed and wireless platforms.

The Singtel Group's main operations are in Singapore and Australia. Headquartered in Singapore, the Singtel Group has played an integral role in the development of the country as a major communications hub in the region. In Australia, Optus is the second largest provider of telecommunications services in terms of revenue. It remains Australia's primary fully integrated fixed and mobile telecommunications competitor to the incumbent operator, Telstra Corporation Limited ("**Telstra**"). The Singtel Group is a major communications player in Asia and Africa through its strategic investments in Bharti Airtel Limited (India), PT Telekomunikasi Selular (Indonesia), Advanced Info Service Public Company Limited and Intouch Holdings Public Company Limited (both in Thailand) and Globe Telecom, Inc. (the Philippines) (collectively, "**Regional Associates and Joint Ventures**"). Bharti Airtel Limited also has a significant presence in Sri Lanka and Africa.

As a long term strategic investor, the Singtel Group, with its associates and joint ventures, continues to leverage its scale in networks, customer reach and operational experience to grow its business. As at 31 March 2020, the Singtel Group and its Regional Associates and Joint Ventures had a combined regional customer base of over 700 million mobile customers.

To serve the needs of multinational corporations, the Singtel Group has a vast network of offices in countries and territories across the globe.

The Singtel Group is organised into three business segments, Group Consumer, Group Enterprise and Group Digital Life, to better serve the evolving needs of its customers and to capture growth opportunities globally.

Group Consumer comprises the Singtel Group's consumer-related businesses, including its investments in the emerging markets, giving it the potential to fully leverage the scale of its mobile customer base to maximise collaborative outcomes in areas such as network, IT, marketing, product development and procurement. A key goal is to increase sales of higher value services through next generation communication, multimedia entertainment and technology services, to meet increasingly connected digital lifestyles of retail consumers and small businesses across Asia-Pacific.

Group Enterprise provides innovative and comprehensive telecommunication, digital and ICT solutions to the Singtel Group's enterprise customers across geographical boundaries. These include international and local data, managed services, data centres, enterprise mobility services, cloud services, voice, satellite services, digital, ICT and smart city solutions with complementary systems integration services provided by its subsidiaries, the NCS Group in Singapore and Alphawest Pty Ltd and Ensyst Pty Ltd in Australia. Cybersecurity and managed security services are provided through its cybersecurity group, Trustwave.

Group Digital Life drives the Singtel Group's efforts to capture opportunities in the digital world. It focuses on opportunities in digital marketing as well as advanced analytics and intelligence capabilities. Leveraging on the Singtel Group's assets such as the scale of its regional customer base, payments mechanisms, data analytics engine and extensive customer touch points, it aims to create services that enable customers to enhance their digital experiences.

For the financial year ended 31 March 2020, the Singtel Group's operating revenue was S\$16.54 billion and net profit was S\$1.08 billion.

Competitive Strengths of the Singtel Group

The Singtel Group believes that it possesses a number of competitive strengths that position it to execute its business plan and strategies.

Growing mobile penetration in emerging markets and strong competitive position in key markets

The Singtel Group and its Regional Associates and Joint Ventures presently operate across seven markets in Asia-Pacific, namely, Australia, India, Indonesia, the Philippines, Singapore, Sri Lanka and Thailand, as well as across Africa. The operations in the emerging markets, particularly India and Indonesia, have grown significantly as demand for mobile telecommunications services increases due to a combination of rising affluence, general economic progress, falling network and handset costs, population growth and low availability of traditional fixed-line telecommunications infrastructure. The Singtel Group expects to take advantage of continued growth in mobile penetration and data usage in these markets.

The Singtel Group and its Regional Associates and Joint Ventures compete from a strong position in many of the markets in which they operate, for example, it is the number one or number two mobile operator in the markets of Singapore, Australia, Indonesia, the Philippines and Thailand.

Operating leverage through group scale and group-wide initiatives

The telecommunications industry is undergoing significant transformation. Previously well-defined competitive boundaries are becoming less distinct. Traditional telecommunications companies ("telcos"), internet companies, content providers and device manufacturers are expanding beyond their core areas of expertise and are competing with each other for a bigger share of the customer's wallet. This presents both opportunities and challenges to telcos.

Scale and reach are important factors in being able to compete in this new environment. Collectively, the Singtel Group and its Regional Associates and Joint Ventures served over 700 million mobile customers across the region as at 31 March 2020. This scale compares favourably to both traditional and non-traditional competitors.

The Singtel Group, together with its Regional Associates and Joint Ventures, will continue to leverage their combined scale and experience to collaborate in areas such as networks, IT, marketing, product development and procurement to optimise operational efficiency and lower costs, while jointly pursuing initiatives to capture growth opportunities afforded by changes in the market.

Together with its Regional Associates and Joint Ventures, the Singtel Group has implemented joint procurement programmes that have helped lower infrastructure and equipment costs. Such initiatives have given the Singtel Group and its Regional Associates and Joint Ventures earlier access and exclusivity over popular handsets and mobile devices.

The Singtel Group has also collaborated on innovative products and services with its Regional Associates and Joint Ventures across the region. These products and services are designed to leverage on the combined group scale to create offerings that are differentiated and difficult to replicate. In addition, having billing and transaction capabilities creates options to earn revenue from customers through new services. This is important in markets where the adoption of banking and credit card services is low, such as in India, Indonesia and the Philippines. To meet consumers' demand for efficient and low-cost payment methods, the Singtel Group's Regional Associates and Joint Ventures have launched mobile payments solutions. The Singtel Group will also leverage its unique regional footprint to provide regional digital services to consumers, including digital payments and esports.

In the area of technology planning, the Singtel Group and its Regional Associates and Joint Ventures have collaborated to define a group strategy for 4G LTE. Singapore and Australia have deployed 4G LTE network rollout and the Singtel Group's Regional Associates and Joint Ventures have also deployed 4G LTE rollout in Indonesia, the Philippines, Thailand, India and 14 countries in Africa. The 4G LTE network(s) will allow the Singtel Group and its Regional Associates and Joint Ventures to deploy new services across the region quickly, giving customers faster access to the widest selection of mobile service offerings in these markets.

On 29 April 2020, Singtel Mobile Singapore Pte. Ltd. ("**Singtel Mobile**") was announced as a winner of the IMDA's 5G Call for Proposal ("**CFP**"), and was granted a provisional award for a 5G licence. The IMDA issued the Final Award to Singtel Mobile on 24 June 2020 following completion of the required regulatory processes, including the selection of its preferred frequency spectrum lots, vendor partners and other technical and legal matters. Singtel Mobile can now proceed to deploy nationwide 5G standalone networks that deliver full-fledged 5G capabilities¹. On 1 September 2020, Singtel launched its 5G non-standalone ("**NSA**") network and introduced a six-month trial for its consumer and enterprise customers. Singtel 5G will cover areas such as Harbourfront, Bugis and Dhoby Ghaut in the initial phase. On 8 October 2020, Singtel announced that it has also deployed Singapore's first 5G standalone ("**SA**") trial network at its 5G Garage testing facility to provide enterprises with early access to ultra-fast, low-latency 5G connections to accelerate 5G use case developments. Optus has launched both 5G mobile and 5G home broadband services in Australia. The Regional Associates and Joint Ventures are also progressing on their 5G strategies and the Singtel Group will harness its scale to enable best practices in 5G network rollout and service launch strategies, as relevant, across its footprint.

Integrated service offerings enhance customer loyalty and differentiate the Singtel Group from competitors

The Singtel Group's operations in Singapore and Australia provide a comprehensive range of communications services and solutions, including fixed, mobile, data, internet, ICT, satellite and pay-TV. Increasingly, customers have diverse needs for different services and across different locations. The Singtel Group believes that the ability to meet customers' total communications needs differentiates it from pure mobile or internet service providers. Its integrated service offerings aim to enhance customer loyalty and provide the Singtel Group with some level of resilience against price competition.

The Singtel Group provides corporate customers with a single service point for a full range of services, solutions and products in multiple destinations, particularly in the Asia-Pacific region. These services are delivered through a global network of submarine cables and points-of-presence ("**PoPs**") and satellites. Singtel (including Optus) led the market in the Asia-Pacific region (excluding Japan)² with the largest market share for international MPLS IP VPN services. Singtel Singapore, together with the NCS Group, is the largest IT solutions provider in Singapore.

¹ See detailed write-up on 5G mobile networks under the "Singapore Regulatory Environment" section of this Offering Circular.

² Source: For second half of 2019 - IDC Telecom Services Database Asia-Pacific 2H2019.

For consumer customers, the Singtel Group offers bundled services for their individual and home needs, comprising fixed line voice, internet, mobile and pay-TV services. To meet the growing demand of consumers who increasingly rely on telecommunications for their work or social activities, the Singtel Group tailors service offerings targeted at different consumer segments. The Singtel Group believes that its understanding of consumer preferences and behaviours allows it to cater effectively to the demands of its customers.

Extensive connectivity and business presence in the region

The Singtel Group has extensive infrastructure and connectivity in the region through its investments in international submarine cables, data centre facilities in the region, global network coverage, IT delivery centres and satellites. To serve the needs of multinational corporations, the Singtel Group has a vast network of offices in countries and territories across the globe.

The Singtel Group believes that its extensive network coverage and business presence in the region have enabled it to compete successfully in the ICT services markets, making it a desired solutions partner for corporate customers across Asia-Pacific.

Strong cash flow and balance sheet with a disciplined approach to investing in growth opportunities

The Singtel Group generates significant cash flows across its businesses. With a strong balance sheet, the Singtel Group also has financial flexibility to make further investments.

The Singtel Group has a disciplined approach to investments and acquisitions. It seeks to invest in new growth platforms (such as digital marketing and cybersecurity) to drive revenue growth. The Singtel Group anticipates that some of these services may also help its Regional Associates and Joint Ventures increase their competitiveness as their markets transition from voice to data. The Singtel Group also continues to review investment opportunities in the communications sector, including opportunities to increase its stakes in its Regional Associates and Joint Ventures and invest in large under-penetrated telecommunications markets. The Singtel Group remains financially disciplined in its evaluation of investment opportunities. In its investments, the Singtel Group seeks to be a strategic investor with control or significant influence to drive synergies with the rest of the Singtel Group and lift operating performance. The Singtel Group typically seeks Board representation and appropriate rights over the business plan, key management appointments and dividend policy in its investments. At the appropriate time, the Singtel Group will selectively unlock and monetise the value of its digital investments.

Experienced management team and regional talent development

The Singtel Group has an experienced management team. Many of its executives have been involved with the telecommunications industry for many years and possess international experience. The Singtel Group believes it has the management strength and access to talent to grow its existing operations, expand internationally, and diversify into new revenue streams.

In addition, the Singtel Group has put in place regional talent management programmes to deploy high-performing executives and groom future leaders. The Singtel Group's diverse operations provide valuable opportunities to expose emerging leaders to varying regulatory, economic and operational challenges. The cross-deployments also help to promote best practices from individual operators to the rest of the Singtel Group.

Strategy

The Singtel Group's vision is to be Asia-Pacific's best communications technology company. To achieve this objective, the Singtel Group will be executing strategies to transform its business for sustained competitiveness, innovation and growth into the future.

The Singtel Group's key focus is to:

1. raise business performance of the consumer and enterprise operations, by driving profitable revenue growth, operational efficiencies and creating a competitive cost structure;
2. strengthen customer experience with simplified and compelling value propositions, supported by extensive and reliable networks;
3. leverage the Singtel Group's assets to drive scale benefits; and
4. create innovative and differentiated digital services to enhance the core business and deliver new revenue streams.

Group Consumer Strategy

Group Consumer comprises the Singtel Group's consumer-related businesses, including Consumer Singapore, Consumer Australia, and the Regional Associates and Joint Ventures, with a total customer base of over 700 million mobile customers as at 31 March 2020.

The vision for Group Consumer is to be the leading provider of next generation communication, multimedia entertainment and technology services for individual customers, homes and small businesses across Asia-Pacific and, through Bharti Airtel Limited, in Africa.

The purpose of this unit is to re-invent the core operations and create new and sustainable business models that meet the needs of customers' increasingly connected digital lifestyles. In order to do this, Group Consumer will focus on:

1. delivering its best-in-class customer experience, value-added services and associated brand leadership;
2. driving new revenues in emerging markets, particularly in mobile data and digital services;
3. achieving continued operational excellence across all markets; and
4. leveraging on the Singtel Group's scale and capabilities to generate new revenue streams and cost synergies, including building digital ecosystems in payments, gaming and esports.

Group Enterprise Strategy

Group Enterprise brings together all enterprise-related business units of the Singtel Group and is focused on providing digital and ICT services and solutions to serve the Singtel Group's enterprise customers across multiple geographies.

The vision for Group Enterprise is to be the leading digital enabler for smart cities and enterprises. The key focus areas of this unit are:

1. growth in next generation enterprise data network services, enterprise mobility, data centre services, managed services and business applications services; and
2. 5G services, IoT, machine-to-machine ("M2M"), digital, cloud and cybersecurity services.

Group Digital Life Strategy

Group Digital Life drives the Singtel Group's efforts to capture opportunities in the digital world, enhancing the Singtel Group's focus on creating new growth platforms that leverage the Singtel Group's core businesses.

The focus for this unit is on digital marketing, advanced analytics and intelligence capabilities, in addition to strengthening its role as the Singtel Group's digital innovation engine.

Principal Business Groups and Activities

Group Consumer

(a) Business Structure

Group Consumer comprises three main units, namely, Consumer Singapore, operating under the Singtel brand, Consumer Australia, operating under the Optus brand, and the International Group which manages the Singtel Group's Regional Associates and Joint Ventures.

- ***Consumer Singapore – Singtel***

Consumer Singapore serves the Singapore retail consumer and residential segment with telecommunications, content and digital services. It aims to be the most valued digital services provider by delivering a comprehensive range of products and services including mobile voice and data, fixed voice, fixed broadband, pay-TV, and content and application services. Consumer Singapore also provides wholesale services to third parties, allowing such third parties to offer mobile and broadband services to end-users using the Singtel Group's infrastructure.

- ***Consumer Australia – Optus***

Consumer Australia delivers a comprehensive range of services and products to the Australian retail telecommunications market and small and medium-sized businesses through Optus. These services and products include mobile voice and data, fixed voice, fixed broadband, and content and application services.

Optus Wholesale also enables third parties to offer mobile and fixed services using Optus infrastructure. In addition, the Optus satellite fleet provides a full range of services including broadcast services, IP-based satellite data broadcast solutions, handheld or vehicle-mounted mobile services and a range of specialised services.

- ***International Group***

The Singtel Group has significant investments in the Asia-Pacific region, through its strategic stakes in its Regional Associates and Joint Ventures. Its Regional Associates and Joint Ventures operate predominantly in emerging markets with large populations and comparatively lower penetration.

(b) Principal products and services

- ***Mobile services and sale of equipment***

Group Consumer provides a full suite of mobile communication services across Singapore and Australia and through the Regional Associates and Joint Ventures. This includes mobile voice, messaging, international roaming, mobile data services and a wide range of value-added entertainment and information services. The Singtel Group and its Regional Associates and Joint Ventures served a total of over 700 million mobile customers as at 31 March 2020. More details on the Regional Associates and Joint Ventures are discussed in the sub-section “International Group”.

In Singapore and Australia, mobile service revenues are supported by sales of mobile handsets and devices. Group Consumer has extensive physical retail outlet networks in both countries and also retails via telesales, online and through distribution partners. Mobile handsets and devices may be purchased with or without subsidy, depending on the price plan that the customer chooses. Mobile services are provided on either a postpaid basis with customers receiving a monthly bill or on a prepaid basis with customers electing to prepay for their services.

The usage patterns of consumers are changing and the Singtel Group has seen an increasing demand for mobile data services across the various markets. In Singapore, Consumer Singapore has launched attractive mobile plans and services, such as SIM-only plans and enhanced music streaming services, to meet customers’ needs. In Australia, Consumer Australia has launched attractive mobile plans and other related services, such as entertainment services, to tailor to customers’ requirements.

Singtel Singapore’s total mobile subscriber base was approximately 4.3 million³ as at 31 March 2020. Approximately 63 per cent. of Singtel Singapore’s total mobile subscriber base were postpaid customers. Data, including short messages service (“SMS”), constituted 66 per cent. of average revenue per mobile customer for the year ended 31 March 2020.

Optus’ mobile subscriber base was approximately 10.4 million as at 31 March 2020. As at 31 March 2020, approximately 63 per cent. of Optus’ total mobile handset subscriber base were postpaid customers. Data, including SMS, constituted 85 per cent. of the average revenue per mobile customer for the year ended 31 March 2020.

In emerging markets, mobile broadband represents a significant opportunity as the mobile equipment is the primary device for accessing the internet. The Singtel Group and its Regional Associates and Joint Ventures have been sharing best practices on growing the mobile broadband business.

In Singapore, Singtel has launched its 5G NSA network in September 2020 and introduced a six-month trial for its consumer and enterprise customers. Singtel 5G will cover areas such as Harbourfront, Bugis and Dhoby Ghaut in the initial phase. Optus has launched both 5G mobile and 5G home broadband services in Australia. The Regional Associates and Joint Ventures are also progressing on their 5G strategies and the Singtel Group will harness its scale to enable best practices in 5G network rollout and service launch strategies, as relevant, across its footprint.

³ Includes consumer and enterprise subscribers.

The Singtel Group initiated and pioneered the Bridge Alliance, Asia-Pacific's leading mobile alliance that spans 34 countries. The Bridge Alliance, which includes the Singtel Group and some of its associates and joint ventures in India, Indonesia, the Philippines and Thailand, provides customers of its alliance members a suite of value-added services including voice and data roaming in the region.

- **Fixed services**

Group Consumer offers a full array of fixed services in both Singapore and Australia. The fixed services offered in Singapore include broadband, pay-TV, smart home applications and fixed voice telephony. The fixed services offered in Australia include fixed voice, broadband and TV services.

In Singapore, Singtel Singapore is a major provider of internet services with a wide range of competitively priced plans that allow residential customers to access the internet. Residential fibre broadband is provided through NetLink Trust's wholesale access network under Singapore's Next Gen NBN. As at 31 March 2020, Singtel Singapore had approximately 642,000⁴ fibre broadband customers (with 43 per cent. of the fibre broadband market share). Singtel Singapore also offers pay-TV services (under its brand "Singtel TV") in its suite of consumer home products. Singtel Singapore had approximately 382,000 Singtel TV customers as at 31 March 2020.

Singtel Singapore is the leading player in the country's fixed-line telephony sector with approximately 66.2 per cent. market share as at 31 March 2020. Singtel Singapore's international telephone services have connections to over 240 destinations. Other than its international direct dialling services, Singtel Singapore also offers a full suite of other voice services, like WorldConference, voice over IP ("**VoIP**") and international toll-free services to serve both local and regional customers.

In Australia, Optus is a major provider of fixed services in both broadband and voice. Its broadband customer base stood at approximately 1.09 million subscribers as at 31 March 2020. Optus has also partnered with Fetch TV to provide IPTV services to complement its fixed offerings. To further strengthen and differentiate its broadband and mobile services, Optus has secured certain exclusive media entertainment content, notably rights to broadcast English Premier League football for three years from the 2016/17 season and such rights were renewed for a further three years from the 2019/20 season. Optus has also secured exclusive rights to broadcast European football until 2022 which includes rights to the UEFA Champions League, UEFA Europa League, Euro 2020 and qualifiers, UEFA Nations League 2018-2021 as well as exclusive rights to broadcast the FIFA 2022 World Cup qualifiers, FA Women's Super League and the Japanese J-League.

Optus operates in the fixed market in four ways: (i) in the residential and small business sectors through resale of services including from the NBN and Telstra, (ii) in the residential and small business sectors using its 4G LTE network and 5G network to deliver a Home Wireless Broadband service, (iii) in the residential and small business sector using its HFC network and ULL DSL networks, and (iv) in the enterprise, corporate and government sectors using its Customer Access Network ("**CAN**").

⁴ Includes consumer and enterprise customers.

The addressable market for ULL DSL is related to the number of Telstra exchanges where Optus' ULL DSL equipment has been deployed, and the allocation of available capacity within the various Telstra exchanges.

Delivery of fixed services on the Optus' HFC and ULL DSL networks generally attracts a higher gross margin as compared to off-net fixed line services. Those networks also allow more direct control over the customer experience.

The HFC and ULL DSL networks have allowed Optus to deliver subscription-based bundled fixed voice and broadband services. These subscription plans allow an amount of included value for fixed telephony services and a nominated data allowance for broadband usage to be used within an agreed timeframe, which is normally one month.

As part of the Australian government's reform of the fixed line telecommunications sector in Australia, Optus is progressively migrating customers from its HFC and ULL DSL networks to the NBN network⁵ as it rolls out in each area in Australia. Optus anticipates that migration will take place over multiple years based on the current NBN roll out plan.

- ***Wholesale services to other carriers and service providers***

Optus Wholesale is a supplier of fixed, mobile voice and data telecommunications services to Australian carriers and service providers, including internet service providers, utilising Optus' network infrastructure. Wholesale products and services include:

- fixed voice services that allow service providers to provide local, national, fixed to mobile, international calls and Total Access Services (“**TAS**”) such as the Optus 1300/1800 services that provide primary access for customers to make contact with an organisation;
- fixed data and IP products which allow service providers to provide internet access, IP VPN, transportation of voice signals using the IP protocol and dedicated or multipoint data transmission services;
- mobile services providing service providers with the ability to on-sell voice and data services including wireless broadband services on Optus' mobile network; and
- interconnection services that allow other carriers to terminate carrier services into Optus' network.

International Group

The Singtel Group's investments in the emerging markets continue to be the growth driver for the Singtel Group. The Singtel Group is a significant strategic investor in Bharti Airtel Limited in India, PT Telekomunikasi Selular in Indonesia, Advanced Info Service Public Company Limited and Intouch Holdings Public Company Limited in Thailand and Globe Telecom, Inc. in the Philippines.

⁵ For an overview of the NBN as it relates to Optus, see the section “Australia Regulatory Environment – National Broadband Network and Reform of the Regulatory Framework”.

Besides the focus on the Regional Associates and Joint Ventures, International Group has two digital initiatives, being the (i) mobile financial business, and (ii) gaming and digital content business. The International Group's mobile financial business includes Dash's payment and remittance business, and the regional VIA cross-border mobile payment alliance. The International Group's gaming and digital content business has been expanding in the region by tapping on its partners' platforms and channels to scale up regional esports events and leagues, as well as developing and distributing curated original and third-party content for gamers and fans in the region in which it operates.

(i) Bharti Airtel Limited (“Airtel”)

Airtel is one of the world's leading providers of telecommunications services with a presence in 18 countries, including India, Sri Lanka and 14 countries in Africa. It is listed in India on the National Stock Exchange and the Bombay Stock Exchange. As at 31 March 2020, Airtel had approximately 397 million mobile customers.

In India, Airtel is one of the largest wireless operators both in terms of number of customers and revenue. Besides providing mobile wireless services with high speed internet access, Airtel also provides national and international long distance connectivity, fixed line services, digital TV, mobile commerce and an integrated suite of telecommunication solutions to enterprise customers.

In Sri Lanka, Airtel operates across 25 administrative districts, with a distribution network of over 46,000 retailers across the country. In Africa, Airtel offers wireless services, mobile commerce and corporate solutions. Airtel currently provides 2G, 3G, 4G and mobile commerce services across 14 countries in Africa.

Bharti Infratel Limited (“**Bharti Infratel**”), a subsidiary of Airtel, deploys, owns and manages passive telecom infrastructure. Bharti Infratel also owns 42 per cent. of Indus Towers Limited (“**Indus Towers**”). As at 31 March 2020, Bharti Infratel's consolidated portfolio consisted of 95,372 telecom towers, 42,053 of its own towers and the balance from its 42 per cent. equity interest in Indus Towers. Bharti Infratel is listed in India on the National Stock Exchange and the Bombay Stock Exchange. Airtel's effective equity shareholding in Bharti Infratel is 53.51 per cent.

On 25 April 2018, Bharti Infratel announced a scheme of amalgamation and arrangement between Bharti Infratel and Indus Towers to create a pan-India tower company, subject to regulatory approvals. On 21 February 2020, foreign direct investment (“**FDI**”) approval was granted by the Department of Telecommunications (“**DoT**”). In a hearing on 22 October 2020, the merger was approved by the National Company Law Tribunal (“**NCLT**”) and will become effective when the certified order of NCLT is filed with the Registrar of Companies. The combined company will be named Indus Towers Limited and will continue to be listed on the National Stock Exchange and the Bombay Stock Exchange. Post completion of the merger, Airtel will own approximately 37 per cent. of the combined company.

In February 2019, Airtel Africa signed an agreement with Telkom Kenya Limited, the third largest mobile network operator in Kenya, to merge their respective mobile, enterprise and carrier services businesses to operate as ‘Airtel-Telkom’. On 5 August 2020, both parties decided not to complete the transaction due to difficulty in obtaining all regulatory approvals.

On 7 May 2019, Airtel announced an agreement with Hughes Communications India Ltd. to combine their very small aperture terminals (“**VSAT**”) operations in India. The transaction is subject to the grant of approvals by the relevant authorities.

On 24 October 2019, the Supreme Court of India delivered its ruling on the definition of “adjusted gross revenue” (“**AGR**”), which has been an outstanding dispute between service providers in the telecommunications industry and DoT in India. The ruling upheld the DoT’s view that AGR should include revenue from non-telecom activities. AGR forms the basis for payment of licence fees and spectrum usage charges. Airtel’s subsequent petitions on this matter were dismissed by the Supreme Court of India on 16 January 2020 and 14 February 2020. Together with other telecom operators in India, Airtel continues to make representations to the Indian government for relief and/or arrangement of payments. On 17 March 2020, DoT filed a proposal with the Supreme Court of India for the impacted telecom operators to make payments of the AGR demand over 20 years at an interest rate of eight per cent. The proposal is pending before the Supreme Court. As of 31 March 2020, Airtel had paid S\$3.4 billion to the DoT based on self-assessment. In addition, Airtel had recorded an exceptional provision relating to the AGR liabilities of approximately INR 304 billion (S\$5.9 billion) for the year ended 31 March 2020. Singtel’s proportionate share of this provision amounted to S\$1.32 billion (post-tax)⁶.

On 15 January 2020, Airtel announced that it raised US\$3 billion in aggregate through the completion of a qualified institutional placement of its shares and by issuing foreign currency convertible bonds. The net proceeds of such fundraising will primarily be used to strengthen Airtel’s balance sheet and augment Airtel’s long-term resources. Following the completion of the fundraising, Singtel’s overall effective shareholding interest in Airtel decreased from approximately 35.4 per cent. to 33.3 per cent., comprising (i) a direct shareholding interest of 14.1 per cent. in Airtel, and (ii) a shareholding interest of 49.4 per cent. in Bharti Telecom Limited (“**BTL**”), an investment holding company, which holds a direct shareholding interest of 38.8 per cent. in Airtel.

On 16 March 2020, the Supreme Court of India dismissed an appeal by an unrelated telecom service provider regarding a long outstanding dispute over levy of One Time Spectrum Charge (“**OTSC**”). Airtel has an outstanding demand for a similar matter. In the opinion of Airtel, the demand amounts to an alteration of the terms of the licences issued in the past. Airtel had filed a petition with the High Court of Bombay, which through its order dated 28 January 2013 had directed DoT not to take any coercive action until the next hearing. The matter is currently pending with the High Court of Bombay. However, with the Supreme Court ruling on 16 March 2020, Airtel had recorded an exceptional provision relating to the OTSC demand of INR 56.4 billion (S\$1.1 billion). Singtel’s proportionate share of this provision amounted to S\$232 million (post-tax).

On 26 May 2020, BTL completed the secondary sale of a 2.75 per cent. stake in Airtel for a consideration of approximately US\$1.1 billion. The net proceeds of the sale will be utilised to fully repay debt of BTL. Following the close of this transaction, Singtel’s effective shareholding in Airtel was reduced from 33.3 per cent. to 31.9 per cent.

On 1 July 2020, Airtel announced that it has entered into an agreement with Comfort Investments II, an affiliated entity of CAP V Mauritius Limited, an investment fund managed and advised by affiliated entities of The Carlyle Group Inc. (“**Carlyle**”), pursuant to which Comfort Investments II will invest US\$235 million in Nextra Data Limited, a wholly owned subsidiary of Airtel engaged in the data centre business. Carlyle, through Comfort Investments II, will hold a stake of approximately 25 per cent. in Nextra Data Limited upon completion of the transaction, with Airtel holding the remaining stake of approximately 75 per cent. in Nextra Data Limited. The transaction is subject to the necessary regulatory approvals, including approval from the Competition Commission of India.

⁶ Please refer to page 7 of Singtel’s announcement titled “Business Update for the First Quarter Ended 30 June 2020” dated 17 August 2020 which is available on the website of the SGX-ST for further details.

(ii) PT Telekomunikasi Selular (“Telkomsel”)

Telkomsel is the leading operator of cellular telecommunications services in Indonesia by customer market share and revenue market share. It is 65 per cent. held by PT Telekomunikasi Indonesia Tbk (“**Telkom**”), the largest full-service telecommunications operator in Indonesia. Telkom is listed on the Indonesia Stock Exchange and the New York Stock Exchange. As at 31 March 2020, Telkomsel had approximately 163 million mobile customers.

As at 31 March 2020, Telkomsel had the largest network coverage among the cellular operators in Indonesia, covering close to 100 per cent. of the Indonesian population. Telkomsel offers four prepaid brands – simPATI, Kartu As, Loop and by. U, and the postpaid kartuHALO service, as well as a variety of value-added services and programmes.

In December 2014, Telkomsel became the first mobile operator to launch 4G LTE services in Jakarta and Bali. Telkomsel continues to invest in network infrastructure to provide the best and the widest network coverage, including the 4G LTE network. As at 31 March 2020, Telkomsel had approximately 219,300 base transceiver stations of which 77 per cent. were 3G/4G base transceiver stations. With increasing smartphone penetration in Indonesia, Telkomsel is currently experiencing significant growth in data and digital services. It had approximately 105 million data customers as at 31 March 2020.

In June 2019, Telkomsel, through its wholly-owned subsidiary PT Fintek Karya Nusantara (“**Finarya**”), launched LinkAja, an e-wallet and digital payment transaction tool. Finarya also announced changes to its shareholder structure pursuant to a conditional share subscription agreement entered into between Telkomsel and several Indonesian state-owned enterprises. As of 31 March 2020, Telkomsel holds a 26.58 per cent. stake in Finarya and remains the dominant shareholder of Finarya.

In October 2020, Telkomsel entered into a sale and purchase agreement for the sale of 6,050 telecommunication towers to PT Dayamitra Telekomunikasi (“**Mitratel**”) for IDR 10.3 trillion (approximately S\$950 million). As part of the transaction, Telkomsel also entered into a 10 year lease arrangement with Mitratel for the rental of tower space, which will take effect from the transfer of the respective towers to Mitratel. The transaction is expected to be carried out in stages with expected completion by the first quarter of 2021.

(iii) Advanced Info Service Public Company Limited (“AIS”)

AIS is the leading mobile operator with the largest network coverage, market revenue and subscriber base in Thailand. It is listed on The Stock Exchange of Thailand and has a range of telecommunications businesses, including domestic mobile services, international direct dialling, data communications services, call centre services and sales and distribution of handsets. As at 31 March 2020, AIS had approximately 41 million mobile customers. AIS’ fixed broadband covered 57 cities as at 31 March 2020, with 1 million subscribers.

Thailand’s telecommunication industry is regulated by the National Broadcasting and Telecommunications Commission (“**NBTC**”). As of 31 March 2020, AIS has acquired the following spectrum licences from NBTC:

- **2100 MHz spectrum licence:** Advanced Wireless Network Co. Ltd. (“**AWN**”), a 99.99 per cent.-owned subsidiary of AIS, won a licence for spectrum in the 2100 MHz band (2 x 15 MHz bandwidth) through an auction for a consideration of THB 14.6 billion in December 2012. The licence is valid until 2027 and the spectrum has been used to deploy 3G and 4G technology.

- **1800 MHz spectrum licence:** AWN won a licence for spectrum in the 1800 MHz band (2 x 15 MHz bandwidth) in the auction held by the NBTC in November 2015 for a consideration of THB 41.0 billion and another licence with 2 x 5 MHz bandwidth in August 2018 for a consideration of THB 12.5 billion. Both licences are valid until 2033. The 1800 MHz spectrum is currently deployed for 4G LTE services.
- **900 MHz spectrum licence:** AWN acquired a licence for spectrum in the 900 MHz band (2 x 10 MHz bandwidth) in the re-auction in May 2016, where it was the only bidder, at the reserve price of THB 75.7 billion. The licence is valid until 2031. The 900 MHz spectrum is currently used to deploy 2G, 3G and 4G technology.
- **700 MHz spectrum licence:** AWN was allocated a licence for spectrum in the 700 MHz band (2 x 10 MHz bandwidth) in the auction held by the NBTC on 19 June 2019 for a consideration of THB 17.6 billion. The licence will be valid for 15 years from 1 October 2020 or such other date that is otherwise determined by the NBTC. AWN won another licence for spectrum in the 700 MHz band (2 x 5 MHz bandwidth) in the auction held by the NBTC in February 2020 for a consideration of THB 17.2 billion. The second licence will be valid for 15 years from 1 April 2021 or such other date that is otherwise determined by the NBTC. The 700 MHz spectrum can be deployed for 4G and 5G technology.
- **2600 MHz spectrum licence:** AWN acquired a licence for spectrum in the 2600 MHz band (100 MHz bandwidth) in the auction held by NBTC in February 2020 for a consideration of THB 19.6 billion. The licence is valid until 2035. The 2600 MHz spectrum is currently used to deploy 4G and 5G technology.
- **26 GHz spectrum licence:** AWN acquired a licence for spectrum in the 26 GHz band (1200 MHz bandwidth) in the auction held by NBTC in February 2020 for a consideration of THB 5.3 billion. The licence will be valid for 15 years from the licence grant date, as long as payment is made before 17 February 2021. The 26 GHz spectrum can be deployed for 5G technology.

AIS has an ongoing dispute with TOT Public Company Limited (“TOT”) which was submitted to the Thai Arbitration Institute in 2015. TOT’s demands included payment from AIS of additional revenue share of THB 62.8 billion (S\$2.72 billion) arising from the alleged illegality of two amendments made to a Concession Agreement entered into by parties in 2001 and 2002. TOT claims these amendments resulted in a lower revenue share for TOT. In January 2020, the Arbitral Tribunal awarded TOT THB 31.1 billion (S\$1.35 billion) and 1.25 per cent. interest per month after 30 November 2015, to be paid by AIS. AIS disagrees with this award by the Arbitral Tribunal. In April 2020, AIS filed a motion to the Central Administrative Court to set aside the arbitral award.

(iv) Intouch Holdings Public Company Limited (“Intouch”)

On 17 November 2016, Singtel acquired 21 per cent. of Intouch from Aspen Holdings Limited, an indirect wholly-owned subsidiary of Temasek.

Intouch is an investment holding company listed on The Stock Exchange of Thailand. Intouch’s principal business units are divided into three main businesses, namely, the wireless telecommunication business, the satellite and international business and the media and other related business. Its primary investments are in AIS and Thaicom Public Company Limited (“Thaicom”).

Thaicom operates the satellite and related services business and the internet and media services business. Intouch held approximately 40.45 per cent. of the share capital of AIS, and approximately 41.13 per cent. of the share capital of Thaicom as at 31 March 2020.

(v) Globe Telecom, Inc. (“Globe”)

Globe is the leading mobile operator in the Philippines in terms of subscriber and revenue market share and is listed on the Philippine Stock Exchange. It offers mobile services, home broadband services, fixed line services, domestic and international long distance connectivity, and an integrated suite of telecommunication solutions. As at 31 March 2020, Globe had approximately 89 million mobile customers.

In the mobile market, Globe is promoting brand loyalty and stimulating greater usage to grow its share of mobile spend in key customer segments. In the past year, Globe has gained traction in the broadband market with stronger subscriber take-up and higher revenue. Globe had approximately 2.3 million home broadband subscribers as at 31 March 2020.

Globe continues to increase its network coverage, and expand its broadband footprint and capacity delivered via DSL, fibre, 3G and 4G LTE networks to meet the growth momentum in broadband and data services. In June 2019, Globe also launched 5G fixed wireless home broadband services for selected areas in the Philippines.

On 30 May 2016, Globe and Philippine Long Distance Telephone Company (“**PLDT**”) announced the signing of agreements to jointly acquire the telecommunication business of San Miguel Corporation (“**SMC**”). The transaction entailed the acquisition of three entities of SMC and their telecommunication assets. The total enterprise valuation of the acquired entities was estimated at PHP 70.0 billion.

In June 2016, the Philippine Competition Commission (“**PCC**”) claimed that the Joint Notice of Acquisition (“**Notice of Acquisition**”) filed by Globe, PLDT and SMC on the acquisition of SMC’s telecommunications business was deficient in form and substance and thus the acquisition could not be claimed to be deemed approved. Globe responded that the Notice of Acquisition was filed in accordance with the Memorandum Circular No. 16-002 (MC No. 16-002) issued by the PCC. In July 2016, Globe filed a petition with the Court of Appeals of the Philippines (“**CA**”) to stop the PCC from reviewing the acquisition, and in August 2016, the PCC requested the CA to declare the acquisition void.

PLDT filed a similar petition to the CA and secured a temporary restraining order against the PCC from reviewing the acquisition (“**TRO**”) in August 2016. Thereafter, Globe’s petition was consolidated with PLDT’s petition and the consolidation effectively extended the benefit of PLDT’s TRO to Globe.

In April 2017, the PCC filed a petition before the Supreme Court of the Philippines to lift the CA’s TRO that prevented the PCC from reviewing the acquisition. Globe then filed a motion to dismiss the petition filed by the PCC.

On 30 May 2017, Globe and PLDT completed the acquisition with the final payment to SMC according to the terms of the agreement.

On 18 October 2017, the CA granted Globe’s and PLDT’s petition to permanently enjoin and prohibit PCC from reviewing the acquisition and compelling the PCC to recognise the same as deemed approved. The PCC filed an appeal to the Supreme Court on 11 December 2017.

(vi) Digital Businesses – Recent Developments

In March 2020, Singtel, together with AIS and South Korea’s SK Telecom, announced a Series A investment in a regional gaming joint venture. The joint venture seeks to reinforce the partners’ presence in the sector and develop new gaming-related revenue streams. The joint venture will partner with leading international game developers, and leverage the partners’ gaming and entertainment content offering in Korea and Southeast Asia to engage

gamers in the region. The partnership will benefit from Singtel's deep regional knowledge, digital and telecommunications assets, SK Telecom's expertise as a pioneer in Korean entertainment and gaming, and AIS' experience in esports and digital content.

The table below sets out the highlights of the Regional Associates and Joint Ventures as at 31 March 2020:

Regional Associates and Joint Ventures	Airtel	Telkomsel	AIS	Intouch	Globe
Market position ⁽²⁾⁽³⁾	#3 ⁽¹⁾	#1	#1	NM	#1
Mobile customers ⁽³⁾	397 million	163 million	41 million	NM	89 million
Market share ⁽³⁾	28.4% ⁽¹⁾	59.3%	45.2%	NM	55.0%
Contribution to Singtel Group's share of post-tax profit for the year ended 31 March 2020					
Profit/(loss) S\$ million	(359) ⁽⁴⁾	885	305	83	278
As a percentage of Singtel Group's underlying net profit	NM	36%	12%	3%	11%

Notes:

- (1) Market position and market share pertain to India market only.
- (2) Based on number of mobile customers in the relevant entity's domestic market.
- (3) Based on actual or estimated data available as at 31 March 2020.
- (4) Includes Singtel Group's share of results of Bharti Telecom Limited.

Group Enterprise

(a) Business Structure

Group Enterprise comprises various enterprise-related business units – Singtel Enterprise Business, the NCS Group, Optus Business and Trustwave.

- ***Singtel Enterprise Business***

The Singtel Enterprise Business (which includes the Singtel global offices in major business cities around the world) serves both local and foreign multinational corporations, governments as well as small and medium enterprises based in Singapore. It provides one-stop ICT services including voice, data, internet, satellite, undersea cable, managed services, enterprise mobility, cybersecurity, cloud services, professional services, as well as emerging technologies to its customers, with a focus on the Asia-Pacific region. Singtel Enterprise Business also provides a range of wholesale communication services and solutions to local and international telecommunications carriers and other service providers.

The planning, operations support and delivery of the services involving telecommunications and IT infrastructure, international submarine cable networks, satellite and international partnerships or alliances are part of Singtel Enterprise Business.

- ***NCS Group***

The NCS Group is a digital ICT and communications engineering group of companies, with a presence in the Asia-Pacific region. The NCS Group serves government bodies and agencies, multinational corporations and large domestic enterprises in key markets such as Singapore, Hong Kong, China and Australia. Its comprehensive ICT service offerings include IT infrastructure and outsourcing services (including IT facility

management, end-device management, business continuity planning and recovery, call centre, data centre management, network integration and IT security), communications engineering, IT consulting, applications development and maintenance, and system integration. In addition, the NCS Group provides digital ICT services to large enterprises and government agencies by enabling their applications with digital technologies including, without limitation, cybersecurity services, data science and analytics involving the use of social media, mobility, video and customer data, cloud-powered technologies, IoT, artificial intelligence and robotics.

- ***Optus Business***

Optus Business provides advanced communications solutions to corporate and government customers in Australia. It offers a comprehensive solution suite across voice, data, internet and enterprise mobility services. It has a comprehensive managed services capability as well as the ability to deliver on the growing demand for ICT based solutions and services such as cybersecurity and cloud based services.

- ***Trustwave***

Trustwave, Singtel's global cybersecurity group, is a leading cybersecurity and managed security services provider that helps businesses fight cybercrime, protect data and reduce security risk. Offering a comprehensive portfolio of managed security services, consulting and professional services, and data protection technology, Trustwave helps businesses embrace digital transformation securely. Trustwave provides global security expertise through Trustwave SpiderLabs Consulting Services and a comprehensive portfolio of managed security services, which include threat detection and response, security testing, security advisory, proactive threat hunting, and threat and vulnerability management. These services are provided through its nine security operations centres and the Trustwave Fusion Centre as of 31 March 2020. In 2019, Trustwave Holdings, Inc was named a leader for the second year in a row in the Gartner Magic Quadrant for Managed Security Services, Worldwide⁷. Trustwave, which has offices across the Americas, Europe and the Asia-Pacific, has customers in 96 countries.

(b) Principal products and services

- ***Business mobile***

Group Enterprise offers a range of mobile solutions for businesses in both Singapore and Australia. This includes voice, messaging, email, applications, roaming, device management, mobile broadband and mobile security.

- ***Fixed voice and international calling***

Group Enterprise offers a range of fixed voice solutions in Singapore and Australia. This includes local voice, international voice, VoIP, audio and video conferencing, cloud-based telephony and unified communications services.

⁷ Source: Gartner, "Magic Quadrant for Managed Security Services, Worldwide" by Toby Bussa, Kelly M. Kavanagh, Pete Shoard, Sid Deshpande, 2 May 2019. Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organisation and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

- **Fixed data and internet services for business customers**

In Singapore, Singtel Singapore provides a wide range of enhanced international and domestic data, IP and internet solutions to its business customers. Key business products and services offered to its corporate, government and small and medium enterprise customers include:

- ConnectPlus IP VPN which provides secure global IP connectivity and one of the most extensive IP VPN coverage in Asia and connections to key business cities around the world;
- ConnectPlus E-VPN and E-Line layer 2 international data communication services globally;
- ConnectPlus IPLC which provides dedicated point-to-point leased line connectivity to over 40 PoPs in 23 cities;
- ConnectPlus Software-Defined-Wide Area Network which provides traffic and application management over multiple types of networks through a cloud-based portal;
- Singtel Software-Defined Branch which consolidates and virtualises multiple, separate network appliances into one box;
- Singtel Cloud Access which provides private connectivity to major cloud service providers in more than 30 cities globally;
- Singtel Global Internet which offers dedicated internet access and business broadband to more than 200 countries globally;
- Singtel Internet Exchange or STIX which provides internet transit services over a highly meshed international internet backbone that spans across Asia, the U.S. and Europe;
- Meg@POP IP VPN which provides domestic private IP connectivity;
- MetroE which provides domestic dedicated Ethernet connectivity; and
- SingNet Corporate service which provides business internet access services to businesses in Singapore.

In Australia, Optus provides a wide range of enhanced data and IP solutions and services for its business customers. Key business products and services offered to corporate and government customers include:

- internet access allowing organisations to connect to the internet via the Optus IP network;
- secure private IP-based Wide Area Network (“**WAN**”) services, allowing customers to combine voice, video and data applications onto a single network;
- Ethernet services which provide customers with Layer 2 data network connectivity thus allowing customers to connect to multiple sites across towns or throughout Australia using the simple, cost effective and flexible nature of an Ethernet connection; and

- a secure and reliable global WAN connectivity, which offers the flexibility of secure remote access for users on the move or at remote sites through the use of MPLS and IP security.

- ***ICT services and managed services***

Singtel Singapore provides a wide range of fully managed end-to-end ICT solutions, products and services to corporate and government customers enabling customers to outsource their ICT and communications requirements. The managed services include:

- Managed Converged Communications Services;
- Managed Application Performance Services;
- Managed Network Services;
- Managed End Point⁸ Services;
- Managed Server Services;
- Contact Centre/Service Desk Services;
- Managed Hosting Services;
- Infrastructure-As-A-Service;
- Software-As-A-Service;
- Platform-As-A-Service;
- Facility Management; and
- Enterprise Wide Outsourcing Services.

These services are managed through the Global Service Desks and Enterprise Operations Centres.

In Australia, Optus also provides a range of ICT solutions, products and services to corporate and government customers, including:

- a range of products designed specifically for organisations to manage their contact centre requirements, call monitoring and routing services and network based intelligent services;
- a fully managed end-to-end service on multi-carriers/vendors including third party voice, data and mobile products and services;
- a scalable range of cost effective hosting solutions which include co-location, managed storage and web-hosting on a fully managed server;
- professional and managed services to assist them to identify, plan, deploy, secure, manage and optimise their technology and communications requirements;

⁸ Refers to desktops and mobile devices.

- provision of cloud based services by enabling their applications on the cloud, aggregating the applications and connecting them to various cloud environments; and
- provision of managed cybersecurity services which include security testing, forensic investigation and incident response for customers globally.

- ***Managed Security services***

As a leading managed security services provider in North America, Europe and the Asia-Pacific, Trustwave has a diversified portfolio of services including threat detection and response, security monitoring, and vulnerability management. Delivered through both cloud-based and on-premise platforms, Trustwave's services aim to help customers from a wide range of industries protect their data, applications, users and IT infrastructure by detecting cyber threats and providing response capabilities.

Trustwave aims to deliver automated and sustainable data protection, risk management, and threat intelligence offerings. It also provides cloud-based and on-premise solutions to organisations. Its products and services include incident response, intrusion detection system, penetration testing, security assessment, security information and event management, security research, vulnerability scanning and managed security services among a diverse pool of managed and cybersecurity services.

- ***IT and Engineering services***

The NCS Group, with its industry domain knowledge, technical expertise and deployment experience amassed in serving government and large enterprises since 1981, is a leading ICT and communications engineering vendor in Singapore. It seeks to build and enhance its digital ICT solutions and services for its customers. The NCS Group's key lines of services are:

- Enterprise Data and Managed Services, which provide an end-to-end suite of services such as telco-related, cloud and data centre-related services, business continuity and disaster recovery, facilities management, customer call centre service, IT infrastructure service management and cybersecurity services;
- Business Applications Services, which include digital and business process consulting services; data science and analytics involving the use of social media, mobility, video and customer data; applications development and maintenance services including portal solutions; and outsourcing services such as business process outsourcing and applications off-shoring. The NCS Group has global delivery centres in China and India; and
- Communications Engineering Services, which provide solutions and services such as facilities management, distribution services, telecommunications infrastructure services, infrastructure managed services, airport systems, traffic and transport engineering solutions, multimedia and intelligent building solutions.

- **Satellite services**

With its vast experience in fixed satellite and mobile satellite services, Singtel Singapore is a significant provider in Asia of customised satellite solutions for corporate customers in various industries, such as maritime, logistics and transportation, oil and gas, media and broadcast, banking and finance, government agencies and non-governmental organisations.

Singtel Singapore's fixed satellite services C-band beam covers the Asia-Pacific region including the Persian Gulf, the Indian sub-continent, South-East Asia, North Asia and the African continent excluding Western Africa. Its Ku-band provides coverage over India, Middle East, Pakistan, Bangladesh, Malaysia, the Philippines, Taiwan, Thailand, Singapore, Brunei and Indonesia.

Through strategic partnerships with Inmarsat Global Limited, KVH Industries, Inc., Iridium Satellite LLC and its own suite of Maritime VSAT services, Singtel Singapore's satellite business also offers mobile satellite services on a global basis.

Optus⁹ is the leading provider of satellite services in Australia and New Zealand with a fleet of five geostationary satellites operating in Ku-band across a number of geostationary orbital locations, namely 152°E, 156°E, 160°E, 164°E, as at 31 March 2020. The 156°E and 160°E orbital locations are the pre-eminent locations, respectively, for the Australian and New Zealand Direct-To-Home broadcast platforms providing both subscription and free-to-air services to over two million locations in Australia and New Zealand.

Optus offers the following satellite services:

- a full suite of broadcast services which delivers broadcast television and backhaul services across Australia and New Zealand for both the free-to-air and subscription television markets;
- IP-based satellite data broadcast solutions that deliver one-way or two-way high-speed data services for internet or distribution of data, audio or video in Australia and internationally;
- handheld or vehicle mounted mobile satellite services across a coverage footprint from Africa to Australia and its surrounding waters; and
- a range of specialist services, including satellite control, system design, provision and management of telemetry, tracking and command earth stations, provision of transfer orbit services and satellite operations.

On 2 July 2020, Optus announced that it has entered into a contract with Airbus Defence and Space for a new OneSat software-defined satellite, Optus 11, to be deployed in 2023 for Australia and New Zealand at the geostationary orbital location at 160°E. Through the deployment of Optus 11, Optus will be the first satellite operator in the Asia-Pacific to launch a software-defined satellite that can provide both flexible concurrent broadcast and broadband services via a very high throughput satellite design.

⁹ Optus satellite services are provided by the Consumer Australia unit.

Group Digital Life

Business Structure

Group Digital Life is focused on developing new growth avenues that leverage the core businesses of the Singtel Group. Within the unit, the focus is on two main areas – digital marketing and advanced analytics and intelligence capabilities, under the respective brands of Amobee and DataSpark. In addition, Group Digital Life also serves its role as the Singtel Group’s digital innovation engine through its corporate venture capital fund Singtel Innov8 Pte. Ltd. (“**Singtel Innov8**”).

- ***Amobee, Inc. (“Amobee”)***

Amobee, a wholly-owned digital marketing and technology subsidiary of Singtel, operates globally across North America, Europe, Middle East, Asia and Australia. Amobee’s patented “Brand Intelligence” technology measures digital engagement to provide a deeper understanding of audience interests and their mindset, thereby enabling marketers to plan and carry out media campaigns. Amobee provides brands, agencies and broadcasters with advertising solutions and its Software as a Service (SaaS) platform provides end-to-end campaign planning, management and optimisation across television, digital and social media. Amobee utilises prescriptive artificial intelligence, proprietary data and advanced analytics to enable marketers to seamlessly orchestrate the consumer’s journey across converged media and various devices, thereby eliminating media overlap.

- ***DataSpark Pte. Ltd. (“DataSpark”)***

DataSpark, a wholly-owned subsidiary of Singtel, provides government agencies, telcos and other businesses with data science services and intelligence about people and places. It is developing a software platform and suite of applications which ingest and analyse telecommunications network data and other data sources, in compliance with the Singtel Group’s data governance framework and the data privacy laws of the markets it operates in, such as Singapore’s Personal Data Protection Act 2012.

- ***Singtel Innov8***

Singtel Innov8, the venture capital arm of the Singtel Group, invests in, and partners with, innovative technology start-ups globally. It has a fund size of US\$250 million and its own set of decision making, approval and investment processes. Beyond funding, Singtel Innov8 is a gateway for start-ups to leverage the resources, expertise and customers of the Singtel Group, while enabling the Singtel Group to gain access to insights and emerging technologies through the global innovation and start-up ecosystems. Singtel Innov8 focuses its investments on technologies and solutions to support Singtel Group’s strategy. Headquartered in Singapore, Singtel Innov8 also has offices in San Francisco, Tel Aviv, Beijing and presence in Sydney.

Network & Infrastructure

The Singtel Group’s network infrastructure includes mobile networks, fixed networks, submarine cables, satellites and data centres.

Singtel Singapore

Summary

Singtel Singapore operates a full-service nationwide telecommunications network. As at 31 March 2020, its extensive infrastructure and facilities backbone includes:

- over 1.26 million public switched telephone network (“**PSTN**”) fixed telephony lines;
 - access fibre network of 3,274,041 fibre-km;
 - junction fibre network of 932,009 fibre-km;
 - over 6,100 3G and 4G mobile base stations in Singapore;
 - over 70 digital subscriber line access multiplexer (“**DSLAM**”) racks installed across Singapore;
 - major facilities within Singapore consisting of 22 exchanges, three teleports and state-of-the-art data centres in six locations;
 - nationwide 42 Mbps¹⁰ 3G High-Speed Downlink Packet Access coverage;
 - nationwide 500 Mbps¹¹ 4G LTE-Advanced (tri-band carrier aggregation) with 256 Quadrature Amplitude Modulation (“**QAM**”) coverage;
 - ownership in and/or access to more than 18 international submarine cables;
 - global network coverage to more than 100 countries worldwide including major business markets such as Asia-Pacific, U.S., Europe and Middle East; and
 - one secured data centre facility located in Hong Kong.
- **Mobile Network**

Singtel Singapore’s mobile customers enjoy superior indoor and outdoor coverage supported by over 6,100 3G and 4G mobile base stations in Singapore. With more than 500 roaming operators in more than 245 destinations worldwide, Singtel Singapore offers its mobile customers with international roaming coverage.

Singtel Singapore delivers high definition mobile voice and data capability through its 4G LTE Advanced network. With the addition of nationwide 4G LTE900 coverage, Singtel Singapore continues to enhance its 4G LTE-Advanced network (with tri-band carrier aggregation) to offer faster download speeds and better indoor coverage, thereby improving overall customer experience. In 2018, Singtel Singapore completed successful trials to achieve theoretical peak data speeds on its network of 1.0 Gbps (using 4 x 4 MIMO technology) and 1.5 Gbps (using five-carrier aggregation). These technologies will continue to be rolled out across Singapore as more spectrum bands are allocated for the network.

In June 2019, Singtel was awarded the 5G Technology Call by PSA Corporation Limited (“**PSA**”) and the IMDA to deploy 5G network at the PSA Pasir Panjang Terminal. The trial started in the third quarter of 2019 and is expected to be conducted for 18 months. During this period, Singtel will deploy its 5G trial network to support PSA’s mission-critical, all-weather maritime operations including tele-operation of rubber tyre gantry cranes, empty container handlers and fleet management of automated guided vehicles to drive port automation.

¹⁰ Refers to theoretical download speeds.

¹¹ Refers to theoretical download speeds.

In addition, Singtel, the Agency for Science, Technology and Research's (A*STAR), Advanced Remanufacturing and Technology Centre ("**ARTC**") and JTC Corporation signed a memorandum of understanding in June 2019 to deploy 5G trial network at A*STAR's Model Factory @ ARTC located in the Jurong Innovation District. By combining 5G with other advanced technologies such as IoT, artificial intelligence and robotics, members of the ARTC consortium may leverage such digital technologies to develop solutions relating to advanced manufacturing, industrial logistics and automated guided vehicles that can help enterprises operate efficiently.

These two 5G initiatives add momentum to Singtel's progressive introduction of the new technology to help enterprises transform digitally.

- ***Fixed Networks***

Singtel Singapore is the leading provider of national telephone services in Singapore, with a fixed line market share of approximately 66.2 per cent. as at 31 March 2020.

Singtel Singapore has an extensive national fixed line network that serves residential and business premises in Singapore and provides broadband services via its fibre network, and NetLink Trust's¹² wholesale access fibre network.

Singtel Singapore offers business customers, internet service providers, application service providers and content providers a full suite of networking solutions and access technologies that range from Gigabit connectivity and Carrier Ethernet services to Meg@POP IP VPN services. In addition, Singtel Singapore provides a choice of service delivery media, including wireless, Gigabit Passive Optical Network fibre and dedicated fibre for different business needs.

- ***Data Centres***

Singtel Singapore has a network of data centres, with extensive regional points of presence in the Asia-Pacific. As at 31 March 2020, it has seven robust and secured data centre facilities located in the Asia-Pacific, including six within Singapore and one in Hong Kong.

Singtel Singapore currently offers approximately 530,000 square feet of data centre space. Its latest data centre in Singapore, Data Centre West, located in the western region of Singapore, is the largest in Singapore with power capacity of more than 40 megawatts and can offer up to 170,000 square feet of data centre space when fully fitted out. Data Centre West is designed to comply with the Telecommunications Industry Association's Tier-3 Plus specifications. Data Centre West achieved the BCA-IMDA Green Mark Platinum Award for its energy efficiency in December 2016.

- ***Submarine Cable Networks***

Singtel Singapore's international submarine cable network provides connections from Singapore to more than 100 countries. It is a major investor in many of the world's submarine cable systems, such as South-East Asia – Middle East – Western Europe 3 Cable Network, South-East Asia – Middle East – Western Europe 4 Cable Network, South-East Asia – Middle East-Western Europe 5 (SEA-ME-WE 5) Cable Network, Asia-Pacific Cable Network 2, Japan-US Cable Network, Southern Cross Cable Network, Unity Cable Network, South-East Asia Japan Cable Network (SJC) and Faster Cable Network.

¹² See detailed write-up on Netlink Trust under the section "Singapore Regulatory Environment" of this Offering Circular.

In April 2017, Singtel announced that it had entered into a consortium agreement to co-build a new international submarine cable system named INDIGO (“**INDIGO**”) spanning approximately 9,200 kilometres and connecting Singapore, Perth and Sydney. On 30 May 2019, Singtel and the rest of the consortium members jointly announced that INDIGO was completed on schedule and is ready to be deployed by consortium members.

In March 2018, Singtel announced that it had signed a consortium agreement to build and operate the new South-East Asia Japan Cable Network 2 (“**SJC2**”) connecting Singapore, Thailand, Vietnam, Hong Kong, Taiwan, China, Korea and Japan. The SJC2 will span approximately 10,500 kilometres, linking 10 cable landing stations in the region. The construction of the SJC2 is expected to be completed by the fourth quarter of 2020.

In October 2019, the Southern Cross Cable Network announced that its shareholders, including Singtel have agreed to commit the necessary equity funding to construct the Southern Cross NEXT cable network, which will provide data connectivity between Sydney, Auckland and Los Angeles and is scheduled for completion by January 2022.

In June 2020, Singtel announced that the Asia Direct Cable (ADC) Consortium, of which it is a member, is building the Asia Direct Cable Network connecting China (Hong Kong SAR and Guangdong Province), Japan, Philippines, Singapore, Thailand and Vietnam. The Asia Direct Cable Network will span approximately 9,400 kilometres and is expected to be completed by the fourth quarter of 2022.

- **Satellite**

Singtel Singapore’s satellite business provides end-to-end satellite services through its operation of three teleports in Singapore and a fleet of geostationary satellites.

Singtel Singapore successfully launched the ST-2 satellite on 21 May 2011 to replace the ST-1 satellite. The ST-2 satellite is a joint venture between Singtel Singapore and Chunghwa Telecom. Singtel Singapore holds approximately 62 per cent. in the joint venture, while Chunghwa Telecom owns the remaining 38 per cent. The ST-2 satellite offers significantly greater capacity as well as wider coverage than the ST-1 satellite, covering emerging markets such as the Middle East. The ST-2 satellite caters to the demand for fixed and mobile satellite services and IP-based solutions, such as Singtel Singapore’s innovative Crew Welfare Services suite of maritime applications. In addition to the ST-2 satellite, Singtel Singapore also owns capacity on the ABS-2 satellite and leases capacity on other satellites, enabling a strong coverage from the Asia-Pacific to Africa and further south to New Zealand and the Pacific Islands.

Optus Australia

Summary

Optus operates a full-service national telecommunications network. As at 31 March 2020, its extensive technology, infrastructure and facilities backbone includes:

- over 10,000 km of intercity fibre cable providing connections from Perth through to Cairns;
- over 17,000 km of intra-city fibre cable, providing connections between major facilities and connections to mobile base stations and corporate premises through a mixture of aerial and in ground fibre;

- over 26,000 km of aerial coaxial cable with a footprint that covers approximately 1.4 million households;
- approximately 1,826 DSLAM racks installed in 418 Telstra exchanges;
- major facilities within Australia consisting of 16 exchanges (including one with hosting centre capabilities and one with data centre capabilities), three satellite earth stations, one dedicated hosting site and one dedicated data centre;
- 124 points of interconnect with voice service carriers around the country, in the central business districts (“**CBD**”), metro and major regional centres; and
- ownership in three international cables.

These networks provide Optus with an advanced technology platform capable of delivering leading products and services.

- ***Mobile Network***

Optus provides mobile voice and data coverage through its national mobile network to approximately 98.5 per cent. of the Australian population as at 31 March 2020. The network supports Optus’ current customer base of approximately 10.4 million subscribers as at 31 March 2020.

Optus is continuing to roll out its expanded 4G LTE network which supports new services capabilities, including the streaming of online video content and TV services. The network operates from approximately 8,020 mobile sites, of which approximately 7,799 sites provide 4G LTE capability and approximately 800 sites provide 5G capability. As at 31 March 2020, the 4G LTE network had reached 97.3 per cent. of Australia’s national population and 99.8 per cent. of the metro population.

In November 2004, pursuant to a joint venture agreement, Optus Mobile Pty Limited and Vodafone Network Pty Limited agreed to share 3G mobile network infrastructure across approximately 58 per cent. of the Australian population in metropolitan regions. The joint venture utilises co-located mobile sites where each operator retains ownership of its own assets. Approximately 2,500 mobile sites are under the joint venture arrangement.

Optus announced on 3 May 2012 that a memorandum of understanding had been signed to expand the joint venture agreement. This provided Optus with access to nearly 1,000 additional mobile sites for Optus’ 3G and 4G LTE services across Australia.

- ***Fixed Network***

Optus also delivers fixed telephony, content and high speed broadband services to consumer and business customers using the Australian NBN network. Optus interconnects to the nationwide Australian NBN network at 121 permanent NBN points of interconnect.

Optus is progressively migrating customers from the HFC and ULL DSL networks to the NBN network as it rolls out in each area in Australia.

Optus delivers local and long distance telephony, high speed broadband and digital pay-TV services over parts of its HFC and ULL DSL network. The HFC network extends to Sydney, Melbourne and Brisbane and in general, services standalone dwellings only.

Optus’ ULL DSL network delivers fixed voice and ADSL2+ broadband services to both residential and business customers, as well as SHDSL services to business customers only. Residential fixed voice and ADSL2+ broadband services are provided via a single high density line card, making service bundling simple.

Optus directly connects enterprise, corporate and government customers to its fixed transmission network via its CAN. Optus has constructed a CAN in major Australian capital cities. These comprise mainly fibre optic loops in the CBD and metropolitan areas and are supplemented by alternative access methods such as leased transmission and microwave radio when required. Customers are able to connect to the Optus CAN through customer premises based equipment and gain access to the products and services offered by Optus Business and Optus Wholesale.

- ***IP Network***

Optus' networks have been developed for the transport of IP data. These networks make use of Optus' physical network infrastructure, providing IP connectivity in support of a range of IP based products offered by Optus. These products include IP based voice services plus internet and intranet access for business and consumer customers as well as virtual IP networks for business customers.

- ***Satellite Network***

Optus operates a satellite network of five satellites covering Australia, New Zealand and Antarctica. This satellite network delivers pay-TV to over two million households, free-to-air TV to over 300,000 households, video transmission to 600 re-transmission sites for free-to-air broadcasters and approximately 650 free-to-air self-help transmission sites. The satellite network also supports satellite small cell sites in Australia which provide 3G and 4G services for the Australian government's Mobile Black Spot Program and data services for the Australian government departments and enterprises in the mining, oil, gas and aviation sectors, amongst others. Optus operates, on behalf of NBN Co, Sky Muster satellites designed specifically to provide broadband services to Australia's remote areas.

Employees

As at 31 March 2020, the Singtel Group employed approximately 22,700 employees. The Singtel Group also employs temporary employees from time to time.

Singtel Singapore has collective agreements and a memorandum of understanding¹³ with the Union of Telecoms Employees of Singapore ("UTES"). The collective agreements and the memorandum of understanding cover approximately 40 per cent. of the employees at Singtel Singapore. Optus has entered into collective agreements with its employees under the Employment Partnership Agreement and the Retail Enterprise Agreement. Approximately 54 per cent. of employees at Optus are covered by these collective agreements.

Intellectual Property

The Singtel Group relies on a combination of patent, trademark, service mark and domain name registrations, copyright protection and contractual restrictions to protect its technologies, brand name and logos, marketing designs and Internet domain names.

Singtel owns various trademarks including "SINGTEL" and "Hello!", as well as the Singtel logo. The Singtel Group has registered various Internet domain names including "singtel.com" and "singnet.com.sg". Optus owns various registered trademarks including "Optus", "yes" and the Optus logo. Optus is the registered owner of various Internet domain names including "optus.com.au", "optusbusiness.com.au" and "optusnet.com.au".

¹³ The memorandum of understanding with UTES was signed in January 2015 to extend union representation to the entry level professional and executive employees.

Litigation

Save as disclosed in this Offering Circular (and in particular the sections on “Contingent Liabilities” in the Financial Statements annexed to this Offering Circular) or otherwise announced, the Issuer, Singtel and Singtel’s subsidiaries are not and have not been involved in any legal or arbitration proceedings that may have, or have had during the 12 months preceding the date of this Offering Circular, a significant effect on their financial position and are not aware that any such proceedings are pending or threatened which are material in the context of the issue and offering of the Securities.

SELECTED FINANCIAL INFORMATION OF THE SINGTEL GROUP

The following tables present selected consolidated financial information of the Singtel Group as at, and for the financial years ended, 31 March 2018, 2019 and 2020. The selected consolidated financial information should be read in conjunction with the Singtel Group's audited consolidated financial statements and the notes thereto as at, and for the financial years ended, 31 March 2018, 2019 and 2020 which are included elsewhere in this Offering Circular.

The Singtel Group has adopted half-yearly announcements of its financial results with effect from the financial year commencing 1 April 2020 and will be providing quarterly updates for its key businesses on the website of the SGX-ST. For further information on the Singtel Group's quarterly update as at, and for the three months period ended, 30 June 2020, please refer to Singtel's announcement titled "Business Update for the First Quarter Ended 30 June 2020" dated 17 August 2020 which is available on the website of the SGX-ST.

Singtel Group

S\$ million	FY2018 (restated)	FY2019 (audited)	FY2020 ⁽¹⁾ (audited)
Income Statement Data			
Operating revenue	17,268	17,372	16,542
EBITDA ⁽²⁾	5,051	4,692	4,541
EBITDA margin	29.2%	27.0%	27.5%
EBIT ⁽³⁾ (before associates)	2,800	2,470	1,961
Share of pre-tax profits of associates ⁽⁴⁾	2,461	1,536	1,743
EBITDA and share of pre-tax profits of associates	7,511	6,228	6,284
EBIT ⁽³⁾	5,261	4,006	3,704
Underlying net profit ⁽⁵⁾	3,593	2,825	2,457
Underlying earnings per share (Singapore cents)	22.0	17.3	15.1
Exceptional items (post-tax)	1,880	270	(1,382)
Net profit	5,473	3,095	1,075
Basic earnings per share (Singapore cents)	33.5	19.0	6.6

Notes:

- (1) Singapore Financial Reporting Standards (International) ("SFRS(I)") 16, *Leases*, was adopted with effect from 1 April 2019 on a prospective basis.
- (2) EBITDA refers to earnings before interest, tax, depreciation and amortisation, namely the aggregate of operating revenue and other income less operating expenses and excludes share of results of associates.
- (3) EBIT refers to earnings before interest and tax.
- (4) Refers to associates or joint ventures as defined under SFRS(I).
- (5) Refers to net profit before exceptional items.

S\$ million	As at 31 March		
	2018 (restated)	2019 (audited)	2020 ⁽¹⁾ (audited)
Balance Sheet Data:			
Cash and cash equivalents	525	513	1,000
Other current assets.	6,234	6,565	6,176
Non-current assets.	41,737	41,837	41,779
Total assets	48,496	48,915	48,955
Short-term borrowings (unsecured)	1,801	1,846	3,588
Short-term borrowings (secured)	23	34	382
Long-term borrowings (unsecured)	8,586	8,734	8,384
Long-term borrowings (secured)	81	50	1,818
Other liabilities	8,293	8,441	7,969
Total liabilities.	18,784	19,105	22,141
Net assets	29,712	29,810	26,814
Shareholders' equity.	29,737	29,838	26,789
Non-controlling interests	(25)	(28)	25
Total Equity	29,712	29,810	26,814

Note:

(1) SFRS(I) 16, *Leases*, was adopted with effect from 1 April 2019 on a prospective basis.

Review of the Singtel Group's operating performance for the year ended 31 March 2020 ("FY2020") (audited) compared with the year ended 31 March 2019 ("FY2019") (audited)

The Singtel Group's operating revenue and EBITDA declined 4.8 per cent. and 3.2 per cent. respectively with a weaker Australian dollar which depreciated 6 per cent. from a year ago. In constant currency terms, operating revenue would have been down 2.0 per cent. with lower mobile revenues across the Singtel Group, aggravated by COVID-19 in the fourth quarter of FY2020. EBITDA, however, was stable from continued cost management, wage credits from the Singapore government and lower operating lease expenses under the new lease accounting standard.

Including depreciation and amortisation charges which rose 16 per cent. mainly from right-of-use assets, the Singtel Group's EBIT¹⁴ (before associates) declined 21 per cent.

Australia Consumer's operating revenue and EBITDA grew 1.2 per cent. and 2.8 per cent. respectively, boosted by National Broadband Network (NBN) migration revenues which peaked during FY2020. Excluding NBN migration revenues, operating revenue and EBITDA fell 4.4 per cent. and 15 per cent. respectively, reflecting lower contributions and margins from retail fixed and equipment sales. EBIT declined 19 per cent. after including higher depreciation charges mainly from right-of-use assets and would have declined 65 per cent. excluding NBN migration revenues.

¹⁴ Refers to earnings before interest and tax.

Singapore Consumer's operating revenue declined 5.5 per cent. in a highly competitive market. The reductions in mobile, TV and fixed voice were partly mitigated by growth in fixed broadband. EBITDA, however, rose 1.2 per cent. on strong cost management, wage credits and recovery of infrastructure costs from a telco operator. EBIT remained stable after including higher depreciation from right-of-use assets.

Group Enterprise's operating revenue and EBITDA dipped 4.8 per cent. and 6.4 per cent. respectively on continued declines in legacy services, aggressive price competition as well as weak business sentiment. ICT revenue was stable with growth in Singapore driven by NCS and higher data centre revenues, offsetting lower sales in Australia from legacy product declines, pricing pressures and weak demand. EBIT declined 21 per cent. after including higher depreciation from right-of-use assets and amortisation of software intangibles.

Group Digital Life's operating revenue fell 6.4 per cent. due to lower revenues from Amobee and HOOQ which was placed under liquidation in March 2020. Amobee's revenue reduced as growth in programmatic platform business was negated by declines in legacy managed media and social businesses, and spending cuts by certain key customers. Negative EBITDA and EBIT decreased 47 per cent. and 8.0 per cent. respectively with cost management and lower losses from HOOQ partly on cessation of its operations.

International Group's operating revenue grew 61 per cent. mainly from growth in Dash's remittance and payment services as well as sponsorship revenue for PVP esports. Negative EBITDA and EBIT increased on continued ramp up of the digital businesses.

The associates' pre-tax profit contributions grew 14 per cent. while post-tax profit contributions fell 7.7 per cent. on higher net loss from Airtel partly offset by higher profits from Telkomsel, AIS and Globe. While operating performance improved in India and Africa, Airtel's net loss widened due to higher finance costs, foreign exchange losses and lower tax credits. Telkomsel recorded softer revenue growth amid intense competition and pressures on its legacy revenues, while overall earnings were lifted by lower corporate taxes. AIS grew revenue and EBITDA partly offset by higher depreciation and spectrum amortisation charges. Globe delivered a strong performance driven by data and home broadband services.

Net finance expense fell 21 per cent. despite higher interest expense on lease liabilities as the Singtel Group recorded S\$148 million of income from its investment as a pre-IPO shareholder in Airtel Africa.

With the weakness in the Australia business and higher net losses at Airtel, underlying net profit declined by 13 per cent.

Net exceptional loss was S\$1.38 billion in FY2020 compared to a net exceptional gain of S\$270 million in FY2019. The net exceptional loss arose mainly from the share of Airtel's exceptional charges for regulatory costs, including the adjusted gross revenue matter and a one-time spectrum charge.

Consequently, the Singtel Group recorded a net profit of S\$1.08 billion, down 65 per cent. from FY2019.

Review of the Singtel Group's operating performance for the year ended 31 March 2019 ("FY2019") (audited) compared with the year ended 31 March 2018 ("FY2018") (restated)

The Singtel Group's operating revenue was stable at S\$17.37 billion with growth in ICT, digital services and equipment sales offset by lower carriage services. EBITDA declined 7.1 per cent. to S\$4.69 billion due to lower legacy carriage services especially voice, price erosion and a weaker Australian dollar which depreciated 6 per cent. from a year ago.

Australia Consumer's operating revenue grew 7.4 per cent. driven by higher equipment sales and handset leasing, and strong postpaid mobile customer growth. EBITDA was stable but would have grown 2.6 per cent., excluding NBN migration revenues and dispute settlement recorded in FY2018.

Singapore Consumer's operating revenue was stable in a highly competitive market. The increase in equipment sales and TV revenues offset the decline in mobile service revenue due to lower voice usage. With the steep decline in voice revenues, EBITDA declined by 2.3 per cent.

Group Enterprise's operating revenue decreased 2.3 per cent. impacted by price competition and a longer sales cycle in a cautious trading environment, particularly in Australia, with growth in ICT offset by lower carriage services. EBITDA fell 9.0 per cent. from price erosions on renewals of major public sector ICT contracts, lower voice revenues, and investments in digitalisation initiatives.

Group Digital Life's operating revenue grew 13 per cent., driven by Amobee and HOOQ with increased scale. Amobee's revenue rose from its programmatic advertising business, contributions from Videology assets (the platform for advanced TV and video advertising acquired in August 2018), and first time recognition of technology licence fees from ITV plc, which mitigated the decline in its managed media business. Negative EBITDA increased due to Amobee's lower revenue from its higher-margin media business and inclusion of Videology's losses.

The associates' pre-tax underlying profit contributions declined by 38 per cent., mainly driven by Airtel and Telkomsel. Airtel recorded operating losses on sustained pricing pressures in the Indian mobile market, partly mitigated by strong growth in revenue and EBITDA in Africa. Telkomsel's earnings fell on lower revenues amid fierce competition in Indonesia during the mandatory SIM card registration exercise. AIS recorded lower earnings on higher depreciation and spectrum amortisation charges. Globe registered double-digit earnings growth driven by higher mobile and broadband revenues.

Depreciation and amortisation charges decreased with higher investments in mobile network, spectrum and project related capital spending mitigated by the impact of a weaker Australian dollar. Consequently, the Singtel Group's EBIT declined 24 per cent. to S\$4.01 billion.

Net finance expense increased 2.9 per cent. on lower dividend income from the Southern Cross consortium and higher interest expense on increased borrowings.

With lower contributions from the associates, the Singtel Group's underlying net profit declined by 21 per cent. to S\$2.83 billion in FY2019.

The net exceptional gain of S\$270 million in FY2019 mainly comprised a gain on disposal of a property in Singapore and share of Airtel's one-off gains, partially offset by staff restructuring costs. The net exceptional gain in FY2018 was boosted by a gain of S\$2.03 billion from the disposal of units in NetLink Trust.

With lower exceptional gain, net profit declined by 44 per cent. to S\$3.10 billion.

CAPITALISATION

The following table shows the consolidated capitalisation of the Singtel Group as at 31 March 2020.

	As at 31 March 2020
	(S\$ million)
Short term borrowings	
Unsecured bonds	2,033
Unsecured bank loans	1,555
Secured bank loans	–
Secured lease liabilities	382
Long term borrowings	
Unsecured bonds	7,323
Unsecured bank loans	1,061
Secured bank loans	–
Secured lease liabilities	1,818
Total borrowings	14,172
Shareholder's equity	
Share capital	4,127
Reserves	(2,786)
Retained profit	25,448
	26,789
Total capitalisation and borrowings	40,961

Note:

(1) Include the adoption of SFRS(I) 16, *Leases*, from 1 April 2019 on a prospective basis.

REGULATORY ENVIRONMENT

Singapore Regulatory Environment

The following is a summary of the Singapore laws and regulations relating to the provision of telecommunication and broadcasting services in Singapore and is for general information only. It does not purport to be an exhaustive or comprehensive description of those laws and regulations.

(a) Overview of telecommunication and broadcasting services in Singapore

The provision of telecommunication and broadcasting services in Singapore is regulated primarily under the Telecommunications Act, Chapter 323 of Singapore (the “**Telecommunications Act**”) and the Broadcasting Act, Chapter 28 of Singapore (the “**Broadcasting Act**”) respectively. The Info-communications Media Development Authority of Singapore (the “**IMDA**”) is the regulatory authority principally responsible for administering the Telecommunications Act and Broadcasting Act as well as regulating and promoting the info-communication and broadcasting industries in Singapore. The IMDA is a statutory board that was established under the Info-communications Media Development Authority Act 2016, No. 22 of 2016 (the “**IMDA Act**”).

A licensee who is aggrieved by a decision of the IMDA under the Telecommunications Act or the Broadcasting Act respectively may appeal to the Minister. Alternatively, a telecommunication licensee who is aggrieved by a decision of the IMDA in the exercise of its discretion under the Telecommunications Act, or in anything contained in any code of practice or standard of performance or any direction of the IMDA under the Telecommunications Act, may make a request to the IMDA to reconsider the matter.

(b) Telecommunication Licensing Framework

Upon full liberalisation of the telecommunication market on 1 April 2000, the IMDA released guidelines with respect to the licensing framework under the Telecommunications Act to facilitate the entry of new players and the expansion of the scope of operations by existing licensees. There is no pre-determined number of licences to be awarded.

The IMDA issues the following two broad categories of licences:

- (i) Facilities Based Operator (“**FBO**”) licence; and
- (ii) Services Based Operator (“**SBO**”) licence.

Further authorisation may be required from other government agencies for the deployment or provision of certain types of systems or services. FBOs are individually licensed while SBOs may be individually licensed or class-licensed. A class licence is a licensing scheme where the terms and conditions are published by the IMDA. Anyone who provides the services within the scope of the class licence is deemed to have read and agreed to the terms and conditions of the class licence and must first register with the IMDA before providing such services.

There are no foreign equity limits imposed on any FBO or SBO licensee. Applicants for an FBO licence must be a company incorporated under the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”). Applicants for an SBO (Individual) licence must be a company incorporated, or a foreign company registered, under the Companies Act. SBO (Class) licences may also be held by a Limited Liability Partnership or a Limited Partnership.

Generally under the terms of their licences, FBOs must obtain prior approval from the IMDA for any change in their management and board of directors whilst SBOs are required to notify the IMDA. Under the Telecommunications Act, designated telecommunication licensees, being FBOs and certain designated SBOs, must obtain prior approval from the IMDA for the appointment of their chief executive officer, directors and the chairman of their board of directors. The IMDA may impose certain conditions in respect of such approval.

(c) Broadcasting Licensing Framework

The licensable broadcasting services include free-to-air television and radio services, subscription television and radio services, special interest television and radio services and video-on-demand services.

Internet Service Providers and Internet Content Providers are subject to a class licence and are required to comply with the Broadcasting (Class Licence) Notification.

The Broadcasting Act imposes specific obligations on broadcasting licensees in terms of management control and shareholding control. Under the Broadcasting Act, the chief executive officer of a broadcasting company (being a company incorporated or registered under the Companies Act which holds a relevant licence (as defined in the Broadcasting Act), or a holding company of such company) and at least half of its directors shall be citizens of Singapore, unless otherwise approved by the IMDA. No person is allowed to be a substantial shareholder (as defined in Section 81 of the Companies Act) of a broadcasting company without first obtaining the approval of the Minister. In addition, no person or party is allowed to become a “12 per cent. controller” or an “indirect controller” (as such terms are defined in Section 36 of the Broadcasting Act) of a broadcasting company without first obtaining the approval of the Minister. In addition, no person shall, without the prior consent of the IMDA, receive any fund from any foreign source for the purposes of financing, directly or indirectly, wholly or in part, any broadcasting service owned or operated by any broadcasting company.

(d) Material Licences held by Singtel Singapore

Singtel and Singtel Mobile each held a 25-year FBO licence which expired in 2017 to provide a range of telecommunication services including public basic international and domestic telecommunication services, cellular services and wireless broadband access services. Each of Singtel and Singtel Mobile is required to obtain the IMDA’s approval prior to any assignment of its FBO licence. Singtel has renewed its FBO licence and now holds a 20-year FBO licence which expires in 2037. Singtel Mobile has also renewed its FBO licence and now holds a 15-year FBO licence which expires in 2032. Singtel Mobile has a 20-year FBO licence expiring in 2021 to provide 3G services (any assignment of which is subject to the IMDA’s prior approval) and SingNet Pte. Ltd. (“**SingNet**”) has a 10-year nationwide subscription television licence expiring in 2027. Each of the entities within Singtel Singapore has also obtained other necessary licences as well as spectrum rights in Singapore for the following purposes:

- (i) to use radio frequency spectrum to operate cellular, 3G, 4G LTE and wireless broadband services;
- (ii) to hire, sell, offer or possess for sale any registered equipment or telecommunication equipment;
- (iii) to offer public internet access services; and
- (iv) to utilise the Singapore-registered satellite orbital slot and establish, install and maintain the satellite system.

Each of the entities within Singtel Singapore will need to renew its existing licences when these expire. There is no assurance that such entities will be able to renew these licences or renew these licences on terms that are the same as, or equivalent to, those that currently apply.

Singtel is also designated as a Public Telecommunication Licensee under Section 6 of the Telecommunications Act and is required to comply with specific obligations, including the provision of Basic Telephone Services (as defined in condition 5.2 of Singtel's FBO licence) to any person in Singapore who requests the provision of such a service.

(e) Spectrum Licences

The table below details the licences held by Singtel Mobile in various spectrum bands as of 31 March 2020.

Spectrum band⁽¹⁾	Holdings	Expiry
1800 MHz	2 x 30 MHz	Expires June 2030
2100 MHz	2 x 5 MHz	Expires December 2021
	2 x 15 MHz	
	5 MHz	
2500 MHz	2 x 20 MHz	Expires June 2030
New spectrum licences acquired pursuant to 2016 spectrum auction		
700 MHz	2 x 20 MHz	Depending on commencement date of the 700 MHz spectrum right, 15 years from the commencement date
900 MHz	2 x 10 MHz	Expires June 2033
2500 MHz	15 MHz	Expires June 2033

Note (1): These are the IMDA terms for the spectrum bands; in practice each spectrum band may refer to a range of frequencies.

At the last spectrum auction in Singapore held in 2016, Singtel Mobile successfully acquired 75 MHz of spectrum, comprising (i) 2 x 20 MHz of the 700 MHz spectrum for S\$376 million, (ii) 2 x 10 MHz of the 900 MHz spectrum for S\$152 million and (iii) 3 x 5 MHz of the 2500 MHz spectrum for S\$35.7 million. The assignment stage for the 700 MHz band will be conducted closer to the date on which the 700 MHz spectrum rights commence.

(f) Code of Practice for Competition in the Provision of Telecommunication Services (the “Telecom Competition Code”)

The Telecom Competition Code sets out the IMDA's regulatory principles and contains provisions relating to the duties of licensees to their end-users, required co-operation amongst licensees to promote competition, the duty to interconnect with other licensees, infrastructure sharing, sector-specific competition rules and enforcement mechanisms. The IMDA has the authority to review and amend the Telecom Competition Code, and to grant exemptions to any licensee from, or suspend, any provision of the Telecom Competition Code in specified circumstances. For the avoidance of doubt, capitalised terms used in this section (f) shall, unless otherwise defined, have the meaning given to them in the Telecom Competition Code.

Classification of FBOs

The Telecom Competition Code distinguishes between licensees that are subject to competitive market forces (non-dominant licensees) and those whose conduct are not constrained adequately by competitive market forces (dominant licensees). The IMDA will classify a licensee as either a dominant licensee or non-dominant licensee. A licensee would be classified as dominant if:

- (i) it is licensed to operate facilities used for the provision of telecommunication services in Singapore that are sufficiently costly or difficult to replicate such that requiring new entrants to do so would create a significant barrier to rapid and successful entry into the telecommunication market in Singapore by an efficient competitor; or
- (ii) it has the ability to exercise Significant Market Power in any market in which it provides telecommunication services pursuant to its licence.

A dominant licensee must comply with special requirements set out in the Telecom Competition Code although there are procedures by which a dominant licensee can seek reclassification or an exemption from these special requirements. The IMDA has designated Singtel, StarHub Cable Vision Ltd and NetLink Management Pte. Ltd. ("**NetLink Management**") (in its capacity as trustee-manager of NetLink Trust) as dominant licensees. Singtel has been granted an exemption from dominant licensee obligations in respect of retail international telephone services for residential and commercial markets, wholesale international telephone services, international managed data services, leased satellite bandwidth services, international IP transit services, services within the VSAT services market, digital video broadcast-IP services, satellite IPLC services, satellite TV uplink and satellite TV downlink services, terrestrial IPLC services and backhaul services.

None of Singtel Mobile, SingNet, or any other Singtel subsidiary, associate or joint venture (other than those listed above) is a dominant licensee.

Duties to End-Users under the Telecom Competition Code

Licensees must include in their service agreements with their business and residential end-users certain provisions such as specifying billing periods (and committing the licensees to providing clear and accurate bills), procedures to contest charges, private dispute resolution procedures and procedures regarding the licensees' use of end-user service information of a business end-user.

In addition, dominant licensees are required to, *inter alia*, provide telecommunication services upon reasonable request, on an unbundled basis, on prices, terms and conditions that are just, reasonable and non-discriminatory, and pursuant to tariffs approved by the IMDA. Prior to offering any new end-user telecommunication service (including any promotional telecommunication service) or modifying an existing telecommunication service (including any promotional telecommunication service), dominant licensees must file a tariff with the IMDA and obtain the IMDA's written approval. The tariff must, *inter alia*, contain a clear statement of the prices, terms and conditions on which the dominant licensee offers to provide the telecommunication service. The Telecom Competition Code sets out the procedure that the IMDA will use to assess a dominant licensee's proposed tariffs.

Interconnection Obligations under the Telecom Competition Code

- Minimum interconnection duties

In order to ensure seamless any-to-any communication throughout Singapore, FBO and SBO licensees that use switching or routing equipment to provide telecommunication services to the public are required to satisfy the minimum interconnection duties set out in the Telecom Competition Code (“**Minimum Interconnection Duties**”). The IMDA will not reject any interconnection agreement agreed between non-dominant licensees, so long as they satisfy the Minimum Interconnection Duties. The Telecom Competition Code also specifies additional obligations that licensees must fulfil even in the absence of an interconnection agreement, such as publicly disclosing its network interfaces (as necessary to allow the deployment of telecommunication services and equipment that can interconnect and inter-operate with its network), complying with mandatory technical standards, facilitating number portability and rejecting certain discriminatory preferences.

- Interconnection with dominant licensees

The Telecom Competition Code also sets out the interconnection obligations of dominant licensees. A licensee that seeks to interconnect with a dominant licensee (“**Requesting Licensee**”) can choose any of three options in order to enter into an interconnection agreement. First, the Requesting Licensee can accept the provisions specified in the dominant licensee’s Reference Interconnection Offer (“**RIO**”) which is developed by the dominant licensee and has been approved by the IMDA. Second, the Requesting Licensee can “opt-in” to an existing interconnection agreement between the dominant licensee and any similarly situated licensee. Third, the Requesting Licensee can seek to negotiate an individualised interconnection agreement with the dominant licensee.

Subject to certain provisions, Singtel’s RIO (which is publicly available on the IMDA’s website) provides that the prices, terms and conditions contained in any interconnection agreements arrived at by accepting the RIO will be effective for three years from 30 January 2018.

The Telecom Competition Code contains detailed requirements regarding the terms that a dominant licensee must include in its RIO and detailed procedures regarding the negotiation process for an individualised interconnection agreement. To the extent an issue in dispute arising from the negotiation for an individualised interconnection agreement is not addressed by the RIO, the IMDA will have full discretion to impose whatever solution it deems appropriate (even if neither licensee advocates that solution).

Once an interconnection agreement between two licensees becomes effective, the IMDA generally will not involve itself in the implementation of the interconnection agreement. Where there is a dispute arising out of the implementation of an interconnection agreement with a dominant licensee, (i) both parties may request the IMDA to provide conciliation, and the IMDA may, at its discretion, provide conciliation to assist the parties to reach a mutually acceptable solution or (ii) either party may refer the dispute to the IMDA and the IMDA may, at its discretion, decide to intervene to resolve the dispute and issue a decision resolving each of the unresolved issues (provided that if the IMDA declines to intervene, the licensees may resolve the dispute in any mutually agreeable manner).

Infrastructure Sharing under the Telecom Competition Code

The Telecom Competition Code permits an FBO licensee to request the right to share infrastructure controlled by another FBO licensee. The FBO licensees must first attempt to negotiate a voluntary sharing agreement. If they are unable to do so, the requesting FBO licensee may ask the IMDA to make a determination as to whether the infrastructure must be shared – either because it constitutes Critical Support Infrastructure (as defined in the Telecom Competition Code) or because the IMDA concludes that sharing it would serve the public interest. The Telecom Competition Code designates certain infrastructure that FBO licensees must share at cost-based prices – such as monopolies and radio towers.

Competition Rules under the Telecom Competition Code

The Telecom Competition Code sets out rules that preclude licensees from engaging in anti-competitive conduct. The Telecom Competition Code prohibits licensees with significant market power in any telecommunication market in Singapore from using their dominant position in that market in a manner that unreasonably restricts, or is likely to unreasonably restrict, competition in any telecommunication market in Singapore, including engaging in price squeezes and predatory pricing. Furthermore, all licensees are prohibited from entering into agreements that unreasonably restrict, or are likely to unreasonably restrict, competition in any telecommunication market in Singapore, such as price fixing arrangements or group boycotts. The permissibility of a licensee entering into other agreements that are ancillary to efficiency-enhancing integration of economic activity where such agreements are no broader than necessary to achieve the pro-competitive benefit, such as joint purchasing or production ventures, will be assessed based on each agreement's likely or actual impact on competition. In addition, all licensees are subject to a prohibition on engaging in unfair methods of competition such as the provision of false or misleading information or degrading the quality or availability of a competitor's service without a legitimate business, operational or technical justification.

Changes in Ownership and Consolidations Involving Designated Telecommunication Licensees

Designated Telecommunication Licensees must notify the IMDA in writing where any person, whether by a series of transactions over a period of time or otherwise, holds five per cent. or more but less than 12 per cent. of the Voting Shares in the Designated Telecommunication Licensee or is in a position to control five per cent. or more but less than 12 per cent. of the Voting Power in the Designated Telecommunication Licensee. Every Acquiring Party and the Designated Telecommunication Licensee must seek the IMDA's prior approval in connection with the acquisition of Voting Shares or Voting Power in the Designated Telecommunication Licensee that would result in such Acquiring Party becoming a 12 per cent. Controller of the Designated Telecommunication Licensee or a Consolidation with the Designated Telecommunication Licensee.

The Telecom Competition Code provides that the IMDA will not approve an application by a Designated Telecommunication Licensee for implementing a change in its ownership or shareholding in connection with a proposed acquisition, consolidation or similar transaction, where the IMDA determines that the proposed acquisition or consolidation is likely to result in a substantial lessening of competition in any telecommunication market within Singapore or it is in the public interest to deny the application.

Enforcement

The IMDA may enforce the provisions of the Telecom Competition Code by initiating an enforcement action either on its own initiative or in response to a request filed by a private party. Such actions must be initiated within two years after the date on which the alleged contravention occurred. In enforcing the provisions of the Telecom Competition Code, the IMDA may, among others, issue warnings, directions to take specific remedial actions or directions to cease and desist. The IMDA may also impose financial penalties or suspend or cancel a licensee's licence. While reserving the right to impose financial penalties, the IMDA will consider all relevant aggravating or mitigating factors.

Quality of Service Standards

The IMDA regulates the performance of service operators by setting the quality of service standards. The IMDA may impose financial penalties on service operators who fail to comply with the quality of service standards.

(g) Code of Practice for Market Conduct in the Provision of Media Services (“Media Market Conduct Code”)

The Media Market Conduct Code sets out the IMDA's regulatory principles and contains provisions relating to the duties of Regulated Persons to their end-consumers, required co-operation amongst licensees to promote competition, sector-specific competition rules and enforcement mechanisms. The IMDA has the authority to review and amend the Media Market Conduct Code and to grant exemptions to any person subject to the Media Market Conduct Code from, or waive, any provision of the Media Market Conduct Code in specified circumstances. For the avoidance of doubt, capitalised terms used in this section (g) shall, unless otherwise defined, have the same meaning given to them in the Media Market Conduct Code.

Regulated Persons

The Media Market Conduct Code distinguishes between Regulated Persons that are able to act without significant competitive restraints from its competitors (having a dominant position) and all other Regulated Persons (having a non-dominant position). Regulated Persons who are considered to have a dominant position in specified media industries are specified in the Media Development Authority of Singapore (Regulated Persons) (Dominant and Non-Dominant Positions) Notification 2003.

In considering whether a Regulated Person is in a dominant position, the IMDA shall have regard to whether that Regulated Person has significant market power in any relevant media market.

A Regulated Person who is in a dominant position must comply with special requirements set out in the Media Market Conduct Code although there are procedures by which such Regulated Person can seek reclassification or an exemption from these special requirements. The IMDA has designated licensees within the MediaCorp group, Singapore Press Holdings Limited, StarHub Cable Vision Ltd and Tamil Murasu Limited as Regulated Persons having a dominant position in specified media industries. None of Singtel, or any of its subsidiaries (including Singtel Mobile and SingNet), associates or joint ventures is currently designated as a Regulated Person having a dominant position in any media industry in Singapore under Section 63(3)(b) of the IMDA Act.

Public Interest Obligation of Regulated Persons and Certain Affiliates

Free-to-Air Television Licensees and Free-to-Air Radio Licensees must broadcast specified Events of National Significance. Designated Archive Operators must make available to Media Licensees or Ancillary Media Service Providers certain materials on reasonable prices, terms and conditions. The IMDA will also take measures to enhance the ability of the public to access certain programmes from Subscription Television Licensees with its anti-siphoning guidelines outlined in the Media Market Conduct Code. On and from 1 August 2011, Supplying Qualified Licensees are required to make Qualified Content available for cross-carriage by Receiving Qualified Licensees.

Regulated Persons' Duties to their Customers

Regulated Persons must comply with minimum regulatory requirements designed to ensure that they provide end-consumers with quality service and accurate and timely bills, while not using end-consumer information for unauthorised purposes. These obligations include compliance with a minimum quality of service standards, accurate and timely billing, adopting procedures to dispute charges and protecting subscriber service information.

Regulated Persons who offer Subscription Television Services must, *inter alia*:

- allow end-consumers to terminate a Subscription Television Service without early termination charges if the early termination is consequent upon and takes place within 30 days after the occurrence of any one of the events specified under paragraph 3.5A(a)(i) of the Media Market Conduct Code;
- generally not require an end-consumer to agree to amend the terms of or to terminate any existing agreement for the provision by the Regulated Person of any non-Subscription Television Service (such as mobile or broadband service contracts) before the Regulated Person will enter into, or amend the terms of, a Subscription Television Service agreement; and
- provide and draw the end-consumer's attention to critical information about an agreement for the provision of any Subscription Television Service (including all the information set out in paragraph 3.2D(a) of the Media Market Conduct Code) before entering into such agreement with the end-consumer.

In addition, a Dominant Person is required to provide its media services upon reasonable request, provide fair access to programme lists and provide access to advertising capacity to such persons and in the manner as set out in the Media Market Conduct Code.

Competition Rules under the Media Market Conduct Code

A Regulated Person must not engage in unfair methods of competition. Specific practices that are prohibited include the use of media services to disseminate false and misleading claims, degrading the availability or quality of any media service provided by any Media Licensee or raising another Media Licensee's costs of providing its media service without a legitimate business, operational or technical justification, providing false and misleading information to any Media Licensee and engaging in predatory price cutting. Regulated Persons are also prohibited from entering into certain types of agreements, such as price fixing arrangements or group boycotts. The permissibility of a Regulated Person entering into other agreements where it is necessary for the efficiency-enhancing integration of economic activity, such as joint research, purchasing or production ventures, will be assessed based on each agreement's likely or actual impact on competition.

Consolidations involving Regulated Persons

The Media Market Conduct Code provides that the IMDA generally will not approve an application by a Regulated Person for a consolidation, that is, a merger, acquisition, take-over or other similar transaction that results in two or more persons that were previously independent economic entities becoming, in effect, a single economic entity, that is likely to substantially lessen competition in any media market in Singapore.

Enforcement

The IMDA may enforce the provisions of the Media Market Conduct Code by initiating an enforcement action either on its own initiative or in response to a request filed by any person who has been injured or is likely to be injured as a direct result of the contravention of any provision of the Media Market Conduct Code by a Regulated Person. Such actions must be initiated within two years after the date on which the alleged contravention occurred. In enforcing the provisions of the Media Market Conduct Code, the IMDA may, among others, issue warnings, directions or orders to cease and desist. The IMDA may also impose financial penalties. While reserving the right to impose financial penalties of up to S\$1 million, the IMDA will consider all relevant aggravating or mitigating factors in order to ensure that any financial penalty imposed is proportionate to the harm done.

(h) Discretionary powers of the Minister under the Telecommunications Act

Under the Telecommunications Act, the Minister has certain discretionary powers. For example, the Minister may direct a public telecommunication licensee:

- to undertake and provide such telecommunication services and facilities as may be necessary for aeronautical, maritime, meteorological, governmental, defence or other purposes; or
- on the occurrence of any public emergency, in the public interest or in the interests of public security, national defence, or relations with the government of another country.

The Minister may issue directions to the IMDA or any telecommunication licensee which may include provisions for the prohibition or regulation of such use of telecommunications in all cases or of such cases as may be considered necessary; provisions for the taking of, the control of or the usage for official purposes of, all or any such telecommunication system and equipment; and provisions for the stopping, delaying and censoring of messages and the carrying out of any other purposes which the Minister thinks necessary.

(i) Next Gen NBN

The Next Gen NBN is the wired network of the Next Generation National Information Communications Infrastructure, a project under the Singapore Government's Intelligent Nation 2015 master plan. NetLink Trust designs, builds, owns and operates the passive infrastructure of the Next Gen NBN, which includes the dark-fibre network and ducts. It provides fibre connections to Qualifying Persons¹⁵ who in turn provide retail services to their End-Users¹⁶ or fibre services to Retail Service Providers who offer retail services to their own End-Users.

¹⁵ Qualifying Persons means any persons licensed by the IMDA to provide facilities-based operations or service-based operations or any broadcasting licensees excluding persons licensed under a class licence pursuant to Section 9 of the Broadcasting Act (Cap. 28) who intend to acquire or have acquired the provision of any service that is provided using the Next Gen NBN.

¹⁶ End-Users means business or residential subscribers of any retail telecommunication service in Singapore.

Singtel was the initial and sole unitholder of NetLink Trust. On 10 July 2017, Singtel entered into a unit purchase agreement with NetLink NBN Trust for the disposal by Singtel of all the units of NetLink Trust to NetLink NBN Trust (the “**NetLink Disposal**”). NetLink NBN Trust was listed on the SGX-ST on 19 July 2017, and pursuant to the listing and completion of the NetLink Disposal, Singtel has reduced its effective interest in NetLink Trust to less than 25 per cent., fulfilling its undertaking to the IMDA to divest its unitholding in NetLink Trust to less than 25 per cent.

(j) Remittance Business and Payment Business

SingCash Pte. Ltd. has been granted a licence from the MAS under Section 8(3) of the Money-changing and Remittance Businesses Act, Chapter 187 of Singapore (“**MCRBA**”) to operate a remittance business. Since January 2020, the MCRBA has been repealed and replaced by the Payment Services Act (“**PS Act**”)¹⁷. SingCash has been granted a Major Payment Institution licence under the PS Act.

Telecom Equipment Pte Ltd (“**TEPL**”) has notified the MAS in accordance with the Payment Services (Exemption for Specified Period) Regulations 2019 that it is an exempted entity. TEPL has till 28 January 2021 to comply with the PS Act for its payment business.

(k) The Personal Data Protection Act 2012 (No. 26 of 2012) of Singapore (“PDPA”)

The PDPA regulates the collection, use and disclosure of each individual’s “personal data” (i.e. data, whether true or not, about an individual who can be identified from that data or other accessible information).

In general, the PDPA permits an organisation (as defined under the PDPA) to collect, use or disclose personal data of individuals only for purposes for which such organisation has obtained consent or which consent is deemed to be given, and imposes various data protection, data retention, data transfer and data management obligations upon such organisation.

In addition, the PDPA generally requires an organisation to check the relevant Do Not Call Registry established under the PDPA prior to sending “specified messages” (i.e. marketing messages which offer, promote or advertise goods or services) to Singapore telephone numbers through text messages, voice calls or fax. The Personal Data Protection Commission is the regulatory authority created by the PDPA, with the power to give directions to ensure compliance with the PDPA, including the power to require an organisation to pay a penalty of up to S\$1 million for breach of PDPA requirements. Apart from this, individuals have a right of private action pursuant to a contravention of specified parts of the PDPA and there are offences for which the penalties upon conviction include imprisonment.

The Personal Data Protection (Amendment) Bill, which seeks to amend the PDPA, was introduced in Parliament on 5 October 2020. Please refer to the section titled “Recent Developments” of this Offering Circular for more information on the proposed amendments to the PDPA under the Personal Data Protection (Amendment) Bill.

¹⁷ See detailed write-up on PS Act under the section “Recent Developments” of this Offering Circular.

(l) The Cybersecurity Act 2018 (No. 9 of 2018) of Singapore (“Cybersecurity Act”)

The Cybersecurity Act establishes a framework for, amongst other things, the regulation of critical information infrastructure and cybersecurity service providers in Singapore.

Owners of Critical Information Infrastructure (“CII”) (being computers and computer systems that are located wholly or partly in Singapore that are necessary for the continuous delivery of essential services in Singapore and the loss or compromise of which will have a debilitating effect on the availability of the relevant essential service in Singapore) are required to:

- provide certain information relating to such CII, such as information on the design, configuration and security of such CII and information on the design, configuration and security of any other computer or computer system under the owner’s control that is interconnected with or that communicates with such CII, if required by the Commissioner of Cybersecurity (the “**Commissioner**”);
- comply with the codes of practices, standards of performance and directions issued by the Commissioner;
- notify the Commissioner of certain prescribed cybersecurity incidents;
- carry out audits and risk assessments of CII and the compliance of CII with the Cybersecurity Act and the applicable codes of practice and standards of performance; and
- participate in cybersecurity exercises if directed by the Commissioner.

The Commissioner also has powers to investigate cybersecurity threats and incidents. In addition, the Minister may authorise or direct any person to take such measures or comply with such requirements as may be necessary to prevent, detect or counter any threat to any computer or computer system.

Cybersecurity service providers offering penetration testing services and managed security operations centre monitoring services will also have to be licensed.

Non-compliance with the requirements under the Cybersecurity Act will result in financial penalties and/or imprisonment.

(m) Public Order and Safety (Special Powers) Act 2018 (“POS Act”)

The POS Act empowers the Minister for Home Affairs to issue a direction to any telecommunication licensee to take or stop taking a specific action in order to prevent or avoid prejudicing the effective conduct of an ongoing law enforcement activity relating to a serious incident (as defined in the POS Act) or threatened serious incident, or to avoid or prevent endangering the safety of the public or any law enforcement officer or serviceman during such an ongoing law enforcement activity by the provision of a telecommunication service about the relevant incident. Such a direction may require the telecommunication licensee to cease the provision of telecommunication services.

(n) Code of Practice for Info-Communication Facilities in Buildings 2018 (“COPIF 2018”)

The Code of Practice for Info-communication Facilities in Buildings ensures that developers or owners of buildings provide adequate space and facilities for telecommunications licensees’ provision of information-communication services.

COPIF 2018 specifies:

- i. the space and facilities that the developer or owner of a land or building shall provide at its own cost and expense to enable the deployment and operation of installations, plants or systems to be used for telecommunications;
- ii. the duties that shall be observed by the developer or owner of a land or building in relation to the space and facilities provided within, or on, the land or building pursuant to COPIF 2018 (and/or previous codes); and
- iii. the duties that shall be observed by a licensee who deploys and operates its installation, plant or systems within the relevant space and facilities.

Key changes to the Code of Practice for Info-communication Facilities in Buildings set out in COPIF 2018 are intended to reflect the Telecommunications Act amendments introduced in 2017, as well as to keep pace with market and technology developments. The key changes include:

- designating rooftop space as the preferred mobile installation space (“**MIS**”) location upon request by MNOs who are required to provide nationwide mobile coverage, which will facilitate MNOs’ deployment of equipment on rooftops for the provision of mobile coverage within and beyond the development. However, the size of the MIS has not been increased despite the entry of a new MNO except in underground tunnel developments, i.e. road tunnels, train tunnels and ventilation/facility buildings (where they serve a tunnel) where the MIS has been increased to 60 square metres;
- installation of fibre termination points (“**FTP**”) with four ports in the riser for each residential unit, which will, amongst other things, allow for the easier replacement of the FTP if necessary, without disruption to services provided to other units served from the same riser;
- modifications to in-home co-axial cabling requirements for residential developments, for re-distribution of digital TV signals;
- installation of two-way air-blown fibre microducts for non-residential developments to enable faster deployment to customers by telecommunication licensees; and
- details on matters such as the usage of and access to info-communication space and facilities provided pursuant to COPIF 2018, criteria as to where the MIS should be located, the definition of “Mobile Coverage Area”, apparatus that will be computed as MIS, the timeframe for building owners to provide emergency access to info-communication space and facilities provided pursuant to COPIF 2018, network redundancy and resiliency as well as infrastructure requirements, the provision of cables for telecommunication (excluding broadband coaxial cable) systems in developments and internal telecommunication wiring, as well as requirements on manhole cover designs.

(o) Recent Developments

Payment Services Act

On 20 February 2019, the Payment Services Act 2019 (“**PS Act**”) was gazetted and the PS Act, other than Sections 111, 113 and 114 of the PS Act, came into effect on 28 January 2020. Section 114 of the PS Act came into effect on 30 July 2020. The PS Act provides for the licensing and regulation of payment service providers, the oversight of payment systems, and connected matters.

The PS Act streamlines the regulation of payment services under a single legislation and expands the scope of regulated payment activities to take into account developments in payment services.

The PS Act comprises two parallel regulatory frameworks. The first framework is a designation regime which enables the MAS to designate significant payment systems and regulate operators, settlement institutions and participants of these designated payment systems for financial stability reasons as well as for efficiency reasons.

The second framework is a licensing regime that enables the MAS to regulate the provision of payment services, and this may attract licensing obligations for the Singtel Group. The PS Act regulates payment services, namely, account issuance services, domestic money transfer services, merchant acquisition services, e-money issuance services, digital payment token service, cross-border money transfer services and money-changing services. This activity-based licensing framework provides a modular approach to ensure that regulations are appropriately calibrated according to the risks that specific payment services pose for different business models. To apply risk appropriate regulations to the specific regulated activities that the licensee conducts, there are three classes of licences under the PS Act. At any point in time, the payment service provider need only hold one licence but of a class of licence that corresponds to the risk posed by the type and scale of payment services provided.

To reduce the fragmentation of widely-used payment solutions, the MAS has interoperability powers under the PS Act which it may exercise where necessary. The PS Act gives the MAS powers to impose technology risk and cybersecurity risk management requirements on all licensees. Licensees that provide payment services which carry money-laundering and terrorism financing risks will also need to comply with money-laundering and terrorism financing risk mitigating measures that the MAS will impose under the Monetary Authority of Singapore Act, Chapter 189 of Singapore.

To effect the objectives of the PS Act, the MAS has also published notices and issued subsidiary legislation, including notices and subsidiary legislation relating to the prevention of money laundering and countering the financing of terrorism.

Telecommunication and Subscription TV Mediation Adjudication Scheme

The IMDA held a public consultation on an alternative dispute resolution scheme (the “**ADR Scheme**”) for customers to raise disputes about telecommunication and subscription TV services. The consultation was held from 17 January 2018 to 21 March 2018.

The ADR Scheme is a two-stage resolution process, which involves mediation and/or adjudication by an ADR operator (who is in charge of administering the ADR Scheme). Individuals and small business customers may submit complaints against all telecommunication and subscription TV licensees that have entered into service agreements, billing arrangements or imposed one-time charges for such services. Some exclusions from the ADR Scheme include Over-the-Top services, bill on behalf services (except Premium Rate services), payphone services and directory services.

The co-payment of fees for mediation and adjudication will be in the ratio of 10:90 for the complainant vis-à-vis the service provider.

The IMDA is currently reviewing the responses to the consultation.

Proposed Converged Competition Code

The IMDA held a public consultation on the proposed converged competition code for the telecommunication and media markets (the “**Converged Code**”) from 20 February 2019 to 15 May 2019.

Currently, the IMDA regulates competition and market related matters through the Telecom Competition Code and the Media Market Conduct Code. The IMDA is developing a converged competition code for the Singapore telecommunication and media markets to streamline the requirements to promote competition, encourage market innovation, improve the protection of consumers’ interests and keep pace with the fast-changing digital landscape.

The IMDA will conduct the public consultation on the proposed Converged Code in two stages. In the first public consultation, the IMDA will consult on broad policy proposals and will seek to harmonise the provisions that are substantively similar in effect, align the drafting of these provisions in the Converged Code or extend provisions found only in one code to the other market (e.g., telecommunication to media and vice versa) where appropriate, or remove them. The second public consultation, which has not been launched yet, will seek comments on the actual drafting of the proposed Converged Code.

5G Mobile Networks

The IMDA held a public consultation on the appropriate regulatory frameworks and policies for 5G mobile networks from 7 May 2019 to 9 July 2019.

Key areas of consultation include:

- the approach to allocate spectrum to MNOs in order to support the deployment of at least two nationwide 5G networks at the outset;
- the baseline regulatory requirements on MNOs which are allocated the spectrum; and
- building the broader 5G ecosystem through innovative 5G use-cases, skills and manpower development and other areas of Government support to drive innovation and development.

The IMDA held a CFP regulatory process between 17 October 2019 and 17 February 2020 to allocate the 3.5 GHz, and the 26 GHz and 28 GHz millimetre wave (mmWave) bands for 5G in the initial tranche of spectrum allocation to MNOs who are interested to deploy 5G technology. Under the CFP, two equal spectrum packages were put up for bids among the four existing MNOs (M1, Singtel, StarHub and TPG Telecom).

Singtel Mobile submitted a proposal under the CFP. On 29 April 2020, the IMDA announced that Singtel Mobile has been given a provisional award, and proceeded to issue the Final Award to Singtel Mobile on 24 June 2020, following completion of the required regulatory processes, including the selection of its preferred frequency spectrum lots, vendor partners and other technical and legal matters. Following the issue of the Final Award, Singtel Mobile now holds a 5G licence and has been allocated 100 MHz of 3.5 GHz spectrum and 800 MHz of mmWave spectrum, and can proceed to deploy nationwide 5G standalone networks that deliver full-fledged 5G capabilities. Singtel is expected to deploy the 3.5 GHz spectrum band on a standalone basis to deliver full-fledged 5G capabilities, such as network slicing, ultra-reliable low latency communications, and massive machine type communications, from January 2021, and will be required to provide 5G network coverage for at least half of Singapore by end 2022, scaling up to nationwide coverage by end 2025.

In addition, Singtel has been assigned 800 MHz of mmWave spectrum for deployment on a non-standalone basis, by leveraging its existing 4G infrastructure to deliver localised 5G services focusing mainly on higher broadband speeds. On 17 August 2020, the IMDA announced that it will support MNOs' plans to deploy the 5G non-standalone networks as part of trials to allow consumers to enjoy a partial 5G experience in the short-term, with faster mobile speeds as a key feature.

Protection from Online Falsehoods and Manipulation Act

The Protection from Online Falsehoods and Manipulation Act, No. 18 of 2019 (the "**Act**") came into effect on 2 October 2019. The Act aims to:

- prevent the communication of false statements of fact ("**falsehoods**") in Singapore and enable measures to be taken to counteract the effects of such communication;
- suppress the financing, promotion and other support of online locations that repeatedly communicate falsehoods in Singapore;
- enable measures to be taken to detect, control and safeguard against coordinated inauthentic behaviour and other misuses of online accounts and bots; and
- enable measures to be taken to enhance disclosure of information concerning paid content directed towards a political end.

The Act applies to persons who communicate a falsehood and persons who assist such as by providing financing, and third party service providers whose services are used to communicate the falsehoods. Where a falsehood has been communicated, such persons may be directed to take corrective action, including to put up correction notices and stop communication (in the case of a person communicating falsehood) or disable access by end-users to the subject statement (in the case of an internet intermediary). Non-compliance with any such direction is an offence. It is also an offence to communicate in Singapore a statement knowing or having reason to believe that such statement is a falsehood and is likely to lead to public interest concerns.

In addition, prescribed internet intermediaries may be directed to take steps to counteract inauthentic online accounts and coordinated inauthentic behaviour. The IMDA may also require the following:

- order an internet access service provider (that is licensed under Section 5 of the Telecommunications Act) to disable access by end-users to the online location where the subject statement is being communicated;
- order a prescribed holder of a licence under Section 5 of the Telecommunications Act (which may include mobile service providers) to transmit correction notices by means of the telecommunications service provided by it to all end-users who use that service at any time after the specified time, or to a specified description of such end-users; and
- order a prescribed broadcasting licensee (that is licensed under Section 2(1) of the Broadcasting Act) to broadcast correction notices on its broadcasting service in Singapore by the specified time.

The Protection from Online Falsehoods and Manipulation Regulations 2019 provide that:

- Singtel Mobile is a prescribed holder of a licence under Section 5 of the Telecommunications Act for the purposes of Section 23(1)(d) of the Act; and

- SingNet is a prescribed broadcasting licensee for the purposes of Section 23(1)(c) of the Act.

The Protection from Online Falsehoods and Manipulation Regulations 2019 was amended with effect from 3 June 2020. These amendments generally relate to (i) the methods by which a Part 3 Direction (defined as a Correction Direction or a Stop Communication Direction issued pursuant to Part 3 of the Act) or Part 4 Direction (defined as a Targeted Correction Direction, a Disabling Direction or a General Correction Direction issued pursuant to Part 4 of the Act), or a variation or cancellation of such direction, may be served on the person who is issued with such direction, and (ii) the reasonable efforts required to be made by the IMDA in notifying the owner or operator of an online location that such location is a declared online location for the purposes of Part 5 of the Act.

Allocation of Spectrum for Enterprise and Public Mobile Use

The IMDA held a public consultation on the proposed policy and regulatory frameworks for the allocation of the 800 MHz, TDD1900 MHz and FDD2100 MHz spectrum from 17 May 2019 to 9 September 2019.

Key areas of the consultation include:

- the allocation of dedicated spectrum in the 800 MHz and the TDD1900 MHz bands to serve enterprise users’ needs in light of growing demand for enterprise data services;
- the allocation of the FDD2100 MHz spectrum currently used to provide public 3G mobile services to be used for both public 3G and 4G mobile services in light of the ubiquity of 4G services today; and
- the assignment approaches for the 800 MHz, TDD1900 MHz and FDD2100 MHz spectrum bands, including the mechanism of assigning the spectrum through an auction.

The consultation paper states that the IMDA proposes to conduct two spectrum auctions: (1) for the assignment of the 800 MHz and TDD1900 MHz spectrum bands (collectively “**Enterprise Spectrum Auction**”); and (2) for the assignment of the FDD2100 MHz spectrum bands (“**FDD2100 MHz Spectrum Auction**”), in the manner set out below. It is proposed that the auctions will adopt the “Clock Plus” auction format which was adopted in the 4G spectrum auction in 2013 and the general spectrum auction in 2017.

(i) Enterprise Spectrum Auction

- Spectrum right duration: 7 – 10 years;
- Spectrum caps: bidder of 10 MHz of unpaired TDD1900 MHz spectrum is not allowed to bid for any 800 MHz spectrum lots and vice versa; and a cap of two lots of paired 2 x 5 MHz (including any First Right of Refusal (“**FROR**”) lot) for the 800 MHz spectrum bidder;
- Put-to-use and rollout requirements: limited roll-out (e.g. 50 per cent. – 75 per cent. nationwide outdoor service coverage within two to three years of the start date for the spectrum right) obligations for holder(s) of at least 2 x 5 MHz in the 800 MHz spectrum band and holder of the TDD1900 MHz spectrum band; and

- Reserve price: S\$450,000 – S\$900,000 for a 2 x 5 MHz lot in the 800 MHz band; S\$100,000 – S\$250,000 for a 2 x 3 MHz lot in the 800 MHz band; and S\$450,000 – S\$900,000 for an unpaired 10 MHz lot in the TDD1900 MHz band.
- (ii) FDD2100 MHz Spectrum Auction:
- Spectrum right duration: 10 – 15 years;
 - FROR lots: two lots of 2 x 5 MHz to be allocated on a FROR basis at a reserve price to MNOs with existing 3G networks (i.e., M1, Singtel Mobile and StarHub mobile), with the remaining six lots to be auctioned for 3G or 4G use;
 - Spectrum caps: four lots of paired 2 x 5 MHz (including the FROR lots);
 - Put-to-use and rollout requirements: spectrum holders are required to use these spectrum bands to augment their existing networks to provide nationwide 3G, 4G and/or IMT-Advanced telecommunication services. New FDD2100 MHz spectrum holders are required to utilise the FDD2100 MHz spectrum on a standalone basis to provide at least 50 per cent. nationwide outdoor coverage of 4G and/or IMT-Advanced services within 12-18 months from the commencement of the spectrum right;
 - Regulatory requirements: spectrum holders (new and existing) are required to comply with the relevant regulatory frameworks governing mobile networks and services, such as the QoS standards, the Telecom Resiliency Code, an audit framework related to mobile networks and the relevant FBO licence requirements. These obligations as well as other general regulatory obligations tied to the use of these spectrum bands will be issued together with the finalised auction format and rules; and
 - Reserve price: S\$10 million – S\$15 million for each 2 x 5 MHz lot in the FDD2100 MHz band.

Digital Bank Licence

MAS announced on 28 June 2019 that it would issue up to two digital full bank (“**DFB**”) licences and three digital wholesale bank (“**DWB**”) licences. These new digital banks are in addition to any digital banks that Singapore banking groups may already establish under MAS’ existing internet banking framework.

The DFB and DWB licences will allow entities, including non-bank players, to conduct digital banking businesses in Singapore.

A DFB licensee will be allowed to take deposits from and provide banking services to retail and non-retail customer segments.

A DWB licensee will be allowed to take deposits from and provide banking services to SMEs and other non-retail customer segments.

Applicants must first meet MAS’ eligibility criteria to be considered.

Applications for these bank licences closed on 31 December 2019.

As announced on 30 December 2019, Grab Holdings Inc, (“**Grab**”) and Singtel will form a consortium to apply for a DFB licence. Grab will have a 60 per cent. stake in the consortium entity while Singtel will hold a 40 per cent. stake in the consortium entity.

Personal Data Protection (Amendment) Bill (“PDP (Amendment) Bill”)

The Ministry of Communications and Information (“**MCI**”) and the Personal Data Protection Commission (“**PDPC**”) held a public consultation on the proposed amendments to the PDPA from 14 May 2020 to 28 May 2020. On 5 October 2020, the PDP (Amendment) Bill was introduced for a first reading in Parliament.

The PDP (Amendment) Bill seeks to amend the PDPA to ensure that the PDPA continues to keep pace with technological advances, new business models and global developments in data protection legislation. The proposed amendments aim to strengthen public trust, enhance business competitiveness, and provide greater organisational accountability and assurance to consumers, in support of Singapore’s Digital Economy.

The key proposed amendments to the PDPA under the PDP (Amendment) Bill include:

- (i) Amendments to strengthen the accountability of organisations in respect of the handling and processing of personal data, which include:
 - The introduction of a mandatory breach notification requirement, such that organisations will be required to (a) notify PDPC of a data breach that results in, or is likely to result in, significant harm to the individuals to whom any personal data affected by a data breach relates (“**Affected Individuals**”), or is of a significant scale; and (b) notify the Affected Individuals if the data breach is likely to result in significant harm to them.
 - The incorporation of recommendations from the Public Sector Data Security Review Committee to ensure the accountability of third parties handling Government personal data, and the introduction of offences for egregious mishandling of personal data, such as (a) the knowing or reckless unauthorised disclosure of personal data; (b) the knowing or reckless unauthorised use of personal data for a wrongful gain or a wrongful loss to any person; and (c) the knowing or reckless unauthorised re-identification of anonymised data. Individuals found guilty of each offence will be liable on conviction to a fine not exceeding S\$5,000 or to imprisonment for a term not exceeding two years, or both. The MCI and PDPC had stated in the Closing Note to the Public Consultation on the PDP (Amendment) Bill that they intend to clarify in advisory guidelines the situations that such new offences are not intended to cover, which include situations where the individuals are authorised as part of their employment to disclose, use or re-identify the data.
- (ii) Enhancements to the legal framework for the collection, use and disclosure of personal data, which include:
 - The expansion of the concept of “deemed consent” to cover circumstances where: (i) the collection, use or disclosure of personal data is reasonably necessary to conclude or perform a contract or transaction; or (ii) individuals have been notified of the purpose of the intended collection, use or disclosure of personal data, given a reasonable opportunity to opt-out, and have not opted out.

- The introduction of new exceptions to the requirement to obtain individuals' consent for the collection, use and/or disclosure of personal data for the vital interests of such individuals, matters affecting the public, legitimate interests, business asset transactions and business improvement purposes, to cater to situations where there are larger public or systemic benefits where obtaining individuals' consent may not be appropriate.
- (iii) Amendments to provide for greater consumer autonomy over personal data, which include:
- The introduction of a new Data Portability Obligation which will allow individuals to request for a copy of their personal data to be transmitted to another organisation, enabling consumers to switch to new service providers more easily, and supporting the development of new and innovative services/applications as organisations can have more access to data. Exceptions to the Data Portability Obligation (i.e. the types of data an organisation is not required to port, as well as the circumstances under which an organisation is not required to port data) will be expressly set out in a Schedule to the amended PDPA.
 - Amendments to the PDPA's Do Not Call Provisions to provide consumers with more protection and control over unsolicited marketing messages, such as the prohibition against sending unsolicited messages to telephone numbers through the use of dictionary attacks and address harvesting software. In addition, the MCI and PDPC had stated in the Closing Note to the Public Consultation on the PDP (Amendment) Bill that they intend to introduce tiered financial penalty caps for breaches of the Do Not Call Provisions, which are aligned with the egregiousness of the breach.
- (iv) Amendments to strengthen the effectiveness of the PDPC's enforcement efforts, which include:
- An increase in the financial penalty cap for organisations that breach the PDPA (to up to 10 per cent. of their annual turnover in Singapore or S\$1 million, whichever is higher) to serve as a stronger deterrent. In determining the quantum of financial penalty to impose, the PDPC will be circumspect and guided by the facts of each individual case, as well as relevant factors including the seriousness of the breach and its impact, level of culpability, the need for deterrence, and the overall proportionality of the amount. These will be set out in the amended PDPA as part of a non-exhaustive list of factors that the PDPC would consider and give weight to as appropriate when determining the quantum of financial penalty to impose.
 - Additional enforcement powers for the PDPC, such as requiring a person's attendance for taking statements and referring parties to mediation under a dispute resolution scheme.

The MCI and PDPC will continue to solicit views and feedback in developing the regulations and advisory guidelines, which will provide greater clarity on the scope and operational details of the PDPA amendments.

Amendments to the Personal Data Protection Regulations 2014

The Personal Data Protection Regulations 2014 have been amended with effect from 1 June 2020, to recognise the Asia Pacific Economic Cooperation (“**APEC**”) Cross Border Privacy Rules (“**CBPR**”) System and Privacy Recognition for Processors (“**PRP**”) System certifications as one of the modes for transfers of data overseas. An overseas recipient that is CBPR- or PRP-certified is considered legally bound to provide protection that is comparable to that under the PDPA for the transferred personal data. Organisations in Singapore can thus easily transfer personal data to the overseas recipient without meeting additional requirements.

Australian Regulatory Environment

The following is a general summary of the Australian laws and regulations relating to the provision of telecommunications services in Australia. It is for general information only, and does not purport to be an exhaustive or comprehensive description of those laws and regulations.

The Australian telecommunications market was opened up to competition on 1 July 1997. At that time, telecommunications specific provisions were introduced to the Trade Practices Act 1974, now named the Competition and Consumer Act 2010 (the “**Competition and Consumer Act**”). These provisions were designed to provide a counter balance to Telstra’s position as the vertically integrated incumbent which had a dominant position in the telecommunications market. Given its ubiquity, Optus and other carriers continue to rely on access to Telstra’s fixed network. These regulatory developments have enabled Optus and other new entrants to compete and take market share from Telstra in most telecommunications segments.

These provisions require Telstra to provide access to key input services. The Australian Competition and Consumer Commission (“**ACCC**”) has specific powers to declare access services and to set terms and conditions for those Declared Services. The ACCC is also given broad powers to investigate and take action against anti-competitive conduct.

Since 1997, the regulatory regime has been adjusted, largely to refine the powers of the ACCC. Legislative reforms have made significant changes to the existing regulatory arrangements. See also “National Broadband Network and Reform of the Regulatory Framework” below.

(a) Overview

The regulatory regime is principally set out in the Telecommunications Act 1997 (the “**TCA**”) and Part XIB and Part XIC of the Competition and Consumer Act. Key regulatory issues are dependent on the delegated powers of the Australian Minister for Communications (the “**Australian Minister**”), the ACCC and the Australian Communications and Media Authority (“**ACMA**”).

(b) Obligations on Optus

Whilst the competition regulations seek to level the playing field in a market dominated by Telstra, many of those same regulations also apply equally to Optus. For example, Parts XIB and XIC of the Competition and Consumer Act which set out the competition and access framework are carrier neutral. Optus offers a range of Declared Services. The terms of access to these Declared Services can be set by the ACCC in the absence of a commercial agreement.

Optus is also subject to a range of compliance regulations covering technical standards, consumer protection, service standards and privacy matters, amongst others.

(c) Access and Interconnection Declared Services

The ACCC is responsible for declaring services pursuant to Part XIC of the Competition and Consumer Act, which sets out a telecommunications industry-specific access regime. This regime applies to those services which have been declared by the ACCC ("**Declared Services**"), for example:

- (i) fixed terminating access service;
- (ii) fixed originating access service;
- (iii) mobile terminating access service ("**MTAS**");
- (iv) domestic transmission capacity (except links between mainland capital cities and some routes between capital cities and regional centres) on various bandwidths;
- (v) unconditioned local loop services ("**ULLS**") allowing access seekers use of unconditioned wires which connect customer premises;
- (vi) line sharing service ("**LSS**") allowing an access seeker to supply broadband services to customers while the access provider supplies voice services to the customer;
- (vii) local carriage services ("**LCS**") (except in the CBD);
- (viii) wholesale line rental ("**WLR**") (except in the CBD);
- (ix) wholesale asymmetric digital subscriber line service ("**ADSL**");
- (x) local bistream access service;
- (xi) NBN access service, ancillary services and facilities access service; and
- (xii) Superfast Broadband Access Services ("**SBAS**").

Whilst the declaration provisions are usually carrier and technology neutral and may apply to all carriers and carriage service providers, in practice some Declared Services apply only to Telstra.

Terms and conditions of access

Changes in effect from 1 January 2011 to the Competition and Consumer Act have given the ACCC the power to issue Access Determinations that set the terms and conditions of access to Declared Services. These terms are binding unless the access seeker and access provider have agreed alternate commercial terms.

Facilities access

The TCA also contains a regime requiring carriers to provide other carriers with access to certain facilities such as exchanges, pillars, ducts and towers. If the parties are unable to agree upon the terms and conditions of access, they will be determined by an arbitrator or, if the parties cannot agree on an arbitrator, by the ACCC. The ACCC has also issued a Facilities Access Code governing access to mobile towers and underground facilities, with which carriers must comply.

(d) Competition Rules

The ACCC has been given specific power under Part XIB of the Competition and Consumer Act to regulate anti-competitive conduct in breach of the competition rule. Under the competition rule, a carrier or carriage service provider with a substantial degree of power in a telecommunications market must not take advantage of that power with the effect, or likely effect, of substantially lessening competition in that or another telecommunications market.

If a competition notice has been issued, and the carrier or carriage service provider continues to engage in the conduct, any person, including a competitor, may bring proceedings in the Australian Federal Court to seek an injunction, fines or compensation for the damage suffered.

(e) Carrier Licences and Service Provider Rules

A carrier licence is required to own most transmission infrastructure which is used for the provision of telecommunications services to the public. This includes fixed network links, base stations used to supply mobile telephony, fixed radio communications transmitters and satellites. No carrier licence is required to own infrastructure such as switches, operational support systems, databases and internet servers. Breach of a licence condition by a body corporate is subject to a penalty of up to A\$10 million for each contravention.

While service providers are not required to be licensed or registered, they are required to comply with the service provider rules which involve compliance with the telecommunications regulatory regime as set out in the TCA and other legislation, including any determinations made by the ACMA. Breach of a service provider rule by a body corporate is subject to a penalty of up to A\$10 million for each contravention.

The Telecommunications Consumer Protection Code sets out requirements for Australian telecommunications companies when dealing with their customers. The Code was developed by the industry association, Communications Alliance, under the co-regulatory arrangements in the TCA and registered by the ACMA. Telecommunications service providers that do not comply with the code face a direction to comply from the ACMA, while further breaches could lead to Federal Court action with the possibility of civil penalties of up to A\$250,000.

(f) Telecommunications Security Sector Reform (“TSSR”) Obligations

From 18 September 2018, carriers are subject to the new TSSR obligations. All carriers, carriage service providers and carriage service intermediaries will be required to protect networks and facilities from unauthorised access and interference – including a requirement to maintain ‘competent supervision’ and ‘effective control’ over telecommunications networks and facilities owned or operated by them. The Australian government has the power to direct a carrier, carriage service provider or carriage service intermediary to do, or not do, a specified thing that is reasonably necessary to protect networks and facilities from national security risks.

In advance of the implementation of the TSSR obligations, the Australian government issued 5G security guidance to Australian carriers on 23 August 2018. The guidance indicated that “the involvement of vendors who are likely to be subject to extrajudicial directions from a foreign government that conflict with Australian law, may risk failure by the carrier to adequately protect a 5G network from unauthorised access or interference” in contravention of the TSSR obligations.

(g) Australia’s Foreign Investment Policy

Investments into Australia by overseas entities and governments are subject to approval under the foreign investment review framework. The legislative framework includes the Foreign Acquisitions and Takeover Act (1975) and the Foreign Acquisitions and Takeovers Fees Impositions Act 2015 and their associated legislation. The legislation enables the Treasurer to review foreign investment proposals that meet certain criteria. The Treasurer has the power to approve, block, or apply conditions to the way proposals are implemented to ensure they are consistent with the national interest. When making decisions the Treasurer is advised by the Foreign Investment Review Board (“**FIRB**”), which examines foreign investment proposals and advises on national interest implications. Certain investment decisions by Optus may require approval under the foreign investment review framework.

On 29 March 2020, the Treasurer announced that the threshold amount, which applies in determining whether a particular foreign investment made on or after 29 March 2020 is subject to Australia’s foreign investment framework, is now A\$0. To ensure sufficient time for screening applications, the decision period for the foreign investment application involving significant actions and/or exemption certificates may be extended by up to six months from the date that the application fee is paid.

(h) Australian Government Cyber Security Strategy

In August 2020, the Australian government announced its Cyber Security Strategy 2020. The Australian government’s objective is to lift baseline security and enhance the resiliency of infrastructure which is critical to Australia’s economic and social well-being. It will impose an end-to-end regulatory regime on critical infrastructure providers in 10 major sectors of the economy. The regime includes the identification of ‘systems of national significance’ which will be singled out for extra regulatory attention and will include telecommunications services.

The new obligations will have a significant impact on Optus under the framework. The new framework will likely impose additional compliance and reporting obligations on telecommunication service providers backed up by enforcement powers and penalties.

The Australian government will regulate for an “all hazards” approach to risk and security and its new enforceable critical infrastructure security standards will include cyber security, personnel security, physical security and supply chain security. The Australian government is likely to legislate before the end of the year.

(i) Customer Service Guarantee

Optus is required to comply with the Telecommunications (Customer Service Guarantee) Standard 2011 (No. 2) (“**CSG Standard**”), which is administered by ACMA under the Telecommunications (Consumer Protection and Service Standards) Act 1999. The CSG Standard imposes on carriage service providers specific performance standards and compensation payment requirements with respect to the connection, fault rectification and making of appointments for the supply of standard fixed telephone services to consumers and small business customers. A carriage service provider is required to provide financial compensation to a customer for not meeting a performance standard. Exemptions are available in specified circumstances.

(j) Universal Service Obligation

On 21 March 2012, the Australian parliament passed universal service reform legislation, aimed at ensuring the ongoing delivery of key telecommunication consumer safeguards during and after the rollout of the NBN. This legislation represents a move from a regulatory model for the delivery of universal service to a contractual model. A key aspect of the legislation was the establishment of the Telecommunications Universal Service Management Agency (“**TUSMA**”). From July 2015, the responsibilities of TUSMA have been transferred to the Department of Communications and the Arts, and the TUSMA has ceased to exist. The Department of Communications and the Arts is responsible for entering into, and managing contracts or grants, to ensure:

- all Australians have reasonable access to a standard telephone service (the Universal Service Obligation (“**USO**”) for voice telephony services);
- payphones are reasonably accessible to all Australians (the USO for payphones);
- the ongoing delivery of the Emergency Call Service by Telstra (calls to Triple Zero ‘000’ and ‘112’);
- the ongoing delivery of the National Relay Service;
- the continued availability of untimed local calls for customers outside standard zones; and
- that appropriate safeguards are in place to support the continuity of supply of carriage services during the transition to the NBN.

All carriers, including Telstra and Optus, are required under the USO arrangements to contribute to, or subsidise, the costs of providing telecommunications services in loss making areas, mainly in rural Australia. Contributions to the subsidy are based on each carrier’s share of the total national pool of eligible revenue and are determined by the Australian Minister. The Australian government is currently reviewing the USO policy.

(k) Spectrum Licences

The Australian government adopts a policy of pro-actively managing the use of spectrum. The use of spectrum requires a licence and spectrum licences are allocated to users by the ACMA from time to time via auction, tender or by allocation for a pre-determined price or negotiated price. Limits may be imposed upon the amounts of spectrum Optus or other bidders may purchase.

Access to spectrum is of critical importance to Optus in order to support its business of providing mobile voice and data services. Optus may also need to access additional spectrum to support both organic growth and the development of new services.

Optus currently holds spectrum in the 900 MHz (2 x 8.4 MHz nationally) range under an apparatus licence which has been eligible to be rolled over under an existing market price renewal process. The next renewal is in June 2021. The 900 MHz band is under a planning review by the ACMA, which includes consulting on the future allocation of this band. This spectrum supports Optus’ 3G network services. ACMA will begin a process to reallocate spectrum in the 900 MHz bands, that will likely culminate in an auction of this spectrum in late 2021. ACMA is also planning to auction 26 GHz spectrum in early 2021.

In addition, Optus holds licences in various spectrum bands as detailed in the table below as of 31 March 2020.

Spectrum Band ⁽¹⁾	Holdings	Expiry
700 MHz	2 x 10 MHz nationally (with exception of the Mid West Radio Quiet Zone)	December 2029
900 MHz (apparatus)	2 x 8.4 MHz nationally	June 2021
1800 MHz	2 x 15 MHz in Sydney, Melbourne, Brisbane, Perth, Adelaide	June 2028
1800 MHz (regional)	Between 2 x 20 MHz and 2 x 25 MHz in regional areas	June 2028
2100 MHz	2 x 20 MHz in all eight Australian capitals and 5 MHz in regional areas	October 2032
2100 MHz (apparatus)	Up to 2 x 10 MHz in regional and remote areas at more than 1800 sites	September 2020 ¹⁸
2300 MHz	98 MHz in Sydney, Melbourne, Brisbane, Perth and Adelaide; 70 MHz in Canberra	July 2030
2600 MHz	2 x 20 MHz nationally (with exception of the Mid West Radio Quiet Zone)	September 2029
3500 MHz	100 MHz in Sydney and Melbourne; 72 MHz in Adelaide; 67.5 MHz in Brisbane; 65 MHz in Perth/Regional Western Australia, Canberra	December 2030
3600 MHz	30 MHz in Southern/Western NSW, Regional South Australia; 35 MHz in North Queensland, Central Queensland, Regional North NSW/Southern Queensland, Regional Victoria, Tasmania	December 2030

Note (1): These are the ACMA defined terms for the spectrum bands, in practice each band sits in a range.

(I) National Broadband Network and Reform of the Regulatory Framework

On 7 April 2009, the Australian government announced its plans to build a NBN as a core pledge in its election manifesto. The key details of the announcement were:

- (i) the NBN will be built and operated by a new company specifically established by the Australian government to carry out this project;
- (ii) the network will:
 - connect 93 per cent. of homes, schools and workplaces with optical fibre (fibre to the premises “FTTP”), providing broadband services to Australians in urban and regional towns with speeds of 100 Mbps;
 - use next generation wireless and satellite technologies that will be able to deliver 12 Mbps or more to people living in more remote parts of rural Australia (last 7 per cent. of premises);

¹⁸ This licence is renewed annually and has been renewed as at 30 September 2020. It will expire in September 2021.

- provide long haul fibre optic transmission links connecting cities, major regional centres and rural towns;
 - be Australia's first national wholesale-only, open access broadband network;
 - be built and operated on a commercial basis by a company established at arm's length from the Australian government and involve private sector investment; and
 - be expected to be rolled-out, simultaneously, in metropolitan, regional, and rural areas over an estimated period of eight years;
- (iii) the preliminary estimate was that the Australian NBN network would cost up to A\$43 billion. This estimate has subsequently been revised to between A\$46 billion and A\$56 billion in NBN Co's Corporate Plan; and
- (iv) the Australian government will be the majority shareholder of this company, but significant private sector investment in the company is anticipated once the rollout is completed.

The Australian government subsequently established the NBN Co.

The roll-out of the network commenced in Tasmania with the first services officially launched in August 2010. NBN Co commenced trialing services on mainland Australia in June 2011.

In December 2010, the Australian Parliament passed the Telecommunications Legislation Amendment (Competition and Consumer Safeguards) Bill 2010. This introduced significant reforms to the existing regulatory framework aimed at strengthening the powers of the ACCC and introducing measures to address Telstra's vertical integration. The Act required Telstra to undertake a form of voluntary structural separation or to implement a form of mandatory functional separation of its retail and wholesale fixed line business.

In March 2011, the Australian Parliament passed legislation to establish the regulatory and governance framework for the NBN Co. This legislation seeks to deliver on the Australian government's commitment that the NBN will be operated as a wholesale-only network, on open access terms with strict oversight by the ACCC.

On 23 June 2011, the Australian government announced that Telstra and NBN Co had signed definitive agreements relating to Telstra's participation in the NBN. Under the terms of the agreement, NBN Co will be able to access the Telstra infrastructure, including pits, ducts and exchange space, to roll out its new network. In addition, Telstra announced that, as a key component of the definitive agreements, it will progressively migrate its services from its legacy copper and pay-TV cable networks to the NBN. Telstra in 2011 estimated that the agreement with NBN Co and the public policy reforms would deliver it a post-tax net present value of approximately A\$11 billion.

On 23 June 2011, Optus announced that it had entered into an agreement with the NBN Co on the migration of customers who receive services on Optus' HFC network to the NBN (the "**2011 Optus HFC Subscriber Agreement**"), with the total value of the agreement being approximately A\$800 million on a post-tax net present value basis.

On 12 December 2013, NBN Co released its report following a strategic review of the Australian government's NBN project. NBN Co recommended an optimised multi-technology mix model which would require the re-negotiation of a number of existing contracts. On 8 April 2014, the Australian government issued a new Statement of Expectations to NBN Co which endorsed the recommendation to transition to a multi-technology approach.

In December 2014, Telstra signed revised definitive agreements with NBN Co and the Commonwealth government to enable the rollout of the Australian government's multi-technology mix NBN. Telstra has indicated that the estimated net present value of the revised agreements is equivalent to the estimated net present value of the original agreements.

In December 2014, Optus and NBN Co entered into a revised agreement (the "**2014 Revised Agreement**") where the overall value was comparable to that of the 2011 Optus HFC Subscriber Agreement, with the majority of the payments to be received progressively on migration.

In September 2016, NBN Co advised Optus that it would not be using Optus' HFC network infrastructure beyond the Redcliffe trial area in Queensland. This change does not impact the contractual migration payments that are available to Optus. It may alter some of the operational aspects of the 2014 Revised Agreement where Optus will progressively decommission and transfer part of its coaxial cable and ancillary assets to NBN Co, while retaining ownership of strategic aerial fibre assets used to connect mobile base stations and business customers.

On 27 November 2017, NBN Co announced that it would immediately cease selling services over the HFC network for the next six to nine months. This change would result in a delay of migration payments to Optus of up to nine months but does not impact the contractual migration payments that are available to Optus. In April 2018, NBN Co announced it would recommence sale of services over the HFC network.

In 2018, the ACMA made the following standards and determinations which set the industry rules for migrating customers from their old telecommunications service to a service on the NBN:

- Consumer Information Standard which took effect on 21 September 2018
- Service Migration Determination which took effect on 21 September 2018
- Service Continuity Standard which took effect on 21 September 2018
- Complaints Handling Standard and Complaints Record Keeping Rules which took effect on 1 July 2018.

These rules apply to Optus (and the other industry participants involved in customer migrations) and are directly enforceable by the ACMA, which has the power to commence proceedings in the Federal Court seeking remedies such as injunctions and civil penalties of up to A\$10 million. The ACMA may also issue formal warnings, remedial directions and infringement notices.

MANAGEMENT

Board of Directors

Singtel is required by its constitution to have at least two Directors. A Director must retire from office at the third Annual General Meeting (“**AGM**”) after the Director was elected or last re-elected. A retiring Director is eligible for re-election by Singtel’s shareholders at the AGM.

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

Mr Lee Theng Kiat

Mr Lee Theng Kiat, 67, is a non-executive and non-independent Director of Singtel. He was appointed a Director on 15 January 2020 and Chairman on 30 July 2020. He was last re-elected as Director on 30 July 2020.

Theng Kiat is the Executive Director of Temasek and the Chairman of Temasek International Pte. Ltd. (collectively “**Temasek Entities**”).

Before joining the Temasek Entities, Theng Kiat was the President and Chief Executive Officer of Singapore Technologies Telemedia Pte Ltd and STT Communications Ltd. Prior to that, he held several senior level positions in the Singapore Technologies Group. Theng Kiat served in the Singapore Legal Service for over eight years before joining the Singapore Technologies Group.

Theng Kiat holds a Bachelor of Laws (Honours) from the National University of Singapore.

Ms Chua Sock Koong¹⁹

Ms Chua Sock Koong, 63, is an executive and non-independent Director of Singtel. She was appointed a Director on 12 October 2006 and was last re-elected on 30 July 2020.

Sock Koong was appointed Group Chief Executive Officer on 1 April 2007. She has overall responsibility for the Singtel Group’s businesses.

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

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

Sock Koong is the Deputy Chairman of the Public Service Commission, and a member of Singapore’s Council of Presidential Advisers and the Research, Innovation and Enterprise Council.

¹⁹ As announced on 1 October 2020, Ms Chua Sock Koong will retire from her role as the Group Chief Executive Officer on 1 January 2021 and will be succeeded by Mr Yuen Kuan Moon, as a Director and the Group Chief Executive Officer, upon her retirement. Ms Chua Sock Koong will stay on as Senior Adviser to the Chairman to assist with the transition.

Sock Koong was awarded the Public Service Star at the Singapore National Day Awards 2019 and the Medal of Commendation (Gold) at the NTUC May Day Awards 2016. Sock Koong holds a Bachelor of Accountancy (First Class Honours) from the University of Singapore. She is a Fellow Member of the Institute of Singapore Chartered Accountants and a CFA charterholder.

Mr Gautam Banerjee

Mr Gautam Banerjee, 65, is a non-executive and independent Director of Singtel. He was appointed a Director on 1 March 2018 and was last re-elected on 24 July 2018.

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

Gautam sits on the boards of Singapore Airlines Limited, Piramal Enterprises Limited and GIC Private Limited. He also serves on the board of the Defence Science and Technology Agency. He was the Chairman of the Listings Advisory Committee of the Singapore Exchange, a Director of The Indian Hotels Company Limited and EDBI Pte Ltd and a member of the Singapore Legal Service Commission and the Governing Board of Yale-NUS College.

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

Mr Venkataraman Vishnampet Ganesan

Mr Venkataraman (Venky) Ganesan, 47, is a non-executive and independent Director of Singtel. He was appointed a Director on 2 February 2015 and was last re-elected on 24 July 2018.

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

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

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

Mr Bradley Joseph Horowitz

Mr Bradley Horowitz, 55, is a non-executive and independent Director of Singtel. He was appointed a Director on 26 December 2018 and was last re-elected on 23 July 2019.

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

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

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

Mrs Gail Patricia Kelly

Mrs Gail Kelly, 64, is a non-executive and independent Director of Singtel. She was appointed a Director on 26 December 2018 and was last re-elected on 23 July 2019.

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

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

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

Mr Low Check Kian

Mr Low Check Kian, 61, is a non-executive and Lead Independent Director of Singtel. He was appointed a Director on 9 May 2011 and Lead Independent Director on 21 July 2015. He was last re-elected as Director on 30 July 2020.

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

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

Check Kian holds a Bachelor of Science (First Class Honours) and Master of Science in Economics from the London School of Economics.

Ms Christina Hon Kwee Fong (Mrs Christina Ong)

Mrs Christina Ong, 68, is a non-executive and independent Director of Singtel. She was appointed a Director on 7 April 2014 and was last re-elected on 23 July 2019.

Christina is Chairman and Senior Partner of Allen & Gledhill LLP as well as Co-Head of its Financial Services Department. She is a Director of Hongkong Land Holdings Limited, Oversea-Chinese Banking Corporation Limited, SIA Engineering Company Limited and Epimetheus Ltd. Christina is a member of the Catalist Advisory Panel and the Corporate Governance Advisory

Committee, a trustee of The Stephen A. Schwarzman Scholars Trust and a member of the Supervisory Committee of the ABF Singapore Bond Index Fund. She also sits on the boards of companies and entities which are owned by Allen & Gledhill LLP. She is a former Director of Singapore Tourism Board and Trailblazer Foundation Ltd.

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

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

Ms Teo Swee Lian

Ms Teo Swee Lian, 60, is a non-executive and independent Director of Singtel. She was appointed a Director on 13 April 2015 and was last re-elected on 24 July 2018.

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

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

Swee Lian holds a Bachelor of Science (First Class Honours) in Mathematics from Imperial College, London University and a Master of Science in Applied Statistics from Oxford University.

Mr Wee Siew Kim

Mr Wee Siew Kim, 60, is a non-executive and independent Director of Singtel. He was appointed a Director on 1 October 2020.

Siew Kim is the Group Chief Executive Officer of Nipsea Management Co Pte Ltd (Nipsea Group) and the Deputy President and Executive Corporate Officer of Nippon Paint Holdings Co. He is also the Deputy Board Chairman of Jurong Port Pte Ltd and a Director of Mapletree Logistics Trust Management Ltd and SIA Engineering Company Limited. He was the Chairman of ES Group (Holdings) Limited and a Director of SBS Transit Ltd.

Before joining Nipsea Group, Siew Kim was the Deputy CEO and President (Defence Business) of Singapore Technologies Engineering Ltd.

Siew Kim holds a Bachelor of Science (Aeronautical Engineering) (First Class Honours) from the Imperial College of Science, Technology and Medicine and a Master of Business Administration from the Graduate School of Business, Stanford University. He is a Fellow of the City and Guilds Institute.

The Management of Singtel

Ms Chua Sock Koong²⁰

Group Chief Executive Officer

Ms Chua Sock Koong, 63, was appointed Group Chief Executive Officer on 1 April 2007. She has overall responsibility for the Singtel Group's businesses.

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

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

Sock Koong is the Deputy Chairman of the Public Service Commission, and a member of Singapore's Council of Presidential Advisers and the Research, Innovation and Enterprise Council.

Sock Koong was awarded the Public Service Star at the Singapore National Day Awards 2019 and the Medal of Commendation (Gold) at the NTUC May Day Awards 2016.

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

Ms Kelly Bayer Rosmarin

Chief Executive Officer, Consumer Australia

Chief Executive Officer, Optus

Kelly Bayer Rosmarin, 44, was appointed as Chief Executive Officer for both Consumer Australia and Optus on 1 April 2020. She joined Optus on 1 March 2019, as Deputy CEO, and was named CEO designate on 5 December 2019.

Prior to joining Optus, Kelly spent 14 years of service with Commonwealth Bank of Australia where she held several senior positions and varied portfolios. Kelly's last appointment was the Group Executive of Institutional Banking and Markets at Commonwealth Bank of Australia. She also spent time as a management consultant, in an enterprise software company and at a venture-backed high-growth software start-up.

Kelly is recognised for leveraging technology, data and analytics to develop leading customer services and experience. Kelly was named in the Top 10 Businesswomen in Australia and the Top 25 Women in Asia Pacific Finance and holds a variety of board and advisory responsibilities.

Kelly holds a Bachelor's Degree in Industrial Engineering & Engineering Management and a Master of Science in Management Science & Industrial Engineering from Stanford University, USA.

²⁰ As announced on 1 October 2020, Ms Chua Sock Koong will retire from her role as the Group Chief Executive Officer on 1 January 2021 and will be succeeded by Mr Yuen Kuan Moon, as a Director and the Group Chief Executive Officer, upon her retirement. Ms Chua Sock Koong will stay on as Senior Adviser to the Chairman to assist with the transition.

Mr Bill Chang

Chief Executive Officer, Group Enterprise Country Chief Officer, Singapore

Mr Bill Chang, 53, was appointed Chief Executive Officer, Group Enterprise on 16 July 2012. He leads the infocomm and technology (ICT) team, providing solutions to enterprise customers. He also assumed the role of Country Chief Officer, Singapore on 1 October 2014, as principal liaison with local and regulatory bodies.

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

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

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

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

Mr Mark Chong

Group Chief Technology Officer

Mr Mark Chong, 56, was appointed Group Chief Technology Officer on 1 April 2017. He leads the Singtel Group's technology strategy and innovations in the transformation of its networks and businesses across Singapore and Australia. Prior to his appointment, Mark was Chief Executive Officer, International from January 2013 to March 2017.

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

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

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

Mr Arthur Lang

Chief Executive Officer, International

Mr Arthur Lang, 48, is Chief Executive Officer, International having joined Singtel in January 2017. His main responsibilities are to oversee the growth of the Singtel Group's regional associates across Africa, India, Indonesia, the Philippines and Thailand, strengthen their relationships with overseas partners, and drive regional initiatives, such as the regional mobile financial and gaming businesses, for scale and synergies.

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

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

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

Mr Allen Lew

Chief Executive Officer, Group Strategy and Business Development Country Chief Officer, Thailand

Mr Allen Lew, 65, was appointed Chief Executive Officer, Group Strategy and Business Development and Country Chief Officer, Thailand on 1 April 2020.

Prior to that, Allen was Chief Executive Officer for Consumer Australia and Optus where he led Optus to be the go-to operator in Australia for great connectivity, innovative services and exciting content. Before his posting to Australia, Allen was also Country Chief Officer in Singapore and Chief Executive Officer, Group Digital Life.

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

Allen is a board member of AIS and the Chairman of the AIS Executive Committee.

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

Ms Lim Cheng Cheng

Group Chief Financial Officer

Ms Lim Cheng Cheng, 48, is Group Chief Financial Officer. She is responsible for the Singtel Group's finance-related functions including tax, treasury and investor relations.

Cheng Cheng has over 25 years of experience in finance and mergers and acquisitions. She joined Singtel in 2012 as Vice President, Group Strategic Investment and was appointed Deputy Group Chief Financial Officer on 1 October 2014 and Group Chief Financial Officer on 10 April 2015.

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

Cheng Cheng is a non-executive, non-independent Director at SingPost and was the winner of the Best CFO (Big Cap) title at the 2018 Singapore Corporate Awards.

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

Ms Jeann Low

Group Chief Corporate Officer

Ms Jeann Low, 59, was appointed Group Chief Corporate Officer on 10 April 2015. She is responsible for the Singtel Group's corporate functions including mergers and acquisitions, corporate communications, legal, regulatory, risk management and procurement.

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

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

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

Mr Samba Natarajan

Chief Executive Officer, Group Digital Life

Mr Samba Natarajan, 54, is Chief Executive Officer, Group Digital Life. He joined Singtel in May 2014 as Managing Director of Digital Enterprise, leading a team focused on identifying and executing on growth opportunities from emerging technology trends.

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

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

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

Ms Aileen Tan

Group Chief Human Resources Officer

Ms Aileen Tan, 53, Group Chief Human Resources Officer, is responsible for Singtel Group's human resources development and leads its corporate sustainability function.

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

She co-chairs the Ministry of Manpower's ("MOM") HR Industry Transformation Advisory Panel and is a member of the Ministry of Education's Institute for Adult Learning Council, the Ministry of Finance's VITAL's Advisory Panel and the MOM's Workplace Safety & Health Council. She is also a member of the Institute for Human Resource Professionals ("IHRP") Board, Singapore University of Social Sciences Board of Trustees, Home Nursing Foundation Board and Health Sciences Authority Board.

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

Mr William Woo

Group Chief Information Officer

Mr William Woo, 56, was appointed Group Chief Information Officer from 1 August 2017. William was the Managing Director of Enterprise Data and Managed Services and Managing Director of Cyber Security at Group Enterprise.

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

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

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

Mr Yuen Kuan Moon²¹

Chief Executive Officer, Consumer Singapore

Mr Yuen Kuan Moon, 53, was appointed Chief Executive Officer, Consumer Singapore in June 2012. He leads the Singapore consumer business to deliver an integrated suite of mobile, broadband and TV services. Moon is concurrently responsible for driving the Singtel Group's digital transformation as Group Chief Digital Officer, a role that was created in 2018 to unlock digital growth opportunities in an era of disruption. Moon has served on the Board of Commissioners in Telkomsel since 2009.

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

In 2003, Moon was posted to Telkomsel as General Manager for Product Development and was appointed Director of Commerce from 2005 to 2007.

Moon was appointed to the Board of SkillsFuture Singapore in 2016, the Board of Advisors of the Institute of Service Excellence at Singapore Management University and the Digital Readiness Council Steering Committee in 2018, and the Singapore Institute of Management Governing Council in 2019.

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

²¹ As announced on 1 October 2020, Ms Chua Sock Koong will retire from her role as the Group Chief Executive Officer on 1 January 2021 and will be succeeded by Mr Yuen Kuan Moon, as a Director and the Group Chief Executive Officer, upon her retirement. Ms Chua Sock Koong will stay on as Senior Adviser to the Chairman to assist with the transition.

CLEARING AND SETTLEMENT

*The information set out below is subject to any change in, or reinterpretation of, the rules, regulations and procedures of CDP, DTC, Euroclear and Clearstream (together, the “**Clearing Systems**”) currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer, any other party to the Agency Agreement, the Arrangers nor any Dealer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.*

The relevant Pricing Supplement will specify the clearing system(s) applicable for each Series.

The Clearing Systems

DTC

DTC is a limited purpose trust company organised under the laws of the State of New York, a member of the United States Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions among participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies and clearing corporations and certain other organisations. DTC is owned by a number of its participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Indirect access to the DTC system is available to others, such as banks, securities brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly (“**indirect participants**”). DTC makes payments only in U.S. dollars.

DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Registered Securities (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates in exchange for Individual Certificates (which will, in the case of Restricted Securities, bear the legend applicable to transfers pursuant to Rule 144A).

CDP

In respect of Securities which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (the “**Depository System**”) maintained by CDP. Securities that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Securities which are accepted for clearance by CDP, the entire issue of the Securities is to be held by CDP in the form of a Global Note or Global Certificate for persons holding the Securities in securities accounts with CDP (the “**Depositors**”). Delivery and transfer of Securities between Depositors are by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors. Although CDP encourages settlement on the second business day following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Securities through the Depository System may only be effected through certain corporate depositors (the “**Depository Agents**”) approved by CDP under the SFA, to maintain securities sub-accounts and to hold the Securities in such securities sub-accounts for themselves and their clients. Accordingly, Securities for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding Securities in direct securities accounts with CDP, and who wish to trade Securities through the Depository System, must transfer the Securities to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest, distribution and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Securities in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the CDP Paying Agent or any other Agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from the lack of simultaneous transfer. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream have established an electronic bridge between their two systems which enables their respective participants to settle trades with each other. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream are governed by the respective rules and operating procedures of Euroclear or Clearstream and any applicable laws. Both Euroclear and Clearstream act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Securities held through Euroclear or Clearstream will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

Book-Entry Ownership

Bearer Notes

The Issuer may make applications to CDP, Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note in bearer form without coupons may be deposited with CDP, or with a common depository for Euroclear and/or Clearstream or an Alternative Clearing System as agreed between the Issuer and the Dealer. Transfers of interests in such temporary Global Notes or permanent Global Notes will be made in accordance with the normal Euromarket debt securities operating procedures of CDP, Euroclear and Clearstream or, if appropriate, the Alternative Clearing System.

Registered Securities

The Issuer may make applications to CDP, Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Securities to be represented by an Unrestricted Global Certificate. Each Unrestricted Global Certificate deposited with a common depository for, and registered in the name of, a nominee of Euroclear and/or Clearstream will have an ISIN (as defined herein) and a Common Code.

The Issuer, and a relevant U.S. agent appointed for such purpose that is an eligible DTC participant, may make an application to DTC for acceptance in its book-entry settlement system of the Registered Securities represented by a Restricted Global Certificate. Each such Restricted Global Certificate will have a CUSIP (as defined herein) number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Global Certificate, as set out under "Transfer Restrictions". In certain circumstances, as described below in "Transfers of Registered Securities", transfers of interests in a Restricted Global Certificate may be made as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Securities to be cleared through the facilities of DTC, the Custodian, with whom the Restricted Global Certificates are deposited, and DTC, will electronically record the nominal amount of the Restricted Securities held within the DTC system. Investors may hold their beneficial interests in a Restricted Global Certificate directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest and distribution on, each Restricted Global Certificate registered in the name of DTC's nominee will be to, or to the order of, its nominee as the registered owner of such Restricted Global Certificate. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Restricted Global Certificate as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Restricted Global Certificate held through such DTC participants will be governed by standing instructions

and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. Neither the Issuer nor any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Restricted Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Securities will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Individual Certificates will only be available, in the case of Securities initially represented by an Unrestricted Global Certificate, in amounts specified in the applicable Pricing Supplement, and, in the case of Securities initially represented by a Restricted Global Certificate, in minimum amounts of US\$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Dealer(s)), or higher integral multiples of US\$1,000, in certain limited circumstances described below.

Payments through DTC

Payments in U.S. dollars of principal, interest and distribution in respect of a Restricted Global Certificate registered in the name of a nominee of DTC will be made to the order of such nominee as the registered holder of such Security. Payments of principal, interest and distribution in a currency other than U.S. dollars in respect of Securities evidenced by a Restricted Global Certificate registered in the name of a nominee of DTC will be made or procured to be made by the Paying Agent in such currency in accordance with the following provisions. The amounts in such currency payable by the Paying Agent or its agent to DTC with respect to Securities held by DTC or its nominee will be received from the Issuer by the Paying Agent who will make payments in such currency by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of payments of interest and distribution, on or prior to the third business day in New York City after the Record Date for the relevant payment of interest and distribution and, in the case of payments of principal, at least 12 business days in New York City prior to the relevant payment date, to receive that payment in such currency. An exchange agent will convert amounts in such currency into U.S. dollars and deliver such U.S. dollar amount to the Paying Agent in same day funds for delivery to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Agency Agreement sets out the manner in which such conversions are to be made.

Transfers of Registered Securities

Transfers of interests in Global Certificates within CDP, Euroclear, Clearstream and DTC will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may only be held through CDP, Euroclear or Clearstream. In the case of Registered Securities to be cleared through Euroclear, Clearstream and/or DTC, transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through a Restricted Global Certificate for the same Series of Securities provided that any such transfer made on or prior to the expiration of the distribution compliance period (as used in "Subscription and Sale") relating to the Securities represented by such Unrestricted Global Certificate will only be made upon

receipt by any Transfer Agent of a written certificate from Euroclear or Clearstream, as the case may be, (based on a written certificate from the transferor of such interest) to the effect that such transfer is being made to a person whom the transferor, and any person acting on its behalf, reasonably believes is a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. Any such transfer made thereafter of the Securities represented by such Unrestricted Global Certificate will only be made upon request through Euroclear or Clearstream by the holder of an interest in the Unrestricted Global Certificate to the Issuing and Paying Agent of details of that account at DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in each relevant Global Certificate.

Subject to compliance with the transfer restrictions applicable to the Registered Securities described above and under “Transfer Restrictions”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Issuing and Paying Agent.

On or after the Issue Date for any Series, transfers of Securities of such Series between accountholders in Euroclear and/or Clearstream and transfers of Securities of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream and DTC participants will need to have an agreed settlement date between the parties to such transfer. As there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, on the other, transfers of interests in the relevant Global Certificates will be effected through the Issuing and Paying Agent, the Custodian, the relevant Registrar and any applicable Transfer Agent receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the Issuing and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Securities, see “Transfer Restrictions”. DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Registered Securities (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC, interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for Individual Certificates (which will, in the case of Restricted Securities, bear the legend applicable to transfers pursuant to Rule 144A).

Although Euroclear, Clearstream and DTC have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Guarantor, any Paying Agent or any Transfer Agent will have any responsibility for the performance by CDP, Euroclear, Clearstream or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the Custodian, Restricted Securities represented by Individual Certificates will not be eligible for clearing or settlement through Euroclear, Clearstream or DTC.

Individual Certificates

Registration of title to Registered Securities in a name other than a depository or its nominee for Clearstream and Euroclear or for DTC will be permitted only (i) in the case of Restricted Global Certificates in the circumstances set forth in “Summary of Provisions Relating to the Notes while in Global Form – Exchange – Restricted Global Certificates” or, as the case may be, “Summary of Provisions Relating to the Subordinated Securities while in Global Form – Exchange – Restricted Global Certificates” or (ii) in the case of Unrestricted Global Certificates in the circumstances set forth in “Summary of Provisions Relating to the Notes while in Global Form – Exchange – Unrestricted Global Certificates” or, as the case may be, “Summary of Provisions Relating to the Subordinated Securities while in Global Form – Exchange – Unrestricted Global Certificates” . In such circumstances, the Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s) or, as the case may be, Subordinated Securityholders. A person having an interest in a Global Certificate must provide the Registrar with:

- (i) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Individual Certificates; and
- (ii) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual Certificates issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Pre-issue Trades Settlement

It is expected that delivery of Securities will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the Exchange Act, trades in the U.S. secondary market generally are required to settle within three business days (T+3), unless the parties to any such trade expressly agree otherwise. Accordingly, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers who wish to trade Registered Securities in the United States between the date of pricing and the date that is three business days prior to the relevant Issue Date will be required, by virtue of the fact that such Securities initially will settle beyond T+3, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Securities may be affected by such local settlement practices and, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers of Securities who wish to trade Securities between the date of pricing and the date that is three business days prior to the relevant Issue Date should consult their own adviser.

TAXATION

Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the MAS and the IRAS in force as at the date of this Offering Circular and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Securities or of any person acquiring, selling or otherwise dealing with the Securities or on any tax implications arising from the acquisition, sale or other dealings in respect of the Securities. The statements do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Securities and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentive(s)) may be subject to special rules or tax rates. It should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective holders of the Securities are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Securities, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuer, the Guarantor nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Securities.

In addition, the disclosure below is on the assumption that the IRAS regards each tranche of the Subordinated Securities as “debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (“ITA”), and that interest and distribution payments made under each tranche of the Subordinated Securities will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax exemptions and concessions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied. If any tranche of the Subordinated Securities is not regarded as “debt securities” for the purposes of the ITA, interest and distribution payments made under each tranche of the Subordinated Securities are not regarded as interest payable on indebtedness or holders thereof are not eligible for the tax exemptions or concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of any tranche of the Subordinated Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any tranche of the Subordinated Securities.

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore), or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 22 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium or break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

As the Programme as a whole was arranged by Financial Sector Incentive (Bond Market) Companies (as defined in the ITA) prior to 1 January 2014 and by Financial Sector Incentive (Bond Market), Financial Sector Incentive (Standard Tier) or Financial Sector Incentive (Capital Market) Companies (as defined in the ITA) thereafter, any tranche of the Securities ("**Relevant Securities**") issued as debt securities under the Programme during the period from the date of this Offering Circular to 31 December 2023 would be, pursuant to the ITA, qualifying debt securities ("**QDS**") for the purposes of the ITA, to which the following treatments shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Qualifying Income**") from the Relevant Securities made by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Securities are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax. Where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Securities is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Securities using funds from that person's operations through the Singapore permanent establishment;

- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require), Qualifying Income from the Relevant Securities made by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (iii) subject to:
 - (aa) the Issuer including in all offering documents relating to the Relevant Securities, a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Securities is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (bb) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Securities as the MAS may require,

payments of Qualifying Income derived from the Relevant Securities and made by the Issuer are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of Relevant Securities, the Relevant Securities of such tranche are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Securities is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Securities would not qualify as QDS; and
- (B) even though a particular tranche of Relevant Securities are QDS, if, at any time during the tenure of such tranche of Relevant Securities, 50 per cent. or more of such Relevant Securities which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Securities held by:
 - (I) any related party of the Issuer; or
 - (II) any other person where the funds used by such person to acquire such Relevant Securities are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term “**related party**”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms “**prepayment fee**”, “**redemption premium**” and “**break cost**” are defined in the ITA as follows:

“prepayment fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

“break cost”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to “prepayment fee”, “redemption premium” and “break cost” in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from the Relevant Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Notwithstanding that the Issuer is permitted to make payments of interest, discount income, prepayment fee, redemption premium and break cost in respect of the Relevant Securities without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Securities is not exempt from tax is required to include such income in a return of income made under the ITA.

2. Characterisation of the Subordinated Securities

The ITA currently does not contain specific provisions on the Singapore income tax treatment of hybrid instruments (i.e. financial instruments that exhibit both debt-like and equity-like features). However, the IRAS has issued a circular entitled Income Tax Treatment of Hybrid Instruments (the “**Hybrid Instruments Circular**”) which provides guidance on the factors taken into consideration when determining whether a hybrid instrument is to be treated as a debt or equity instrument for Singapore income tax purposes and the corresponding income tax treatment.

Based on the Hybrid Instruments Circular, the first step in determining the characterisation of a hybrid instrument is to determine its legal form, which involves an examination of the legal rights and obligations created by the instrument. A hybrid instrument is generally characterised as equity if the legal terms of the instrument indicate ownership interests in the issuer.

If the legal form of a hybrid instrument is not indicative of or does not reflect the legal rights and obligations, the facts and circumstances surrounding the instrument and a combination of factors would be examined, which include (but are not limited to):

- (a) the nature of interest acquired;
- (b) investor’s right to participate in the issuer’s business;

- (c) voting rights conferred by the instrument;
- (d) obligation to repay the principal amount of the instrument;
- (e) payout;
- (f) investor's right to enforce payment;
- (g) classification by other regulatory authority; and
- (h) ranking for repayment in the event of liquidation or dissolution.

As further provided in the Hybrid Instruments Circular:

- (a) if a hybrid instrument is characterised as a debt instrument for Singapore income tax purposes, distributions from the issuer to the investor are regarded as interest; and
- (b) if a hybrid instrument issued by a company is characterised as an equity instrument for Singapore income tax purposes, distributions from the issuer to the investors are regarded as dividends.

In the event that a tranche of the Subordinated Securities is characterised as debt instruments for Singapore income tax purposes, payments of interest or distributions (including Arrears of Interest, Arrears of Distribution, any Additional Interest Amounts and any Additional Distribution Amounts, if applicable) should be regarded as interest payments. Accordingly, please see the section "Interest and Other Payments" on the Singapore income tax treatment that may be applicable on the interest or distributions (including Arrears of Interest, Arrears of Distribution, any Additional Interest Amounts and any Additional Distribution Amounts, if applicable) in respect of such Subordinated Securities. In this regard, where interest (including distributions which are regarded as interest), discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from such Subordinated Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Subordinated Securities using the funds and profits of such person's operations through a permanent establishment in Singapore. Notwithstanding that the Issuer is permitted to make payments of interest (including distributions which are regarded as interest), discount income, prepayment fee, redemption premium and break cost in respect of such Subordinated Securities without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose interest (including distributions which are regarded as interest), discount income, prepayment fee, redemption premium or break cost derived from such Subordinated Securities is not exempt from tax is required to include such income in a return of income made under the ITA.

In the event that a tranche of the Subordinated Securities is characterised as equity instruments for Singapore income tax purposes and the interest or distributions are to be treated as dividends in the hands of holders of the such tranche of the Subordinated Securities, the payment of dividends should not be subject to Singapore withholding tax and should be exempt from Singapore income tax in the hands of the holders of such tranche of the Subordinated Securities on the basis that the Issuer is a company tax resident in Singapore. However, any Additional Interest Amounts or Additional Distribution Amounts (if applicable) in respect of such Subordinated Securities, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, may be subject to withholding tax on the basis that they may be regarded as interest in nature. Please see the section "Interest and Other Payments" on the applicable withholding tax rates.

3. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Securities will not be taxable in Singapore. However, any gains from the sale of Securities which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Securities who are adopting Singapore Financial Reporting Standard (“FRS”) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (Financial Instruments) (“SFRS(I) 9”) (as the case may be) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Securities, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore income tax purposes”.

4. Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore income tax purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled “Income Tax Implications arising from the adoption of FRS 39 – Financial Instruments: Recognition and Measurement”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Securities who may be subject to the tax treatment under Sections 34A and 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Securities.

5. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

The proposed financial transactions tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances. The issuance and subscription of Securities should, however, be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Securities where at least one party is a financial institution, and at least one party is

established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “**foreign financial institution**” (as defined by FATCA) may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the jurisdiction of the Issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer) . However, if additional Notes (as described under “Terms and Conditions of the Notes Governed by Singapore Law – Further Issues” and “Terms and Conditions of the Notes Governed by English Law – Further Issues”) or additional Subordinated Securities (as described under “Terms and Conditions of the Subordinated Securities Governed by Singapore Law – Further Issues” and “Terms and Conditions of the Subordinated Securities Governed by English Law – Further Issues”) that are not distinguishable from previously issued Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. The rules governing FATCA are complicated and holders should consult their own tax advisers regarding how these rules may apply to their investment in Securities. If an amount in respect of FATCA were to be deducted or withheld from interest, principal or other payments made in respect of the Securities, neither the Issuer nor the Guarantor nor any paying agent nor any other person would, pursuant to the conditions of the Securities, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 2 November 2020 (as amended, varied or supplemented from time to time, the “**Dealer Agreement**”) between the Issuer, the Guarantor, the Permanent Dealers and the Arrangers, the Securities will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Securities directly on its own behalf to Dealers that are not Permanent Dealers. The Securities may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Securities may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Securities to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The Issuer, failing whom the Guarantor, will pay each relevant Dealer a commission as agreed between them in respect of Securities subscribed by it. The Issuer, failing whom the Guarantor, has agreed to reimburse the Arrangers for their expenses incurred in connection with the establishment and update of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer and the Guarantor have agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Securities. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Securities in certain circumstances prior to payment for such Securities being made to the Issuer.

Selling Restrictions

United States

The Securities and the Guarantee have not been and will not be registered under the Securities Act and the Securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S under the Securities Act (“**Regulation S**”) or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Bearer Notes, deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable Tranche of which such Securities are a part, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Securities during the distribution compliance period (other than resales pursuant to Rule 144A) a confirmation or other notice setting out the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. The Dealer Agreement provides that the Dealers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Securities within the United States only to QIBs in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of any identifiable Tranche of Securities, an offer or sale of Securities within the United States by any dealer (whether or not participating in the offering of such Tranche of Securities) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

This Offering Circular has been prepared by the Issuer and the Guarantor for use in connection with the offer and sale of the Securities outside the United States and for the resale of the Securities in the United States. The Issuer, the Guarantor and the Dealers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States or to any U.S. person, other than any QIB within the meaning of Rule 144A to whom an offer has been made directly by one of the Dealers or its U.S. broker-dealer affiliate. Distribution of this Offering Circular by any non-U.S. person outside the United States or by any QIB in the United States to any U.S. person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-U.S. person or QIB, is prohibited.

Prohibition of Sales to EEA and UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Offering Circular as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Securities which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Hong Kong

In relation to each Tranche of Securities issued by the Issuer, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the "**SFO**") other than (a) to "**professional investors**" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "**prospectus**" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMPO)**") or which do not constitute an offer to the public within the meaning of the C(WUMPO); and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

General

These selling restrictions may be supplemented or modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such supplement or modification will be set out in the Pricing Supplement issued in respect of the issue of Securities to which it relates or in a supplement to this Offering Circular.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Securities or has in its possession or distributes the Offering Circular, any other offering material or any Pricing Supplement therefore in all cases at its own expense. Other persons into whose hands this Offering Circular or any Pricing Supplement comes are required by the Issuer, the Guarantor and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Securities or possess, distribute or publish this Offering Circular or any Pricing Supplement or any related offering material, in all cases at their own expense.

TRANSFER RESTRICTIONS

Restricted Securities

Each purchaser of Restricted Securities, by accepting delivery of this Offering Circular, will be deemed to have represented, agreed and acknowledged that:

1. It is (a) a QIB, (b) acquiring such Restricted Securities for its own account, or for the account of one or more QIBs, and (c) aware, and each beneficial owner of the Restricted Securities has been advised, that the sale of the Restricted Securities to it is being made in reliance on Rule 144A.
2. (i) The Restricted Securities and the Guarantee have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) in each case in accordance with any applicable securities laws of any State of the United States and (ii) it will, and each subsequent holder of the Restricted Securities is required to, notify any purchaser of the Restricted Securities from it of the resale restrictions on the Restricted Securities.
3. The Restricted Securities, unless the Issuer determines otherwise in accordance with applicable law, will bear a legend (the “**Rule 144A Legend**”) in or substantially in the following form:

“THIS SECURITY AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“**RULE 144A**”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A “**QIB**”) THAT IS ACQUIRING THIS SECURITY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT (“**RULE 144**”), IF AVAILABLE, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR REALES OF THE SECURITIES.”

4. It understands that the Issuer, the Guarantor, each Registrar, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Securities for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each of those accounts and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

5. It understands that the Restricted Securities will be represented by a Restricted Global Certificate. Before any interest in a Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Certificate or as the case may be, Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

Prospective purchasers are hereby notified that sellers of the Securities may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Unrestricted Securities

Each purchaser of Unrestricted Securities and each subsequent purchaser of such Unrestricted Securities in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Offering Circular and the Unrestricted Securities, will be deemed to have represented, agreed and acknowledged that:

- (i) It is, or at the time Unrestricted Securities are purchased will be, the beneficial owner of such Unrestricted Securities and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.
- (ii) It understands that such Unrestricted Securities and the Guarantee have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Securities except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account, or for the account of one or more QIBs or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
- (iii) It understands that the Unrestricted Securities, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend in or substantially in the following form:

“THIS SECURITY AND THE GUARANTEE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.”
- (iv) It understands that the Issuer, the Guarantor, each Registrar, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer.
- (v) It understands that the Unrestricted Securities will be represented by an Unrestricted Global Certificate, or as the case may be, a Global Note. Prior to the expiration of the distribution compliance period, before any interest in an Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

- (vi) Delivery of the Securities may be made against payment thereof on or about a date which will occur more than three business days after the date of pricing of the Securities. Pursuant to Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Securities on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the Securities may initially settle on or about a date which will occur more than three business days after the date of pricing of the Securities to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Securities who wish to trade Securities on the date of pricing or the next succeeding business day should consult their own adviser.

FORM OF PRICING SUPPLEMENT FOR NOTES

[PRIIPs Regulation/PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

[MiFID II product governance/target market – *[appropriate target market legend to be included]*]

[To insert notice if classification of the Notes is not “prescribed capital markets products”, pursuant to Section 309B of the SFA]

Pricing Supplement dated [●]

Singtel Group Treasury Pte. Ltd.

Legal entity identifier (LEI): [●]

S\$10,000,000,000

Guaranteed Euro Medium Term Note Programme

**Guaranteed by
Singapore Telecommunications Limited**

Singtel Group Treasury Pte. Ltd.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the S\$10,000,000,000 Guaranteed Euro Medium Term Note Programme
guaranteed by Singapore Telecommunications Limited

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 2 November 2020 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular [as so supplemented].

The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.

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

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

- 1. (i) Issuer: []
- (ii) Guarantor: []
- 2. [(i)] Series Number: []
- [(ii)] Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.) []
- 3. Specified Currency or Currencies: []
- 4. Aggregate Nominal Amount: []
- [(i)] Series: []
- [(ii)] Tranche: []
- 5. [(i)] Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (in the case of fungible issues only, if applicable)]
- [(ii)] Net proceeds: [] *(Required only for listed issues)*
- 6. (i) Specified Denominations: []
- (ii) Calculation Amount: []
- 7. (i) Issue Date: []
- (ii) Interest Commencement Date: *[Specify/Issue date/Not Applicable]*
- 8. Maturity Date: *[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]*

9. Interest Basis: [[●] per cent. Fixed Rate]
 [[*specify reference rate*] +/- [●] per cent.
 Floating Rate]
 [Zero Coupon]
 [Index Linked Interest]
 [Other (*specify*)]
 (further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
 [Index Linked Redemption]
 [Dual Currency]
 [Partly Paid]
 [Instalment]
 [Other (*specify*)]
11. Change of Interest or Redemption/
 Payment Basis: [*Specify details of any provision for convertibility
 of Notes into another interest or redemption/
 payment basis*]
12. Put/Call Options: [Investor Put]
 [Issuer Call]
 [(further particulars specified below)]
13. (i) Status of the Notes: [Senior]
 (ii) Status of the Guarantee: [Senior]
14. Listing: [[] (*specify*)/None]
15. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions: [Applicable/Not Applicable]
 (*If not applicable, delete the remaining sub-
 paragraphs of this paragraph*)
- (i) Rate[(s)] of Interest: [] per cent. per annum [payable
 [annually/semi-annually/quarterly/monthly] in
 arrear]
- (ii) Interest Payment Date(s): [] in each year [adjusted in accordance
 with [*specify Business Day Convention and any
 applicable Business Centre(s) for the definition
 of "Business Day"*]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [] per Calculation Amount
- (iv) Broken Amount(s): [] per Calculation Amount, payable on the
 Interest Payment Date falling [in/on] []

- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/other]
- (vi) [Determination Dates: [] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
17. Floating Rate Note Provisions: [Applicable/Not Applicable]
(*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
- (i) Interest Period(s): []
- (ii) Specified Interest Payment Dates: []
- (iii) First Interest Period Date: []
(*Not applicable unless different from Interest Payment Date*)
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (v) Business Centre(s): []
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): []
- (viii) Screen Rate Determination:
- Reference Rate: []
 - Interest Determination Date(s): []
 - Relevant Screen Page: []

- (ix) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)*
- (x) Margin(s): [+/-] [] per cent. per annum
- (xi) Minimum Rate of Interest: [] per cent. per annum
- (xii) Maximum Rate of Interest: [] per cent. per annum
- (xiii) Day Count Fraction: []
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:
- Lookback/Suspension Period: [Not Applicable/specify]
(Only applicable if "Benchmark Replacement (ARRC)" is specified as the relevant fall back provisions above and parties would like to agree the lookback/suspension period upfront. To be no less than 5 business days unless otherwise agreed with the Calculation Agent)
18. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Amortisation Yield: [] per cent. per annum
 - (ii) Any other formula/basis of determining amount payable: []

19. Index-Linked Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph. If Index-Linked Interest Notes and Index-Linked Redemption Notes are issued on or after 1 January 2017 and reference a U.S. equity or an index that contains a U.S. equity component or otherwise provides direct or indirect exposure to U.S. equities, additional analysis should be undertaken from a U.S. taxation perspective, and additional disclosure may be required.)
- (i) Index/Formula: [give or annex details]
- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): []
- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted: []
- (iv) Interest Period(s): []
- (v) Specified Interest Payment Dates: []
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (vii) Business Centre(s): []
- (viii) Minimum Rate of Interest: [] per cent. per annum
- (ix) Maximum Rate of Interest: [] per cent. per annum
- (x) Day Count Fraction: []
20. Dual Currency Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Party, if any, responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): []

(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: []

(iv) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO REDEMPTION

21. Call Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s): []

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [] per Calculation Amount

(iii) If redeemable in part:

(A) Minimum Redemption Amount: [] per Calculation Amount

(B) Maximum Redemption Amount: [] per Calculation Amount

(iv) Notice period: []

22. Put Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Optional Redemption Date(s): []

(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [] per Calculation Amount

(iii) Notice period []

23. Final Redemption Amount of each Note: [] per Calculation Amount

24. Early Redemption Amount

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes:
- Bearer Notes:**
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [] days' notice] (*For this option to be available, such Notes shall only be issued in denominations that are equal to, or greater than, €100,000 (or its equivalent in other currencies) and integral multiples thereof*)
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
- [Registered Notes]
26. Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/*give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates*]
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/*give details*]
29. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not Applicable/*give details*]
30. Other terms or special conditions: [Not Applicable/*give details*]

DISTRIBUTION

31. (i) If syndicated, names of Managers: [Not Applicable/*give names*]
- (ii) Stabilising Manager (if any): [Not Applicable/*give name*]
32. If non-syndicated, name of Dealer: [Not Applicable/*give name*]

- 33. U.S. selling restrictions: [C Rules/D Rules/TEFRA not applicable]
- 34. Additional selling restrictions: [Not Applicable/give details]

OPERATIONAL INFORMATION

- 35. ISIN Code: []
- 36. Common Code: []
- 37. Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- 38. Delivery: Delivery [against/free of] payment
- 39. Additional Paying Agent(s) (if any): []

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the [*specify relevant stock exchange/market*] of the Notes described herein pursuant to the S\$10,000,000,000 Euro Medium Term Note Programme of Singtel Group Treasury Pte. Ltd. guaranteed by Singapore Telecommunications Limited.]

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of Singtel Group Treasury Pte. Ltd.:

By: By:
 Duly authorised Duly authorised

Signed on behalf of Singapore Telecommunications Limited:

By: By:
 Duly authorised Duly authorised

FORM OF PRICING SUPPLEMENT FOR SUBORDINATED SECURITIES

[PRIIPs Regulation/ PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Subordinated Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Subordinated Securities or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Subordinated Securities or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

[MiFID II product governance / target market – *[appropriate target market legend to be included]*]

[To insert notice if classification of the Subordinated Securities is not “prescribed capital markets products”, pursuant to Section 309B of the SFA]

Pricing Supplement dated [●]

Singtel Group Treasury Pte. Ltd.

Legal entity identifier (LEI): [●]

S\$10,000,000,000

Guaranteed Euro Medium Term Note Programme

**Guaranteed by
Singapore Telecommunications Limited**

Singtel Group Treasury Pte. Ltd.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Subordinated Securities]
under the S\$10,000,000,000 Guaranteed Euro Medium Term Note Programme
guaranteed by Singapore Telecommunications Limited

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 2 November 2020 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Subordinated Securities and must be read in conjunction with such Offering Circular [as so supplemented].

The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Subordinated Securities and must be read in conjunction with the

Offering Circular dated [current date] [and the supplemental Offering Circular dated [●]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.

[The following language applies if the Subordinated Securities are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore.]

[To be inserted where a tax ruling is requested:]

An advance tax ruling will be requested from the Inland Revenue Authority of Singapore (the “IRAS”) to confirm, amongst other things, whether the IRAS would regard the Subordinated Securities as “debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”) and the [interest/distributions] [(including Arrears of [Interest/Distribution] and any Additional [Interest/Distribution] Amounts)] made under the Subordinated Securities as interest payable on indebtedness such that holders of the Subordinated Securities may enjoy the tax exemptions and concessions available for qualifying debt securities under the qualifying debt securities scheme, as set out in the section “Taxation – Singapore Taxation” of the Offering Circular provided that the relevant conditions are met.

There is no guarantee that a favourable ruling will be obtained from the IRAS. In addition, no assurance is given that the Issuer can provide all information or documents requested by the IRAS for the purpose of the ruling request, and a ruling may not therefore be issued.

If the Subordinated Securities are not regarded as “debt securities” for the purposes of the Income Tax Act, the [interest/distributions] [(including Arrears of [Interest/Distribution] and any Additional [Interest/Distribution] Amounts)] made under the Subordinated Securities are not regarded as interest payable on indebtedness and/or holders thereof are not eligible for the tax exemptions or concessions under the qualifying debt securities scheme, the tax treatment to holders may differ.

No assurance, warranty or guarantee is given on the tax treatment to holders of the Subordinated Securities in respect of the [interest/distributions] payable to them [(including Arrears of [Interest/Distribution] and Additional [Interest/Distribution] Amounts)]. Investors should therefore consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Subordinated Securities.]

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

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

- 1. (i) Issuer: []
- (ii) Guarantor: []
- 2. Subordinated Securities: [Dated Securities / Perpetual Securities]
- 3. [(i)] Series Number: []
- [(ii) Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Subordinated Securities become fungible).] []
- 4. Specified Currency or Currencies: []
- 5. Aggregate Nominal Amount: []
- [(i)] Series: []
- [(ii) Tranche: []]
- 6. [(i)] Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued [interest/distribution] from [insert date] (in the case of fungible issues only, if applicable)]
- [(ii) Net proceeds: [] (Required only for listed issues)]
- 7. (i) Specified Denominations: []
- (ii) Calculation Amount: []
- 8. (i) Issue Date: []
- (ii) [Interest/Distribution] Commencement Date: [Specify/Issue date/Not Applicable]
- 9. Maturity Date: [specify date or (for Floating Rate Dated Securities) Interest Payment Date falling in or nearest to the relevant month and year]/[Not Applicable]
(Specify ‘Not Applicable’ for Perpetual Securities)

10. [Interest/Distributions]:
- (i) [Interest/Distribution] Basis: [[●] per cent. Fixed Rate]
[[specify reference rate] +/- [●] per cent.
Floating Rate]
[Other (specify)]
(further particulars specified below)
 - (ii) [Interest/Distribution] Deferral: [Applicable/Not Applicable]
(N.B. if [Interest/Distribution] Deferral is applicable, to specify any other notice periods if relevant.)
 - (iii) Cumulative Deferral: [Applicable/Not Applicable]
 - (iv) Non-Cumulative Deferral: [Applicable/Not Applicable]
 - (v) Optional [Interest/Distribution]: *(N.B To specify any other notice periods if relevant.)*
[In relation to Condition 5(e), specify any further provisions as relevant]
 - (vi) Additional [Interest/Distribution] Amount: [Applicable/Not Applicable]
 - (vii) Dividend Pusher: [Applicable/Not Applicable]

[Dividend Pusher periods] (N.B. If Dividend Pusher is applicable, to specify the period(s) during which a Compulsory [Interest/Distribution] Payment Event must not occur in order for the Issuer to defer any [interest/distribution].)
[Specify any other Compulsory [Interest/Distribution] Payment Events]
 - (viii) Dividend Stopper: [Applicable/Not Applicable]
[In relation to Condition 5(f), specify any further provisions as relevant]
 - (ix) Satisfaction of Arrears of [Interest/Distribution]: [Applicable/Not Applicable]
[In relation to Condition 5(g), specify any further provisions as relevant]
11. Redemption/Payment Basis: [Redemption at par]
[Dual Currency]
[Partly Paid]
[Other (specify)]
12. Change of [Interest/Distribution] or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Subordinated Securities into another [interest/distribution] or redemption/payment basis]*

13. Call Options: [Redemption for Accounting Reasons]
 [Redemption for Tax Deductibility Event]
 [Redemption for Ratings Event]
 [Redemption at the Option of the Issuer]
(further particulars specified below)
14. (i) Status of the Subordinated Securities: Subordinated
- (ii) Status of the Guarantee: Subordinated
15. (i) Ranking of claims on Winding-Up – Issuer: [As specified in Condition 3(b)/give details on ranking of claims on Winding-Up]
- (ii) Ranking of claims on Winding-Up – Guarantor: [As specified in Condition 3(e)/give details on ranking of claims on Winding-Up]
- (iii) Parity Obligations: [As specified in Condition 3/give definition/details]
- (iv) Junior Obligations: [As specified in Condition 5/give definition/details]
16. Listing: [[] (specify)/None]
17. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO [INTEREST/DISTRIBUTION] (IF ANY) PAYABLE

18. Fixed Rate Subordinated Security Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of [Interest/Distribution]: [[●] per cent. per annum [payable [annually/semi-annually/quarterly/other (specify)] in arrear]]/
- (i) in respect of the period from, and including, the [Interest/Distribution] Commencement Date to, but excluding, the First Reset Date, at [●] per cent. per annum;
- (ii) in respect of the period from, and including, the First Reset Date to, but excluding, the [First] Step-up Date, at the [Reset Rate of [Interest/Distribution]];

(iii) in respect of the period from, and including, the [First] Step-up Date to, but excluding, the next following Reset Date, and for each subsequent period from, and including, a Reset Date to, but excluding, the next succeeding Reset Date up to, but excluding the [Second] Step-up Date, at the Reset Rate of [Interest/Distribution] plus the [First] Step-up Margin; and

(iv) in respect of the period from, and including, the [Second] Step-up Date to, but excluding, the next following Reset Date, and for each subsequent period from, and including, a Reset Date to, but excluding, the next succeeding Reset Date, at the Reset Rate of [Interest/Distribution] plus the [First] Step-up Margin [plus the Second Step-up Margin] (*N.B. specify other details as applicable*),

[payable [annually/semi-annually/quarterly/other (*specify*)] in arrear]

(ii) Step-Up:

[Applicable/Not Applicable]

- [First] Step-Up Margin: [[+][-] [●]] per cent. per annum (*N.B. specify other details as applicable*),
- [Second] Step-Up Margin(s): [[+][-] [●]] per cent. per annum (*N.B. specify other details as applicable*)
- [First] Step-Up Date(s): [[●]] (*N.B. specify other details as applicable*)
- [Second] Step-Up Date(s): [[●]] (*N.B. specify other details as applicable*)

(iii) Reset

[Applicable/Not Applicable]

- First Reset Date: [●]
- Reset Date(s): The First Reset Date and each date falling every [●] after the First Reset Date (*N.B. specify other details as applicable*)
- Reset Rate of [Interest/Distribution]: Reference Rate with respect to the relevant Reset Date plus the Initial Spread
- Reset Period: [●] (*give details*)
- Reference Rate: [Swap Offer Rate/Treasury Rate/other (*give details*)]
- Initial Spread: [●] per cent. per annum

- Calculation Agent: [●]
[N.B. consider including provisions relating to determination and notification of Reset Date of [Interest/Distribution] by the Calculation Agent]
 - Reference [Banks/Treasury Dealers]: [●]/ [each of the three nationally recognised investment banking firms selected by the Issuer that are primary U.S. Government securities dealers]/(give details)
 - (iv) [Interest/Distribution] Payment Date(s): [] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted]
 - (v) Broken Amount(s): [] per Calculation Amount, payable on the [Interest/Distribution] Payment Date falling [in/on] []
 - (vi) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/other]
 - (vii) [Determination Dates: [] in each year (*insert regular [interest/distribution] payment dates, ignoring issue date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*]
 - (viii) Other terms relating to the method of calculating [interest/distribution] for Fixed Rate Subordinated Securities: [Not Applicable/give details]
19. Floating Rate Subordinated Security Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) [Interest/Distribution] Period(s): []
 - (ii) Specified [Interest/Distribution] Payment Dates: []
 - (iii) First [Interest/Distribution] Period Date: []
(Not applicable unless different from [Interest/Distribution] Payment Date)
 - (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
 - (v) Business Centre(s): []

- (vi) Manner in which the Rate(s) of [Interest/Distribution] is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vii) Party responsible for calculating the Rate(s) of [Interest/Distribution] and [Interest/Distribution] Amount(s) (if not the Calculation Agent): []
- (viii) Screen Rate Determination:
- Reference Rate: []
 - [Interest/Distribution] Determination Date(s): []
 - Relevant Screen Page: []
- (ix) ISDA Determination:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for LIBOR and/or EURIBOR which, depending on market circumstances, may not be available at the relevant time)*
- (x) Margin(s): [+/-] [] per cent. per annum
- (xi) Minimum Rate of [Interest/Distribution]: [] per cent. per annum
- (xii) Maximum Rate of [Interest/Distribution]: [] per cent. per annum
- (xiii) Day Count Fraction: []
20. Dual Currency Subordinated Security Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]

- (ii) Party, if any, responsible for calculating the Rate(s) of [Interest/Distribution] and [Interest/Distribution] Amount(s) (if not the Calculation Agent): []
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: []
- (iv) Person at whose option Specified Currency(ies) is/are payable: []
21. Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating [interest/distribution], if different from those set out in the Conditions: [Benchmark Replacement (General) (Condition 4(m)(i))/Benchmark Replacement (ARRC) (Condition 4(m)(ii))/specify others if different from those set out in the Conditions]
- Lookback/Suspension Period: [Not Applicable/specify]
- (Only applicable if “Benchmark Replacement (ARRC)” is specified as the relevant fall back provisions above and parties would like to agree the lookback/suspension period upfront. To be no less than 5 business days unless otherwise agreed with the Calculation Agent)*

PROVISIONS RELATING TO REDEMPTION

22. Redemption at the Option of the Issuer: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) of each Subordinated Security and method, if any, of calculation of such amount(s): [] per Calculation Amount
- (iii) If redeemable in part:
- (A) Minimum Redemption Amount: [] per Calculation Amount
 - (B) Maximum Redemption Amount: [] per Calculation Amount
- (iv) Notice period: []

23. Redemption for Accounting Reasons: [Applicable/Not Applicable]
24. Redemption for Tax Deductibility Event: [Applicable/Not Applicable]
25. Redemption for Ratings Event: [Applicable/Not Applicable]
26. Final Redemption Amount of each Subordinated Security: [] per Calculation Amount
27. Early Redemption Amount
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on enforcement event and/or the method of calculating the same (if required or if different from that set out in the Conditions): []

GENERAL PROVISIONS APPLICABLE TO THE SUBORDINATED SECURITIES

28. Special Event Substitution or Variation: [Applicable/Not Applicable]
29. Form of Subordinated Securities: Registered Subordinated Securities
30. Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/*give details. Note that this paragraph relates to the date and place of payment, and not [interest/distribution] period end dates*]
31. Details relating to Partly Paid Subordinated Securities: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Subordinated Securities and [interest/distribution] due on late payment: [Not Applicable/*give details*]
32. Other terms or special conditions: [Not Applicable/*give details*]

DISTRIBUTION

33. (i) If syndicated, names of Managers: [Not Applicable/*give names*]
- (ii) Stabilising Manager (if any): [Not Applicable/*give name*]
34. If non-syndicated, name of Dealer: [Not Applicable/*give name*]
35. Additional selling restrictions: [Not Applicable/*give details*]

OPERATIONAL INFORMATION

- 36. ISIN Code: []
- 37. Common Code: []
- 38. Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- 39. Delivery: Delivery [against/free of] payment
- 40. Additional Paying Agent(s) (if any): []

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the [*specify relevant stock exchange/market*] of the Subordinated Securities described herein pursuant to the S\$10,000,000,000 Euro Medium Term Note Programme of Singtel Group Treasury Pte. Ltd. guaranteed by Singapore Telecommunications Limited.]

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of Singtel Group Treasury Pte. Ltd.:

By: By:
 Duly authorised Duly authorised

Signed on behalf of Singapore Telecommunications Limited:

By: By:
 Duly authorised Duly authorised

GENERAL INFORMATION

- (1) Application has been made for permission to deal in, and for quotation of, any Securities which are agreed at the time of issue to be listed on the Official List of the SGX-ST. There can be no assurance that the application to the SGX-ST will be approved. Such permission will be granted when such Securities have been admitted to the Official List of the SGX-ST. Admission to the Official List of the SGX-ST and quotation of any Securities on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantor, their respective subsidiaries and associated companies, the Programme or such Securities. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. The Securities will trade on the SGX-ST in a minimum board lot size of S\$200,000 or its equivalent in other currencies so long as any of the Securities remain listed on the SGX-ST.
- (2) Each of the Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in Singapore in connection with the establishment and update of the Programme and the giving of the Guarantee. The establishment and update of the Programme were authorised by resolutions of the Board of Directors of the Issuer passed on 22 July 2010 and 21 October 2020 and the giving of the Guarantee by the Guarantor was authorised by resolutions of the Board of Directors of the Guarantor passed on 16 July 2010 and 21 October 2020.
- (3) Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (4) Securities have been accepted for clearance through the CDP, Euroclear and Clearstream systems (which are the entities in charge of keeping the records). In addition, the Issuer may make an application for any Restricted Securities to be accepted for trading in book-entry form by DTC. Acceptance by DTC of such Certificates will be confirmed in the relevant Pricing Supplement. The Common Code, the International Securities Identification Number (“**ISIN**”), the Committee on the Uniform Security Identification Procedure Number (“**CUSIP**”) and (where applicable) the identification number for any other relevant clearing system for each Series of Securities will be set out in the relevant Pricing Supplement.
- (5) Where information in this Offering Circular has been sourced from third parties, this information has been accurately reproduced and as far as each of the Issuer and the Guarantor is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
- (6) The issue price and the amount of the relevant Securities will be determined, before filing of the relevant Pricing Supplement of each Tranche, based on the prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issues of Securities.
- (7) For so long as Securities may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer:
 - (i) the English Law Trust Deed (which includes the form of (a) the Global Notes governed under English law, (b) the definitive Bearer Notes governed under English law and (c) the Certificates, the Coupons, the Receipts and the Talons relating to Securities governed under English law);

- (ii) the Singapore Law Trust Deed (which includes the form of (a) the Global Notes governed under Singapore law, (b) the definitive Bearer Notes governed under Singapore law and (c) the Certificates, the Coupons, the Receipts and the Talons relating to Securities governed under Singapore law);
 - (iii) the Agency Agreement;
 - (iv) the Constitution of each of the Issuer and the Guarantor;
 - (v) the latest published annual report and audited accounts of the Guarantor and the Singtel Group;
 - (vi) each Pricing Supplement (save that the relevant Pricing Supplement relating to a Security which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area (for these purposes, references to the European Economic Area include the United Kingdom) in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Security and such holder must produce evidence satisfactory to the Issuer and the Issuing and Paying Agent as to its holding of Securities and identity);
 - (vii) a copy of this Offering Circular together with any supplement to this Offering Circular or further Offering Circular; and
 - (viii) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular.
- (8) Copies of the latest annual report and consolidated accounts of the Guarantor and the latest interim consolidated accounts of the Guarantor may be obtained, and copies of the English Law Trust Deed, the Singapore Law Trust Deed and the Agency Agreement will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Securities is outstanding.

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**AUDITED FINANCIAL STATEMENTS OF THE SINGTEL GROUP
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

The information in this section has been reproduced from the audited financial statements of the Singtel Group for the financial year ended 31 March 2020 and has not been specifically prepared for inclusion in this Offering Circular.

Directors' Statement

For the financial year ended 31 March 2020

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 2020.

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 152 to 259 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 2020, 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)
Lee Theng Kiat (Chairman-designate) (appointed on 15 January 2020)
Chua Sock Koong (Group Chief Executive Officer)
Gautam Banerjee
Venkataraman Vishnampet Ganesan
Bradley Joseph Horowitz
Gail Patricia Kelly
Low Check Kian
Christina Hon Kwee Fong (Christina Ong)
Teo Swee Lian

Dominic Stephen Barton, who served during the financial year, stepped down as a Director of the Company on 26 November 2019.

Peter Edward Mason AM⁽¹⁾, who served during the financial year, retired following the conclusion of the Annual General Meeting on 23 July 2019.

Bobby Chin Yoke Choong, who served during the financial year, stepped down as a Director of the Company following the conclusion of the Annual General Meeting on 23 July 2019.

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 2020

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 2020	At 1 April 2019 or date of appointment, if later	At 31 March 2020	At 1 April 2019 or date of appointment, if later
The Company				
Singapore Telecommunications Limited				
(Ordinary shares)				
Simon Claude Israel	1,114,652 ⁽¹⁾	1,019,593	1,360 ⁽²⁾	1,360
Lee Theng Kiat	-	-	-	-
Chua Sock Koong	8,588,872 ⁽³⁾	8,229,844	3,174,949 ⁽⁴⁾	4,104,371
Gautam Banerjee	-	-	-	-
Bradley Joseph Horowitz	-	-	-	-
Gail Patricia Kelly	-	-	-	-
Low Check Kian	1,490	1,490	-	-
Christina Ong	-	-	-	-
Teo Swee Lian	1,550	1,550	-	-
(American Depositary Shares)				
Venkataraman Vishnampet Ganesan	3,341.45 ⁽⁵⁾	3,341.45	-	-
Subsidiary Corporations				
Amobee Group Pte. Ltd.				
(Options to subscribe for ordinary shares)				
Venkataraman Vishnampet Ganesan	1,581,805	1,581,805	-	-
Optus Finance Pty Limited				
(A\$250,000,000 4% fixed rate notes due 2022)				
Simon Claude Israel	A\$1,600,000 ⁽⁶⁾ (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 ⁽⁷⁾ (principal amount)	A\$1,000,000 (principal amount)	-	-

BUSINESS REVIEWS

GOVERNANCE AND SUSTAINABILITY

PERFORMANCE

FINANCIALS

ADDITIONAL INFORMATION

Directors' Statement

For the financial year ended 31 March 2020

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 2020	At 1 April 2019 or date of appointment, if later	At 31 March 2020	At 1 April 2019 or date of appointment, if later
Related Corporations				
Ascendas Funds Management (S) Limited				
(Unit holdings in Ascendas Real Estate Investment Trust)				
Simon Claude Israel	1,160,000 ⁽⁶⁾	1,000,000	-	-
Chua Sock Koong	185,600	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	-	-
Ascott Residence Trust Management Limited				
(Unit holdings in Ascott Residence Trust)				
Chua Sock Koong	384,000	-	-	-
Teo Swee Lian	3,000	-	-	-
(\$250,000,000 4.68% perpetual bonds issued by Ascott Residence Trust)				
Chua Sock Koong	\$500,000	-	-	-
	(principal amount)			
CapitaLand Commercial Trust Management Limited				
(Unit holdings in CapitaLand Commercial Trust)				
Chua Sock Koong	50,000	-	-	-
CapitaLand Limited				
(Ordinary shares)				
Simon Claude Israel	141,931 ⁽⁶⁾	-	-	-
(\$1,000,000,000 2.95% convertible bonds due 2022)				
Chua Sock Koong	\$500,000	-	-	-
	(principal amount)			
CapitaLand Mall Trust Management Limited				
(Unit holdings in CapitaLand Mall Trust)				
Simon Claude Israel	65,600 ⁽⁶⁾	-	-	-
Chua Sock Koong	285,000	-	25,000	25,000
Gautam Banerjee	120,000	120,000	-	-

Directors' Statement

For the financial year ended 31 March 2020

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 2020	At 1 April 2019 or date of appointment, if later	At 31 March 2020	At 1 April 2019 or date of appointment, if later
Mapletree Commercial Trust Management Ltd.				
(Unit holdings in Mapletree Commercial Trust)				
Simon Claude Israel	4,330,609 ⁽⁶⁾	4,043,520	-	-
Mapletree Industrial Trust Management Ltd.				
(Unit holdings in Mapletree Industrial Trust)				
Simon Claude Israel	990,160 ⁽⁶⁾	990,160	-	-
Chua Sock Koong	11,000	11,000	-	-
Mapletree Logistics Trust Management Ltd.				
(Unit holdings in Mapletree Logistics Trust)				
Simon Claude Israel	1,100,000 ⁽⁶⁾	1,100,000	-	-
Mapletree North Asia Commercial Trust Management Ltd.				
(Unit holdings in Mapletree North Asia Commercial Trust)				
Simon Claude Israel	1,000,000 ⁽⁶⁾	1,000,000	-	-
Chua Sock Koong	430,000	430,000	50,000 ⁽²⁾	50,000
Mapletree Real Estate Advisors Pte. Ltd.				
(Unit holdings in Mapletree US Logistics Private Trust)				
Christina Ong	185	185	-	-
(Unit holdings in Mapletree EU Logistics Private Trust)				
Christina Ong	185	185	-	-
Mapletree Treasury Services Limited				
(S\$625,500,000 4.5% perpetual capital securities)				
Simon Claude Israel	S\$500,000	S\$500,000	-	-
	(principal amount)	(principal amount)		
Olam International Limited				
(Ordinary shares)				
Low Check Kian	1,024,995	1,024,995	2,074,518 ⁽⁹⁾	2,074,518

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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 2020	At 1 April 2019 or date of appointment, if later	At 31 March 2020	At 1 April 2019 or date of appointment, if later
Singapore Airlines Limited				
(Ordinary shares)				
Simon Claude Israel	9,000 ⁽¹⁰⁾	9,000	-	-
Chua Sock Koong	2,000	2,000	-	-
Gautam Banerjee	7,100	-	-	-
Low Check Kian	5,600	5,600	-	-
Singapore Technologies Engineering Limited				
(Ordinary shares)				
Christina Ong	1	1	-	-

Notes:

- (1) 1,110,241 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 3,174,949 shares included:
- (a) 28,137 ordinary shares held by Ms Chua's spouse; and
- (b) An aggregate of up to 3,146,812 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 4,309,544 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) 1 American Depository Share represents 10 ordinary shares in Singtel.
- (6) Held in the name of Citibank Nominees Singapore Pte Ltd.
- (7) Held in the name of Citibank N.A. (Hong Kong).
- (8) 116,000 units held jointly by Mr Simon Claude Israel and his spouse, and 1,044,000 units held in the name of Citibank Nominees Singapore Pte Ltd.
- (9) Held by Cluny Capital Limited. Mr Low Check Kian is the sole shareholder of Cluny Capital Limited.
- (10) 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 2020.

Directors' Statement

For the financial year ended 31 March 2020

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 Gail Kelly (Chairman of the ERCC), Simon Claude Israel, Lee Theng Kiat, Low Check Kian and Teo Swee Lian.

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 from 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 101.4 million shares have been granted under the Singtel PSP 2012 from its commencement to 31 March 2020.

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 2019 ('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 2020 ('000)
Share award for Chairman (Simon Claude Israel)						
14.08.19	-	95	-	(95)	-	-
Performance shares (Restricted Share Awards) For Group Chief Executive Officer (Chua Sock Koong)						
20.06.16	136	-	-	(136)	-	-
19.06.17	383	-	62	(223)	-	222
19.06.18	397	-	-	-	-	397
20.06.19	-	202	-	-	-	202
	916	202	62	(359)	-	821

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4. PERFORMANCE SHARES (Cont'd)

Date of grant	Balance as at 1 April 2019 ('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 2020 ('000)
For other staff						
20.06.16	2,916	-	-	(2,877)	(39)	-
20.03.17	14	-	-	(14)	-	-
19.06.17	6,235	-	991	(3,656)	(229)	3,341
21.09.17	87	-	14	(50)	(35)	16
18.12.17	29	-	5	(17)	-	17
14.03.18	118	-	4	(15)	(97)	10
19.06.18	8,423	-	-	(106)	(873)	7,444
21.09.18	82	-	-	-	-	82
18.12.18	77	-	-	-	-	77
21.03.19	147	-	-	-	(18)	129
20.06.19	-	8,354	-	(11)	(767)	7,576
23.09.19	-	69	-	-	-	69
03.01.20	-	129	-	-	-	129
30.03.20	-	25	-	-	-	25
	18,128	8,577	1,014	(6,746)	(2,058)	18,915
<i>Sub-total</i>	19,044	8,779	1,076	(7,105)	(2,058)	19,736

Performance shares

(Performance Share Awards)

For Group Chief Executive Officer

(Chua Sock Koong)

20.06.16	1,695	-	-	-	(1,695)	-
19.06.17	832	-	-	-	-	832
19.06.18	634	-	-	-	-	634
20.06.19	-	860	-	-	-	860
	3,161	860	-	-	(1,695)	2,326

Directors' Statement

For the financial year ended 31 March 2020

4. PERFORMANCE SHARES (Cont'd)

Date of grant	Balance as at 1 April 2019 ('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 2020 ('000)
For other staff						
20.06.16	6,580	-	-	-	(6,580)	-
20.03.17	91	-	-	-	(91)	-
19.06.17	3,708	-	-	-	(54)	3,654
21.09.17	24	-	-	-	(24)	-
18.12.17	17	-	-	-	-	17
14.03.18	79	-	-	-	(79)	-
19.06.18	3,374	-	-	-	(163)	3,211
21.09.18	24	-	-	-	-	24
18.12.18	12	-	-	-	-	12
20.06.19	-	5,321	-	-	(212)	5,109
23.09.19	-	18	-	-	-	18
03.01.20	-	101	-	-	-	101
30.03.20	-	10	-	-	-	10
	13,909	5,450	-	-	(7,203)	12,156
<i>Sub-total</i>	17,070	6,310	-	-	(8,898)	14,482
Total	36,114	15,184	1,076	(7,200)	(10,956)	34,218

During the financial year, awards in respect of an aggregate of 7.2 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 2020, 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.

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5. SHARE OPTION PLANS (Cont'd)

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 2019 to 31 March 2020, options in respect of an aggregate of 14.7 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 2020, options in respect of an aggregate of 84.9 million of ordinary shares in Amobee are outstanding.

The grant dates and exercise prices of the share options were as follows –

<u>Date of grant</u>	<u>Exercise price</u>
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
15 August 2019, 29 October 2019	US\$0.58
For non-executive directors	
14 October 2015	US\$0.54
21 August 2018	US\$0.55
1 October 2019	US\$0.58

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, 73,988 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.

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For the financial year ended 31 March 2020

5. SHARE OPTION PLANS (Cont'd)

From 1 April 2019 to 31 March 2020, no options in respect of common stock in Trustwave have been granted to the employees of Trustwave and/or its subsidiaries. As at 31 March 2020, options in respect of an aggregate of 1.2 million of common stock in Trustwave are outstanding.

The grant dates and exercise prices of the stock options were as follows –

<u>Date of grant</u>	<u>Exercise price</u>
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 creditors' voluntary liquidation)

HOOQ Digital Pte. Ltd. (in creditors' voluntary liquidation) ("HOOQ"), which was placed under creditors' voluntary liquidation on 26 March 2020, had granted share options to the employees of HOOQ and/or its subsidiaries under the HOOQ Digital Employee Share Option Scheme (the "Scheme") during the financial year ended 31 March 2020.

From 1 April 2019 to 31 March 2020, options in respect of an aggregate of 17.8 million of ordinary shares in HOOQ have been granted to the employees of HOOQ and/or its subsidiaries under the Scheme. As at 31 March 2020, options in respect of an aggregate of 58.0 million of ordinary shares in HOOQ are outstanding.

The grant dates and exercise price of the share options granted under the Scheme, in addition to those which have been disclosed in the 2019 Annual Report, were as follows –

<u>Date of grant</u>	<u>Exercise price</u>
16 April 2019, 15 July 2019, 15 October 2019	US\$0.07

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. 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.

Directors' Statement

For the financial year ended 31 March 2020

6. AUDIT COMMITTEE

At the date of this statement, the Audit Committee comprises the following members, all of whom are non-executive and independent -

Gautam Banerjee (appointed Chairman of the Audit Committee on 23 July 2019)
Christina Hon Kwee Fong (Christina Ong)
Gail Kelly (appointed on 15 May 2019)

Bobby Chin Yoke Choong, who served during the financial year, stepped down as Chairman of the Audit Committee following the conclusion of the Annual General Meeting on 23 July 2019.

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.

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

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
27 May 2020

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2020

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 2020 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 152 to 259.

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 2020 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.

Revenue recognition

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>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.</p>	<p>We obtained an understanding of the nature of the various revenue streams and the related revenue recording processes, systems and controls. We have also ascertained that revenue was recognised in accordance with the adopted accounting policies.</p> <p>Our audit approach included controls testing as well as substantive procedures. For our procedures on the design and operating effectiveness of controls over significant IT systems, we involved our IT specialists.</p>

Independent Auditors' Report

Members of Singapore Telecommunications Limited

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Revenue recognition (Cont'd)

The key audit matter

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.

The accounting policies for revenue recognition are set out in Note 2.24 to the financial statements and the various revenue streams for the Group have been disclosed in Note 4 to the financial statements.

How the matter was addressed in our audit

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.
- *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, including those relating to the recoverability of contract assets.
- Assessing the appropriateness of the revenue recognition policies for the products and services offered by the Group in applying SFRS(I) 15 *Revenue from Contracts with Customers*, 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; and
 - 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.
- Testing of manual journal entries recorded in the general ledger relating to revenue recognition.

Findings

We found that the processes and controls to account for revenue were operating effectively.

We found that the key assumptions used and estimates made in regard to revenue recognition were reasonable.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

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Impairment assessment of goodwill

The key audit matter	How the matter was addressed in our audit
<p>Goodwill is subject to an annual impairment test or more frequently if there are indications of impairment.</p> <p>At 31 March 2020, the Group's statement of financial position includes goodwill amounting to S\$11.4 billion, primarily related to the following cash generating units ("CGUs"):</p> <p>Singtel Optus Pty Limited ("Optus"): S\$9.3 billion Amobee, Inc. ("Amobee"): S\$1.0 billion Global Cyber Security: S\$1.1 billion</p> <p>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.</p> <p>For Amobee, the recoverable amount was calculated to be below the carrying value of the CGU and an impairment loss of S\$195 million was recognised in the income statement with a corresponding reduction of the carrying value.</p> <p>As the recoverable amount for the other CGUs was calculated to be in excess of the respective carrying amounts, no impairment was determined.</p> <p>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.</p> <p>Refer to Note 25 to the financial statements for the impairment assessments.</p>	<p>We evaluated whether CGUs were appropriately identified by management based on our understanding of the current business structure of the Group.</p> <p>We involved our valuation specialists in the overall assessment of the recoverable amounts of the respective CGUs.</p> <p>In particular, our procedures included:</p> <p><u>Optus, Amobee and Global Cyber Security</u> 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:</p> <ul style="list-style-type: none"> • 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.
<p>Findings We found the identification of CGUs to be reasonable and appropriate.</p> <p>We found the key assumptions and estimates used in determining the recoverable amounts to be within a supportable range.</p> <p>We found the computation of the impairment amount to be reasonable.</p>	

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Share of joint ventures' reported contingent liabilities and provision for losses relating to regulatory litigations and tax disputes

The key audit matter

How the matter was addressed in our audit

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. Where the risk of loss is probable, management is required to estimate the provision amount based on the expected economic outflow resulting from the disputes and litigations.

Please refer to Note 43 to the financial statements for 'Significant Contingent Liabilities of Associates and Joint Ventures'.

Bharti Airtel Limited Adjusted Gross Revenue ("AGR") matter

On 24 October 2019, the Supreme Court of India had ruled that Bharti Airtel Limited, the Group's equity accounted joint venture, was liable to pay to the Department of Telecommunications certain dues relating to a longstanding dispute over the definition of AGR applied in calculating levies payable. Management's judgement is required in determining the provisions due to the extensive amount of information involved.

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 and assessment of the disputes and litigations, and recognition of the related liabilities, where appropriate.
- 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*.
- For the AGR matter, we have reviewed the Component Auditors' working papers and the calculation provided by management to them and discussed the audit work performed over the underlying data and the computations of the amounts. We have also read the Supreme Court of India ruling to ascertain that all elements mentioned had been appropriately considered.

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. The share of losses relating to the joint ventures' litigations and disputes were also found to be appropriately recorded.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2020

Taxation

The key audit matter	How the matter was addressed in our audit
<p>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.</p> <p>Australian Tax Office ("ATO") audit</p> <p>The Group has been responding to an on-going specific issue audit by the ATO in connection with the acquisition financing of Optus.</p> <p>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.</p> <p>Please refer to Note 42 to the financial statements.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> 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 adopted by the Group; and Assessing the reasonableness of management's position and the accounting impact to the Group's consolidated financial statements. <p>With respect to the ATO matter:</p> <ul style="list-style-type: none"> Involving our tax specialist 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 2020; 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 appropriateness of the Group's position on the matter.

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.

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Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2020

Implementation of SFRS(I) 16 Leases

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>On 1 April 2019, the Group adopted SFRS(I) 16 <i>Leases</i>, using the modified retrospective approach without restating prior periods' information.</p> <p>Management's judgement and estimates are required in the application of SFRS(I) 16, including the application of transition options and practical expedients and the determination of key assumptions used in measuring the lease liabilities.</p> <p>The accounting policies for leases are set out in Note 2.25 to the financial statements and the effects of the implementation of SFRS(I) 16 for the Group have been disclosed in Note 2.2 to the financial statements.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> Evaluating the appropriateness of the transition approach and practical expedients applied; Identifying and testing of controls relating to the completeness and accuracy of lease information; Assessing the reasonableness of management's key assumptions such as lease terms and discount rates used; and Evaluating the completeness, accuracy and relevance of disclosures in the financial statements.

Findings

We found the transition approach and practical expedients applied to be appropriate. The controls to account for leases were operating effectively and the key assumptions used by management were found to be reasonable.

We found the disclosures to the consolidated financial statements to be adequate and appropriate in accordance to SFRS(I) 16 *Leases*.

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.

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.

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For the financial year ended 31 March 2020

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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Members of Singapore Telecommunications Limited


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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
Public Accountants and
Chartered Accountants

Singapore
27 May 2020

Consolidated Income Statement

For the financial year ended 31 March 2020

	Notes	2020 S\$ Mil	2019 S\$ Mil
Operating revenue	4	16,542.3	17,371.7
Operating expenses	5	(12,179.7)	(12,904.5)
Other income	6	178.8	224.7
		4,541.4	4,691.9
Depreciation and amortisation	7	(2,580.3)	(2,222.2)
		1,961.1	2,469.7
Exceptional items	8	415.7	68.2
Profit on operating activities		2,376.8	2,537.9
Share of results of associates and joint ventures	9	(529.6)	1,562.7
Profit before interest, investment income (net) and tax		1,847.2	4,100.6
Interest and investment income (net)	10	180.0	38.1
Finance costs	11	(461.8)	(392.8)
Profit before tax		1,565.4	3,745.9
Tax expense	12	(513.2)	(674.8)
Profit after tax		1,052.2	3,071.1
Attributable to:			
Shareholders of the Company		1,074.6	3,094.5
Non-controlling interests		(22.4)	(23.4)
		1,052.2	3,071.1
Earnings per share attributable to shareholders of the Company			
- basic (cents)	13	6.58	18.96
- diluted (cents)	13	6.56	18.93

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The accompanying notes on pages 161 to 259 form an integral part of these financial statements.
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Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2020

	2020 S\$ Mil	2019 S\$ Mil
Profit after tax	1,052.2	3,071.1
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	(675.3)	(484.5)
Cash flow hedges		
- Fair value changes	506.9	182.9
- Tax effects	(84.3)	(23.7)
	422.6	159.2
- Fair value changes transferred to income statement	(433.2)	(122.4)
- Tax effects	84.2	17.8
	(349.0)	(104.6)
	73.6	54.6
Share of other comprehensive (loss)/ income of associates and joint ventures	(278.9)	283.8
Items that will not be reclassified subsequently to income statement:		
Fair value changes on Fair Value through Other Comprehensive Income ("FVOCI") investments	(184.9)	13.2
Other comprehensive loss, net of tax	(1,065.5)	(132.9)
Total comprehensive (loss)/ income	(13.3)	2,938.2
Attributable to:		
Shareholders of the Company	8.0	2,962.3
Non-controlling interests	(21.3)	(24.1)
	(13.3)	2,938.2

The accompanying notes on pages 161 to 259 form an integral part of these financial statements.
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Statements of Financial Position

As at 31 March 2020

	Notes	Group		Company	
		31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Current assets					
Cash and cash equivalents	15	999.6	512.7	97.3	81.6
Trade and other receivables	16	5,559.4	5,992.7	2,065.3	1,960.9
Inventories	17	279.6	417.6	26.3	37.2
Derivative financial instruments	18	337.2	155.1	5.3	0.7
		7,175.8	7,078.1	2,194.2	2,080.4
Non-current assets					
Property, plant and equipment	19	10,363.8	11,050.4	2,205.8	2,250.0
Right-Of-Use assets	20	2,060.5	-	623.5	-
Intangible assets	21	13,735.9	14,016.7	-	-
Subsidiaries	22	-	-	19,679.2	20,009.2
Joint ventures	23	11,637.7	12,857.9	22.8	22.8
Associates	24	2,074.1	2,060.2	24.7	24.7
Fair value through other comprehensive income ("FVOCI") investments	26	515.0	646.9	4.0	5.3
Derivative financial instruments	18	517.5	283.6	134.2	125.9
Deferred tax assets	12	234.2	276.6	-	-
Other assets	27	640.4	644.4	105.7	130.7
		41,779.1	41,836.7	22,799.9	22,568.6
Total assets		48,954.9	48,914.8	24,994.1	24,649.0
Current liabilities					
Trade and other payables	28	5,640.9	5,817.1	2,417.1	1,737.5
Advance billings		732.9	812.1	85.5	89.8
Current tax liabilities		199.4	255.0	76.4	83.6
Borrowings (unsecured)	29	3,588.2	1,846.2	-	-
Borrowings (secured)	30	382.3	34.0	63.2	4.8
Derivative financial instruments	18	14.0	9.2	-	0.5
Net deferred gain	32	20.8	20.8	-	-
		10,578.5	8,794.4	2,642.2	1,916.2
Non-current liabilities					
Advance billings		189.9	197.4	122.2	129.2
Borrowings (unsecured)	29	8,384.0	8,734.4	942.5	786.5
Borrowings (secured)	30	1,818.1	49.5	581.2	7.7
Derivative financial instruments	18	122.9	149.5	45.1	191.8
Net deferred gain	32	373.7	375.0	-	-
Deferred tax liabilities	12	525.5	515.1	275.5	274.5
Other non-current liabilities	33	148.3	289.8	18.7	26.5
		11,562.4	10,310.7	1,985.2	1,416.2
Total liabilities		22,140.9	19,105.1	4,627.4	3,332.4
Net assets		26,814.0	29,809.7	20,366.7	21,316.6
Share capital and reserves					
Share capital	34	4,127.3	4,127.3	4,127.3	4,127.3
Reserves		22,661.9	25,710.5	16,239.4	17,189.3
Equity attributable to shareholders of the Company					
Non-controlling interests		26,789.2	29,837.8	20,366.7	21,316.6
		24.8	(28.1)	-	-
Total equity		26,814.0	29,809.7	20,366.7	21,316.6

The accompanying notes on pages 161 to 259 form an integral part of these financial statements.
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Statements of Changes in Equity

For the financial year ended 31 March 2020

	Attributable to shareholders of the Company										
	Share Capital \$ \$ Mil	Treasury Shares ⁽¹⁾ \$ \$ Mil	Capital Reserve \$ \$ Mil	Currency Translation Reserve ⁽²⁾ \$ \$ Mil	Hedging Reserve \$ \$ Mil	Fair Value Reserve \$ \$ Mil	Retained Earnings \$ \$ Mil	Other Reserves ⁽³⁾ \$ \$ Mil	Total \$ \$ Mil	Non-controlling Interests \$ \$ Mil	Total Equity \$ \$ Mil
Group - 2020											
Balance as at 1 April 2019, previously reported	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
Effects of adoption of SFRS(I) 16	-	-	-	-	-	-	(211.2)	-	(211.2)	-	(211.2)
Balance as at 1 April 2019, restated	4,127.3	(31.7)	(76.3)	(1,767.5)	0.3	(10.3)	27,301.8	83.0	29,626.6	(28.1)	29,598.5
Changes in equity for the year											
Performance shares purchased by the Company	(1.8)	-	-	-	-	-	-	-	(1.8)	-	(1.8)
Performance shares purchased by the Company on behalf of subsidiaries	(1.2)	-	-	-	-	-	-	-	(1.2)	-	(1.2)
Performance shares purchased by Trust ⁽⁵⁾	(14.8)	-	-	-	-	-	-	-	(14.8)	-	(14.8)
Performance shares vested	18.5	(18.5)	-	-	-	-	-	-	-	-	-
Equity-settled share-based payment	-	-	31.5	-	-	-	-	-	31.5	-	31.5
Transfer of liability to equity	-	-	4.7	-	-	-	-	-	4.7	-	4.7
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)
Performance shares purchased by Singtel Optus Pty Limited ("Optus") and vested	-	-	(5.2)	-	-	-	-	-	(5.2)	-	(5.2)
Goodwill reclassified on dilution of equity interest in joint venture	-	-	-	-	-	-	(91.7)	91.7	-	-	-
Final dividend paid (see Note 35)	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	(1,746.7)
Interim dividend paid (see Note 35)	-	-	-	-	-	-	(1,110.0)	-	(1,110.0)	-	(1,110.0)
Dividend paid to non-controlling interests	-	-	(2.9)	-	-	-	-	-	(2.9)	(5.2)	(5.2)
Deconsolidation of subsidiary	-	-	-	-	-	(19.0)	19.0	-	-	79.4	76.5
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	1.3	-	-	1.3	-	1.3
	-	0.7	9.3	-	-	(19.0)	(2,928.1)	91.7	(2,845.4)	74.2	(2,771.2)
Total comprehensive (loss)/income for the year	-	-	-	(676.4)	73.6	(184.9)	1,074.6	(278.9)	8.0	(21.3)	(13.3)
Balance as at 31 March 2020	4,127.3	(31.0)	(67.0)	(2,443.9)	73.9	(214.2)	25,448.3	(104.2)	26,789.2	24.8	26,814.0

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Statements of Changes in Equity

For the financial year ended 31 March 2020

Attributable to shareholders of the Company													
	Share Capital SS Mil	Treasury Shares ⁽¹⁾ SS Mil	Capital Reserve SS Mil	Currency Translation Reserve ⁽²⁾ SS Mil	Hedging Reserve SS Mil	Fair Value Reserve		Retained Earnings ⁽³⁾ SS Mil	Other Reserves ⁽³⁾ SS Mil	Total SS Mil	Non-controlling Interests SS Mil	Other Reserve ⁽⁴⁾ SS Mil	Total Equity SS Mil
						Capital Reserve	Value Reserve						
Group - 2019													
Balance as at 1 April 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
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 Optus and vested	-	-	(5.5)	-	-	-	-	-	-	(5.5)	-	-	(5.5)
Final dividend paid (see Note 35)	-	-	-	-	-	-	(1,746.7)	-	-	(1,746.7)	-	-	(1,746.7)
Interim dividend paid (see Note 35)	-	-	-	-	-	-	(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 161 to 259 form an integral part of these financial statements. Independent Auditors' Report – pages 144 to 151.

Statements of Changes in Equity

For the financial year ended 31 March 2020

Company - 2020	Share Capital	Treasury Shares⁽¹⁾	Capital Reserve	Hedging Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Balance as at 1 April 2019, previously reported	4,127.3	(1.1)	45.2	24.2	2.0	17,119.0	21,316.6
Effects of adoption of SFRS(I) 16	-	-	-	-	-	(73.2)	(73.2)
Balance as at 1 April 2019, restated	4,127.3	(1.1)	45.2	24.2	2.0	17,045.8	21,243.4
Changes in equity for the year							
Performance shares purchased by the Company	-	(1.8)	-	-	-	-	(1.8)
Performance shares vested	-	1.3	(1.3)	-	-	-	-
Equity-settled share-based payment	-	-	12.2	-	-	-	12.2
Transfer of liability to equity	-	-	4.6	-	-	-	4.6
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	(0.3)
Contribution to Trust ⁽⁵⁾	-	-	(11.3)	-	-	-	(11.3)
Final dividend paid (see Note 35)	-	-	-	-	-	(1,747.2)	(1,747.2)
Interim dividend paid (see Note 35)	-	-	-	-	-	(1,110.4)	(1,110.4)
Others	-	-	-	-	-	1.3	1.3
	-	(0.5)	3.9	-	-	(2,856.3)	(2,852.9)
Total comprehensive income/ (loss) for the year	-	-	-	6.0	(1.3)	1,971.5	1,976.2
Balance as at 31 March 2020	4,127.3	(1.6)	49.1	30.2	0.7	16,161.0	20,366.7

The accompanying notes on pages 161 to 259 form an integral part of these financial statements.
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Statements of Changes in Equity

For the financial year ended 31 March 2020

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	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 35)	-	-	-	-	-	(1,747.2)	(1,747.2)
Interim dividend paid (see Note 35)	-	-	-	-	-	(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

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 161 to 259 form an integral part of these financial statements.
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Consolidated Statement of Cash Flows

For the financial year ended 31 March 2020

	2020 S\$ Mil	2019 S\$ Mil
Cash Flows From Operating Activities		
Profit before tax	1,565.4	3,745.9
Adjustments for -		
Depreciation and amortisation	2,580.3	2,222.2
Share of results of associates and joint ventures	529.6	(1,562.7)
Exceptional items (non-cash)	(486.0)	(171.7)
Interest and investment income (net)	(180.0)	(38.1)
Finance costs	461.8	392.8
Other non-cash items	35.6	36.3
	2,941.3	878.8
Operating cash flow before working capital changes	4,506.7	4,624.7
Changes in operating assets and liabilities		
Trade and other receivables	188.5	(431.6)
Trade and other payables	55.8	338.8
Inventories	119.5	(33.6)
Cash generated from operations	4,870.5	4,498.3
Dividends received from associates and joint ventures	1,439.2	1,548.9
Income tax and withholding tax paid	(491.9)	(679.5)
Payment to employees in cash under performance share plans	(0.5)	(0.1)
Net cash from operating activities	5,817.3	5,367.6
Cash Flows From Investing Activities		
Payment for purchase of property, plant and equipment	(2,036.6)	(1,718.1)
Purchase of intangible assets	(350.0)	(216.7)
Investment in associate/ joint venture (Note 1)	(761.8)	(2.3)
Payment for acquisition of intangibles and other assets (Note 2)	-	(123.1)
Deferred payment/ payment for acquisition of subsidiary, net of cash acquired (Note 3)	(4.2)	(5.8)
Payment for acquisition of FVOCI investments (Note 4)	(85.2)	(436.9)
Proceeds from disposal of subsidiary	-	15.4
Deconsolidation of subsidiary	(3.0)	-
Payment for acquisition of non-controlling interests	-	(16.1)
Proceeds/ Deferred proceeds from disposal of associate and joint venture	6.9	14.8
Proceeds from sale of property, plant and equipment	145.8	160.9
Proceeds from sale of FVOCI investments	30.8	14.8
Interest received	6.8	7.0
Investment income received from FVOCI investments (net of withholding tax paid)	147.7	0.3
Withholding tax paid on intra-group interest income	(18.0)	(22.7)
Net cash used in investing activities	(2,920.8)	(2,328.5)

The accompanying notes on pages 161 to 259 form an integral part of these financial statements.
Independent Auditors' Report – pages 144 to 151.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2020

	Note	2020 S\$ Mil	2019 S\$ Mil
Cash Flows From Financing Activities			
Proceeds from term loans		5,684.6	7,157.1
Repayment of term loans		(5,667.9)	(6,983.1)
Proceeds from bond issue		1,803.7	1,177.6
Repayment of bonds		(690.3)	(1,139.1)
Increase in finance lease liabilities		-	44.3
Lease payments		(403.9)	(34.5)
Net proceeds from borrowings		726.2	222.3
Final dividend paid to shareholders of the Company		(1,746.7)	(1,746.7)
Interim dividend paid to shareholders of the Company		(1,110.0)	(1,109.9)
Net interest paid on borrowings and swaps		(463.3)	(385.1)
Settlement of swaps for bonds repaid		173.9	(6.2)
Purchase of performance shares		(23.0)	(25.6)
Dividend paid to non-controlling interests		(5.2)	(5.4)
Others		1.3	1.1
Net cash used in financing activities		(2,446.8)	(3,055.5)
Net change in cash and cash equivalents		449.7	(16.4)
Exchange effects on cash and cash equivalents		37.2	4.2
Cash and cash equivalents at beginning of year		512.7	524.9
Cash and cash equivalents at end of year	15	999.6	512.7

Note 1: Investment in joint venture

In the current financial year, Singtel paid S\$735 million for subscription to Bharti Airtel Limited's rights issue based on its rights entitlement for its direct stake of 15%.

Note 2: Payment for acquisition of intangibles and other assets

In the previous financial year, Singtel's wholly-owned subsidiary, Amobee Inc., acquired the technology platform, intellectual property and certain other assets of Videology, Inc. and its subsidiaries for S\$123 million (US\$90 million).

Note 3: Payment for acquisition of subsidiary

In the current financial year, deferred payment of S\$4.2 million was made in respect of the acquisition of Hivint Pty Limited ("Hivint").

In the previous financial year, Singtel's wholly-owned subsidiary, Optus Cyber Security Pty Limited, completed the acquisition of 100% shares in Hivint, a cyber security consulting company in Australia, for S\$17 million (A\$17 million) of which S\$5.8 million was paid.

Note 4: Payment for acquisition of FVOCI investments

In the previous financial year, a payment of S\$344 million (US\$250 million) was made for Singtel's acquisition of 5.7% equity interest in Airtel Africa Limited.

The accompanying notes on pages 161 to 259 form an integral part of these financial statements.
Independent Auditors' Report – pages 144 to 151.

Notes to the Financial Statements

For the financial year ended 31 March 2020

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 Limited. 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 46**.

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 27 May 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") including related interpretations, and the provisions of the Singapore Companies Act. They have been prepared under the historical cost basis, except as disclosed in the accounting policies below.

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.

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**.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Changes in significant accounting policies

The accounting policies have been consistently applied by the Group, and are consistent with those used in the previous financial year. Other than SFRS(I) 16 *Leases*, the adoption of the new or revised SFRS(I)s and Interpretations to SFRS(I) ("INT SFRS(I)") which were mandatory from 1 April 2019 had no significant impact on the financial statements of the Group or the Company in the current financial year.

The Group has adopted SFRS(I) 16 on a mandatory basis from 1 April 2019. The new policies for leases are described in **Note 2.25**. The Group has applied SFRS(I) 16 using the modified retrospective approach where the cumulative effects of initial application are recognised in the opening statement of financial position as at 1 April 2019, with no restatement of comparative information. The Group has elected to account for short term leases and leases of low-value assets as operating expenses on a straight-line basis. The right-of-use assets are measured at the carrying amounts discounted from the commencement date or amounts of the lease liabilities on adoption (adjusted for any prepaid or accrued lease expenses).

In applying SFRS(I) 16 for the first time, the Group has used the following practical expedients:

- (a) The use of single discount rate to a portfolio of leases with reasonably similar characteristics.
- (b) The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application.
- (c) On transition to SFRS(I) 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Group applied SFRS(I) 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under SFRS (I) 1-17 and SFRS(I) INT 4 were not reassessed for whether there is a lease under SFRS(I) 16. Therefore, the definition of a lease under SFRS(I) 16 was applied only to contracts entered into or changed on or after 1 April 2019.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using the applicable incremental borrowing rates at 1 April 2019. The weighted average rate applied was 2.9%.

As at 1 April 2019, right-of-use assets and lease liabilities recorded under SFRS(I) 16 were S\$2.23 billion and S\$2.39 billion respectively. The undiscounted commitments for operating leases disclosed as at 31 March 2019 was S\$3.42 billion. The differences are mainly due to discounting and the reassessment of renewal periods for lease contracts for which the Group is reasonably certain to exercise.

2.3 Foreign Currencies

2.3.1 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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3.2 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.

2.3.3 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.

2.3.4 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.

2.3.5 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 2.3.3**.

2.4 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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 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 2.24**). 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.

2.6 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.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

2.8 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.

2.9 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.

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Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.10 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.

2.11 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.

2.12 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.

2.13 Group Accounting

The accounting policy for investments in subsidiaries, associates and joint ventures in the Company's financial statements is stated in **Note 2.14**. The Group's accounting policy on goodwill is stated in **Note 2.20.1**.

2.13.1 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.

2.13.2 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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.13.2 Associates (Cont'd)

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.

2.13.3 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.13.3 Joint ventures (Cont'd)

The Group's interest in its unincorporated joint operations is accounted for by recognising the Group's share of 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.

2.13.4 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.

2.13.5 Structured entity

The Trust has been consolidated in the consolidated financial statements under SFRS(I) 10, *Consolidated Financial Statements*.

2.13.6 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.13.6 Business combinations (Cont'd)

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.

2.14 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.

2.15 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.

2.16 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.16.1 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.16.1 Hedge accounting (Cont'd)

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.

2.17 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.18 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.

2.19 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. 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 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.20 Intangible Assets

2.20.1 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.

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 2.21**). The accumulated amortisation for goodwill as at 1 April 2004 had been eliminated with a corresponding decrease in the capitalised goodwill.

When there is negative 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.

2.20.2 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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.21 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 2.20.1**).

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 of disposal 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.

2.22 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.

2.23 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.

2.24 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).

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.24 Revenue Recognition (Cont'd)

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 2.8**) 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.

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.

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2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.24 Revenue Recognition (Cont'd)

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 2.25.2**.

2.25 Leases

The Group has applied SFRS(I) 16 using the modified retrospective approach and accordingly, the comparative information has not been restated and continues to be reported under SFRS(I) 1-17 *Leases*, and related interpretations. The details of the changes in accounting policies are disclosed below.

2.25.1 Lessee accounting

The Group is a lessee mainly for central offices, data centres, corporate offices, retail stores, network equipment, ducts and manholes.

From 1 April 2019

The Group implements a single accounting model where lessees recognise right-of-use assets and liabilities for all leases. The Group accounts for short term leases, i.e. leases with terms of 12 months or less, as well as low-valued assets as operating expenses in the income statement over the lease term.

A right-of-use asset and a lease liability are recognised at commencement date of the contract for all leases conveying the right to control the use of identified assets for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

Renewal and termination options exercisable by the Group are included in lease terms across the Group if the Group is reasonably certain that they are to be extended (or not terminated).

After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Depreciation is calculated using the straight-line method over the shorter of the asset's useful life or the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the Group's incremental borrowing rate or the rate implicit in the lease.

After the commencement date, the Group measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect lease payments made, and
- re-measuring the carrying amount to reflect any reassessment or lease modifications.

Before 1 April 2019

Operating leases are leases where substantially all the risks and rewards of ownership are not transferred to the Group. Operating lease payments are recognised as operating expenses in the income statement on a straight-line basis over the lease term.

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For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.25.1 Lessee accounting (Cont'd)

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.

2.25.2 Lessor accounting

The Group is a lessor mainly for data centres, ducts and fibres, as well as handsets.

Operating leases are leases where the Group retains substantially all the risks and rewards of ownership of the assets. 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 are leases of assets where substantially all the risks and rewards incidental to ownership of the assets are transferred by the Group to the lessees. 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.

2.25.3 Intermediate lessor

The Group as an intermediate lessor accounts for a head lease and a sublease as two separate contracts. The sublease transaction is accounted as either finance lease or operating lease by reference to the right-of-use asset arising from the head lease. Leasing transactions with customers are accounted as operating or finance leases by reference to the head lease.

2.25.4 Sales of network capacity

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.

Sales of network capacity that do not meet the above criteria are accounted for as operating leases.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.26 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.

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 5 years.

Capitalised contract costs are included in 'Other Assets' under non-current assets.

2.27 Employees' Benefits

2.27.1 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.

2.27.2 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.

2.27.3 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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.28 Borrowing Costs

Borrowing costs comprise interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in arranging the borrowings, and 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.

2.29 Pre-incorporation Expenses

Pre-incorporation expenses are expensed as incurred.

2.30 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.

2.31 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.

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2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.31 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.

2.32 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.

2.33 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.

2.34 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 2.21**.

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 of disposal and its value-in-use. In making this judgement, the Group evaluates the fair value less costs of disposal or 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.

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Cont'd)

3.1 Impairment Reviews (Cont'd)

The assumptions used by management to determine the fair value less costs of disposal and value-in-use calculations of goodwill on acquisition of subsidiaries are disclosed in **Note 25**. The carrying values of joint ventures and associates including goodwill capitalised are stated in **Note 23** and **Note 24** 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 42(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 2020

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Cont'd)

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 on 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 the 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 2020, the Group was involved in various legal proceedings where it has been vigorously defending its claims as disclosed in **Note 42**. 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 43**.

3.8 Revenue Recognition

The accounting policies for revenue recognition are stated in **Note 2.24**.

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.

3.9 Leases

The application of SFRS(I) 16 requires the Group to exercise judgement and estimates in applying transition options and practical expedients, and in the determination of key assumptions used in measuring the lease liabilities. Key assumptions include lease terms and discount rates on the lease payments.

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For the financial year ended 31 March 2020

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Cont'd)

3.9 Leases (Cont'd)

In determining the lease term, the Group considers all relevant facts and circumstances that create an economic incentive for the Group to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the Group is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

The lease payments are discounted using the rate implicit in the lease or the Group's incremental borrowing rate. This requires the Group to estimate the rate of interest that it would have to pay to borrow the funds to obtain a similar asset over a similar term.

Changes in these assumptions may significantly impact the measurement of the lease liabilities.

The accounting policies for leases are stated in **Note 2.25**. The effects of the implementation of SFRS(I) 16 have been disclosed in **Note 2.2**.

4. OPERATING REVENUE

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Mobile service ⁽¹⁾	4,854.5	5,395.7
Sale of equipment	2,567.5	2,864.8
Handset operating lease income ⁽²⁾	200.4	140.5
Mobile	7,622.4	8,401.0
Data and Internet	3,611.9	3,352.8
Managed services	1,777.1	1,880.8
Cyber security	565.8	548.7
Business application services	564.1	485.1
Communication engineering	145.4	119.0
Infocomm Technology ("ICT") ⁽³⁾	3,052.4	3,033.6
Digital businesses ⁽⁴⁾	1,168.6	1,245.3
Fixed voice	705.2	899.0
Pay television	313.5	372.7
Others ⁽⁵⁾	68.3	67.3
Operating revenue	16,542.3	17,371.7
Operating revenue	16,542.3	17,371.7
Other income	178.8	224.7
Interest and investment income (see Note 10)	180.0	38.1
Total	16,901.1	17,634.5

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4. OPERATING REVENUE (Cont'd)

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⁾ Comprises revenue from lease of handsets to mobile customers. Handset leasing plans in Australia ceased from July 2019.
⁽³⁾ Includes equipment sales related to ICT services.
⁽⁴⁾ Mainly from provisions of digital marketing and advertising services.
⁽⁵⁾ Includes energy reselling fees.

As at 31 March 2020, the transaction price attributable to unsatisfied performance obligations for ICT services rendered by NCS Pte. Ltd. was approximately S\$3 billion (31 March 2019: S\$3 billion) which would substantially be recognised as operating revenue over the next 5 years.

Service contracts with consumers typically range from a month to 3 years, and contracts with enterprises typically range from 1 to 3 years.

5. OPERATING EXPENSES

	Group	
	2020	2019
	S\$ Mil	S\$ Mil
Cost of equipment sold ⁽¹⁾	3,060.9	3,106.1
Other cost of sales	2,622.3	2,757.0
Staff costs	2,426.1	2,590.0
Selling and administrative costs ⁽²⁾	2,087.0	2,490.0
Traffic expenses	1,593.3	1,573.4
Repair and maintenance	390.1	388.0
	12,179.7	12,904.5

Notes:

- ⁽¹⁾ Includes equipment costs related to ICT services.
⁽²⁾ Includes supplies and services, as well as rentals of properties and mobile base stations for the previous financial year.

5.1 Staff Costs

	Group	
	2020	2019
	S\$ Mil	S\$ Mil
Staff costs included the following -		
Contributions to defined contribution plans	203.6	225.1
Performance share and share option expenses		
- equity-settled arrangements	31.5	38.0
- cash-settled arrangements	7.5	3.3

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5. OPERATING EXPENSES (Cont'd)

5.2 Key Management Personnel Compensation

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Key management personnel compensation⁽¹⁾		
Executive director ⁽²⁾	3.1	3.5
Other key management personnel ⁽³⁾	13.0	15.9
	16.1	19.4
Directors' remuneration ⁽⁴⁾	3.0	2.7
	19.1	22.1

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 1,062,602 (2019: 1,030,168) 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 expense computed in accordance with SFRS(I) 2, *Share-based Payment*, was S\$1.6 million (2019: S\$1.5 million).
- ⁽³⁾ The other key management personnel of the Group comprise the Chief Executive Officers of Consumer Singapore, Group Enterprise, Group Digital Life, International Group, and Group Strategy and Business Development (formerly the Chief Executive Officer of Consumer Australia), 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 3,612,224 (2019: 3,537,119) 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 expense computed in accordance with SFRS(I) 2 was S\$6.2 million (2019: S\$6.1 million).
- ⁽⁴⁾ Directors' remuneration comprises the following:
- (i) Directors' fees of S\$3.0 million (2019: S\$2.7 million), including fees paid to certain directors in their capacities as members of the Optus Advisory Committee and the Technology Advisory Panel, and as directors of Singtel Innov8 Pte. Ltd. and Amobee, Inc.
- (ii) Car-related benefits of the Chairman of S\$37,679 (2019: S\$24,557).
- In addition to the Directors' remuneration, Venkataraman Vishnampet Ganesan, a non-executive director of Singtel, was awarded 831,087 of share options pursuant to the Amobee Long-Term Incentive Plan in 2019. The share option expense computed in accordance with SFRS(I) 2 was S\$68,585 (2019: S\$104,278).

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 granted 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 and three 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.

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5. OPERATING EXPENSES (Cont'd)

5.3.1 Performance share plans (Cont'd)

Additionally, early vesting of the performance shares can also occur under special circumstances as 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.

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 2020	Outstanding as at 1 April 2019 '000	Granted '000	Awarded from targets exceeded '000	Vested '000	Cancelled '000	Outstanding as at 31 March 2020 '000
Date of grant						
FY2017⁽¹⁾						
20 June 2016	3,052	-	-	(3,013)	(39)	-
September 2016 to March 2017	14	-	-	(14)	-	-
FY2018						
19 June 2017	6,618	-	1,053	(3,879)	(229)	3,563
September 2017 to March 2018	234	-	23	(82)	(132)	43
FY2019						
19 June 2018	8,820	-	-	(106)	(873)	7,841
September 2018 to March 2019	306	-	-	-	(18)	288
FY2020						
20 June 2019	-	8,556	-	(11)	(767)	7,778
September 2019 to March 2020	-	223	-	-	-	223
	19,044	8,779	1,076	(7,105)	(2,058)	19,736

Note:

⁽¹⁾ "FY2017" denotes financial year ended 31 March 2017.

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5. OPERATING EXPENSES (Cont'd)

5.3.1 Performance share plans (Cont'd)

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						
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

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5. OPERATING EXPENSES (Cont'd)

5.3.1 Performance share plans (Cont'd)

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		
	19 June 2017	19 June 2018	20 June 2019
Fair value at grant date	S\$3.34	S\$2.85	S\$2.85
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	14.3%	14.6%	11.8%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding May 2017	36 months historical volatility preceding May 2018	36 months historical volatility preceding May 2019
Risk free interest rates			
Yield of Singapore Government Securities on	7 June 2017	7 June 2018	6 June 2019
Cash-settled 2020	Date of grant		
	19 June 2017	19 June 2018	20 June 2019
Fair value at 31 March 2020	S\$2.54	S\$2.46	S\$2.30
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	17.0%	17.0%	17.0%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2020		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2020	31 March 2020	31 March 2020

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5. OPERATING EXPENSES (Cont'd)

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

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 2020	Outstanding as at 1 April 2019	Granted	Cancelled	Outstanding as at 31 March 2020
	'000			'000
Date of grant				
FY2017				
20 June 2016	8,275	-	(8,275)	-
September 2016 to March 2017	91	-	(91)	-
FY2018				
19 June 2017	4,540	-	(54)	4,486
September 2017 to March 2018	120	-	(103)	17
FY2019				
19 June 2018	4,008	-	(163)	3,845
September 2018 to March 2019	36	-	-	36
FY2020				
20 June 2019	-	6,181	(212)	5,969
September 2019 to March 2020	-	129	-	129
	17,070	6,310	(8,898)	14,482

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5. OPERATING EXPENSES (Cont'd)

5.3.1 Performance share plans (Cont'd)

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
	<u>22,313</u>	<u>4,207</u>	<u>(9,450)</u>	<u>17,070</u>

The fair values of the Performance Share Awards and the assumptions of the fair value model for the grants were as follows –

Equity-settled	Date of grant		
	19 June 2017	19 June 2018	20 June 2019
Fair value at grant date	<u>S\$1.28</u>	<u>S\$1.77</u>	<u>S\$1.77</u>
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	14.3%	14.6%	11.8%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding May 2017	36 months historical volatility preceding May 2018	36 months historical volatility preceding May 2019
Risk free interest rates			
Yield of Singapore Government Securities on	7 June 2017	7 June 2018	6 June 2019

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5. OPERATING EXPENSES (Cont'd)

5.3.1 Performance share plans (Cont'd)

Cash-settled 2020	Date of grant		
	19 June 2017	19 June 2018	20 June 2019
Fair value at 31 March 2020	-	S\$1.17	S\$1.54
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	17.0%	17.0%	17.0%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2020		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2020	31 March 2020	31 March 2020
Cash-settled 2019	Date of grant		
	20 June 2016	19 June 2017	19 June 2018
Fair value at 31 March 2019	-	S\$0.07	S\$1.23
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	12.1%	12.1%	12.1%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2019		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2019	31 March 2019	31 March 2019

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.

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5. OPERATING EXPENSES (Cont'd)

5.3.2 Amobee's share options - equity-settled arrangement (Cont'd)

The grant dates, exercise prices and fair values of the share options were as follows –

Equity-settled	Exercise price	Fair value at
Date of grant	US\$	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
15 August 2019, 29 October 2019	0.58	0.248 to 0.287
For non-executive directors		
14 October 2015	0.54	0.203
21 August 2018	0.55	0.181
1 October 2019	0.58	0.215

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 2019 to 31 March 2020,

- (a) options in respect of an aggregate of 14.7 million of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries.
- (b) 73,988 ordinary shares of Amobee were issued pursuant to the exercise of options granted under the Amobee LTI Plan.

As at 31 March 2020, options in respect of an aggregate of 84.9 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.

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For the financial year ended 31 March 2020

5. OPERATING EXPENSES (Cont'd)

5.3.3 Trustwave's share options - equity-settled arrangement (Cont'd)

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 2019 to 31 March 2020, no options in respect of common stock in Trustwave have been granted. As at 31 March 2020, options in respect of an aggregate of 1.2 million of common stock in Trustwave 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	
	2020 S\$ Mil	2019 S\$ Mil	2020 S\$ Mil	2019 S\$ Mil
Cost of Singtel shares, net of vesting	26.8	28.0	24.6	26.0
Cash at bank	0.4	0.5	0.4	0.4
	27.2	28.5	25.0	26.4

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5. OPERATING EXPENSES (Cont'd)

5.4 Structured Entity (Cont'd)

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

Group	Number of shares		Amount	
	2020 '000	2019 '000	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	8,231	7,613	28.0	29.1
Purchase of Singtel shares	4,506	5,504	14.8	17.5
Vesting of shares	(4,736)	(4,886)	(16.0)	(18.6)
Balance as at 31 March	8,001	8,231	26.8	28.0

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 2.23**.

5.5 Other Operating Expense Items

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Operating expenses included the following –		
Auditors' remuneration		
– KPMG LLP, Singapore	2.4	2.4
– KPMG, Australia	1.2	1.2
– Other KPMG offices	1.2	1.3
Non-audit fees ⁽¹⁾ paid to		
– KPMG LLP, Singapore	0.5	0.4
– KPMG, Australia	0.2	0.4
– Other KPMG offices	0.1	0.1
Impairment of trade receivables	191.5	121.8
Allowance for inventory obsolescence	1.6	1.1
Lease expenses for short term leases (under SFRS(I) 16)	27.0	-

Note:

⁽¹⁾ The non-audit fees for the current financial year ended 31 March 2020 included S\$0.4 million (2019: S\$0.4 million) and S\$0.2 million (2019: S\$0.2 million) paid to KPMG LLP, Singapore and KPMG, Australia 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	
	2020 S\$ Mil	2019 S\$ Mil
Rental income	3.2	3.3
Net gains on disposal of property, plant and equipment	3.6	5.3
Net foreign exchange gains	5.2	3.4

7. DEPRECIATION AND AMORTISATION

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Depreciation of property, plant and equipment	1,825.6	1,896.1
Depreciation of right-of-use assets (under SFRS(I) 16)	403.0	-
Amortisation of intangible assets	351.7	326.1
	2,580.3	2,222.2

8. EXCEPTIONAL ITEMS

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Exceptional gains		
Gain on dilution of interest in joint ventures	671.6	-
Gain on disposal of property	96.6	105.5
Gain on sale and leaseback	-	42.4
Gain on disposal of a subsidiary	-	19.2
Gain on disposal of a joint venture	-	0.3
	768.2	167.4
Exceptional losses		
Impairment of goodwill of a subsidiary	(194.8)	-
Deconsolidation of subsidiary	(85.5)	-
Staff restructuring costs	(50.1)	(88.4)
Provision for contingent claims and other charges	(20.2)	(10.8)
Impairment of other intangibles	(1.9)	-
	(352.5)	(99.2)
	415.7	68.2

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9. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Share of ordinary results		
- joint ventures	1,553.5	1,338.2
- associates	190.8	197.7
	1,744.3	1,535.9
Share of net exceptional (losses)/ gains of associates and joint ventures (post-tax) ⁽¹⁾	(1,807.9)	301.1
Share of tax of ordinary results		
- joint ventures	(435.1)	(241.7)
- associates	(30.9)	(32.6)
	(466.0)	(274.3)
	(529.6)	1,562.7

Note:

⁽¹⁾ Comprised share of exceptional items from Airtel, Singapore Post and Intouch. The share of Airtel's exceptional items in the current financial year included provisions made for regulatory costs (including related penalties and interest charges as applicable) arising from (a) an adverse ruling on the definition of Adjusted Gross Revenue which forms the basis for payment of license fee and spectrum usage charges. Airtel continues to make representations to the Indian government and the Supreme Court for reliefs; and (b) one time spectrum charge.

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10. INTEREST AND INVESTMENT INCOME (NET)

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Interest income from		
- bank deposits	6.5	7.6
- others	1.2	0.7
	7.7	8.3
Dividends from joint ventures	10.8	13.0
Gross dividends and income from FVOCI investments	148.4	0.5
	166.9	21.8
Other foreign exchange gains	11.2	5.9
Other fair value gains	1.5	10.3
Fair value (losses)/ gains on fair value hedges		
- hedged items	(149.5)	(35.0)
- hedging instruments	149.9	35.1
	0.4	0.1
Fair value (losses)/ gains on cash flow hedges		
- hedged items	(431.8)	(122.4)
- hedging instruments	431.8	122.4
	-	-
	180.0	38.1

11. FINANCE COSTS

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Interest expense on		
- bonds	309.6	308.4
- bank loans	51.1	56.5
- lease liabilities ⁽¹⁾	81.7	8.2
	442.4	373.1
Financing related costs	16.8	17.0
Effects of hedging using interest rate swaps	2.6	2.7
	461.8	392.8

Note:

⁽¹⁾ Interest expense in the previous financial year was in respect of finance lease liabilities which were reclassified to lease liabilities with the adoption of SFRS(I) 16 Leases from 1 April 2019.

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12. TAXATION

12.1 Tax Expense

	Group	
	2020	2019
	S\$ Mil	S\$ Mil
Current income tax		
- Singapore	207.5	223.5
- Overseas	110.5	223.7
	318.0	447.2
Deferred tax expense	47.0	36.2
Tax expense attributable to current year's profit	365.0	483.4
Adjustments in respect of prior years -		
Current income tax	9.5	5.0
Deferred income tax	(10.7)	12.4
Withholding and dividend distribution taxes on dividend income from associates and joint ventures	149.4	174.0
	513.2	674.8

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	
	2020	2019
	S\$ Mil	S\$ Mil
Profit before tax	1,565.4	3,745.9
Less: Share of results of associates and joint ventures	529.6	(1,562.7)
	2,095.0	2,183.2
Tax calculated at tax rate of 17 per cent (2019: 17 per cent)	356.2	371.1
Effects of -		
Different tax rates of other countries	3.8	36.3
Income not subject to tax	(159.2)	(29.5)
Expenses not deductible for tax purposes	84.5	29.4
Deferred tax asset not recognised	82.9	79.1
Others	(3.2)	(3.0)
Tax expense attributable to current year's profit	365.0	483.4

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12. TAXATION (Cont'd)

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 - 2020	Provisions	TWDV ⁽¹⁾ in excess of NBV ⁽²⁾ of depreciable assets	Others	Total
Deferred tax assets	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Balance as at 1 April 2019, previously reported	37.4	50.7	213.3	301.4
Effects of adoption of SFRS(I) 16	-	-	116.7	116.7
Balance as at 1 April 2019, restated	37.4	50.7	330.0	418.1
Credited/ (Charged) to income statement	14.2	(26.1)	(19.0)	(30.9)
Charged to other comprehensive income	-	-	(0.1)	(0.1)
Transfer to current tax	(19.1)	-	(0.1)	(19.2)
Translation differences	(2.3)	(2.7)	(9.6)	(14.6)
Balance as at 31 March 2020	30.2	21.9	301.2	353.3

Group - 2020	Accelerated tax depreciation	Offshore interest and dividend not remitted	Others	Total
Deferred tax liabilities	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Balance as at 1 April 2019, previously reported	(459.9)	(5.3)	(74.7)	(539.9)
Effects of adoption of SFRS(I) 16	-	-	(95.8)	(95.8)
Balance as at 1 April 2019, restated	(459.9)	(5.3)	(170.5)	(635.7)
(Charged)/ Credited to income statement	(23.8)	-	15.4	(8.4)
Transfer (from)/ to current tax	(1.2)	-	1.7	0.5
Translation differences	(0.4)	-	(0.6)	(1.0)
Balance as at 31 March 2020	(485.3)	(5.3)	(154.0)	(644.6)

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12. TAXATION (Cont'd)

12.2 Deferred Taxes (Cont'd)

Group - 2019	Provisions	TWDV ⁽¹⁾ in excess of NBV ⁽²⁾ of depreciable assets	Tax losses and unutilised capital allowances	Others	Total
Deferred tax assets	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Balance as at 1 April 2018	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

Group - 2019	Accelerated tax depreciation	Offshore interest and dividend not remitted	Others	Total
Deferred tax liabilities	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Balance as at 1 April 2018	(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 a 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)

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12. TAXATION (Cont'd)

12.2 Deferred Taxes (Cont'd)

Company - 2020 Deferred tax assets	Provisions S\$ Mil	Others S\$ Mil	Total S\$ Mil
Balance as at 1 April 2019, previously reported	0.4	11.9	12.3
Effects of adoption of SFRS(I) 16	-	116.7	116.7
Balance as at 1 April 2019, restated	0.4	128.6	129.0
Charged to income statement	-	(6.5)	(6.5)
Balance as at 31 March 2020	0.4	122.1	122.5

Company - 2020 Deferred tax liabilities	Accelerated tax depreciation S\$ Mil	Others S\$ Mil	Total S\$ Mil
Balance as at 1 April 2019, previously reported	(286.8)	-	(286.8)
Effects of adoption of SFRS(I) 16	-	(95.8)	(95.8)
Balance as at 1 April 2019, restated	(286.8)	(95.8)	(382.6)
(Charged)/ Credited to income statement	(22.6)	7.2	(15.4)
Balance as at 31 March 2020	(309.4)	(88.6)	(398.0)

Company - 2019 Deferred tax assets	Provisions S\$ Mil	Others S\$ Mil	Total S\$ Mil
Balance as at 1 April 2018	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	(279.5)	(279.5)
Charged to income statement	(7.3)	(7.3)
Balance as at 31 March 2019	(286.8)	(286.8)

Notes:

- (1) TWDV – Tax written down value
(2) NBV – Net book value

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12. TAXATION (Cont'd)

12.2 Deferred Taxes (Cont'd)

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, were shown in the statements of financial position as follows –

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Deferred tax assets	234.2	276.6	-	-
Deferred tax liabilities	(525.5)	(515.1)	(275.5)	(274.5)
	(291.3)	(238.5)	(275.5)	(274.5)

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 2020, the subsidiaries of the Group had estimated unutilised income tax losses of approximately S\$1.61 billion (31 March 2019: S\$1.65 billion), of which S\$81 million (31 March 2019: S\$25 million) will expire in the next five years and S\$952 million (31 March 2019: S\$960 million) will expire from 2025 to 2040.

As at 31 March 2020, the subsidiaries of the Group also had estimated unutilised investment allowances of S\$43 million (31 March 2019: S\$46 million) and unutilised capital tax losses of S\$57 million (31 March 2019: S\$69 million). There were no unabsorbed capital allowances as at 31 March 2020 (31 March 2019: S\$19 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	
	2020 S\$ Mil	2019 S\$ Mil
Unutilised income tax losses and investment allowances, and unabsorbed capital allowances	1,653.8	1,711.8
Unutilised capital tax losses	56.5	69.3

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13. EARNINGS PER SHARE

	Group	
	2020 '000	2019 '000
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ⁽¹⁾	16,322,412	16,322,339
Adjustment for dilutive effects of performance share plans	26,816	19,963
Weighted average number of ordinary shares for calculation of diluted earnings per share	16,349,228	16,342,302

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.

Notes to the Financial Statements

For the financial year ended 31 March 2020

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	
	2020 S\$ Mil	2019 S\$ Mil
Income		
Subsidiaries of ultimate holding company		
Telecommunications	86.8	100.3
Rental and maintenance	30.2	28.8
Associates		
Telecommunications	5.7	8.8
Joint ventures		
Telecommunications	38.1	48.3
Expenses		
Subsidiaries of ultimate holding company		
Telecommunications	40.8	35.2
Utilities	89.8	80.9
Depreciation of right-of-use assets (under SFRS(I) 16)	34.5	-
Interest expense on lease liabilities (under SFRS(I) 16)	10.2	-
Associates		
Telecommunications	130.7	149.3
Postal	6.7	7.8
Maintenance	8.0	6.5
Joint ventures		
Telecommunications	9.7	32.8
Transmission capacity	7.9	7.5
Others		
Subsidiaries of ultimate holding company		
Right-of-use assets (under SFRS(I) 16)	201.2	-
Lease liabilities (under SFRS(I) 16)	278.4	-
Associates		
Sale and leaseback gain from associate	-	42.4
Proceeds from sale of property, plant and equipment	-	2.4
Due from subsidiaries of ultimate holding company	18.3	37.1
Due to subsidiaries of ultimate holding company	10.7	11.0

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.

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15. CASH AND CASH EQUIVALENTS

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Fixed deposits	152.0	153.5	65.7	42.4
Cash and bank balances	847.6	359.2	31.6	39.2
	999.6	512.7	97.3	81.6

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 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
USD	131.0	106.5	69.8	44.8
HKD	21.8	22.3	1.8	*
EUR	15.1	4.1	5.7	0.5

*** denotes less than S\$0.05 million.

The maturities of the fixed deposits were as follows –

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Less than three months	137.2	142.9	65.7	42.4
Over three months	14.8	10.6	-	-
	152.0	153.5	65.7	42.4

As at 31 March 2020, the weighted average effective interest rate of the fixed deposits of the Group and the Company were 0.8% (31 March 2019: 2.1%) per annum and 0.5% (31 March 2019: 2.2%) per annum respectively.

The exposure of cash and cash equivalents to interest rate risks is disclosed in **Note 37.3**.

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16. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Current				
Trade receivables	2,126.2	2,341.3	423.1	422.2
Contract assets	2,555.6	2,591.0	16.9	22.0
	4,681.8	4,932.3	440.0	444.2
Less: Allowance for ECL	(310.8)	(259.7)	(93.5)	(94.3)
	4,371.0	4,672.6	346.5	349.9
Other receivables	399.7	421.9	34.3	22.8
Loans to subsidiaries	-	-	116.1	122.4
Less: Allowance for ECL	-	-	-	(9.3)
	-	-	116.1	113.1
Amount due from subsidiaries				
- trade	-	-	879.1	828.8
- non-trade	-	-	691.3	585.6
Less: Allowance for ECL	-	-	(70.1)	(45.4)
	-	-	1,500.3	1,369.0
Amount due from associates and joint ventures				
- trade	17.2	30.3	1.7	1.3
- non-trade	142.3	98.9	2.4	2.0
	159.5	129.2	4.1	3.3
Prepayments	545.8	685.0	46.5	73.5
Interest receivable	66.0	70.3	17.5	29.3
Others	17.4	13.7	-	-
	5,559.4	5,992.7	2,065.3	1,960.9

"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 2020, the effective interest rate of an amount due from a subsidiary of S\$387.1 million (31 March 2019: S\$331.0 million) was 0.004% (31 March 2019: 0.33%) per annum. The loans to subsidiaries and amounts due from other subsidiaries, associates and joint ventures were unsecured, interest-free and repayable on demand.

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For the financial year ended 31 March 2020

16. TRADE AND OTHER RECEIVABLES (Cont'd)

The age analysis of trade receivables and contract assets (before allowance for expected credit loss) was as follows -

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Less than 60 days	4,189.7	4,393.5	292.3	297.1
61 to 120 days	144.2	173.2	38.9	61.2
More than 120 days	347.9	365.6	108.8	85.9
	4,681.8	4,932.3	440.0	444.2

The movements in the allowance for expected credit losses of trade receivables and contract assets were as follows -

	Group		Company	
	2020 S\$ Mil	2019 S\$ Mil	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	259.7	263.8	94.3	96.4
Acquisition of a subsidiary	-	0.9	-	-
Allowance	203.8	146.4	27.0	30.5
Utilisation of allowance	(120.9)	(120.3)	(26.9)	(26.6)
Write-back of allowance	(12.3)	(24.6)	(0.9)	(6.0)
Translation differences	(19.5)	(6.5)	-	-
Balance as at 31 March	310.8	259.7	93.5	94.3

The maximum exposure to credit risk for trade receivables and contract assets were as follows -

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Individuals	2,195.9	2,269.4	114.5	131.8
Corporations and others	2,175.1	2,403.2	232.0	218.1
	4,371.0	4,672.6	346.5	349.9

The expected credit losses for debts which are collectively assessed are estimated based on a provision matrix by reference to historical credit loss experience of the different segments, adjusted as appropriate to reflect current conditions and estimates of future economic conditions as applicable. The expected credit losses for debts which are individually assessed are based on an analysis of the debtor's current financial position and are adjusted for factors that are specific to the debtors.

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17. INVENTORIES

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Equipment held for resale	251.9	379.1	0.2	0.1
Maintenance and capital works' inventories	27.7	38.5	26.1	37.1
	279.6	417.6	26.3	37.2

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Company	
	2020 S\$ Mil	2019 S\$ Mil	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	280.0	64.6	(65.7)	(135.1)
Fair value gains				
- included in income statement	585.8	163.5	155.6	50.1
- included in 'Hedging Reserve'	60.8	59.6	4.5	19.3
Settlement of swaps for bonds repaid	(173.9)	6.2	-	-
Translation differences	(34.9)	(13.9)	-	-
Balance as at 31 March	717.8	280.0	94.4	(65.7)

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Disclosed as -				
Current asset	337.2	155.1	5.3	0.7
Non-current asset	517.5	283.6	134.2	125.9
Current liability	(14.0)	(9.2)	-	(0.5)
Non-current liability	(122.9)	(149.5)	(45.1)	(191.8)
	717.8	280.0	94.4	(65.7)

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18. DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

18.1 Fair Values

The fair values of the currency and interest rate swap contracts exclude accrued interest of S\$10.6 million (31 March 2019: S\$16.3 million). The accrued interest is separately disclosed in **Note 16** and **Note 28**.

The fair values of the derivative financial instruments were as follows –

	Group		Company	
	Fair values		Fair values	
	Assets	Liabilities	Assets	Liabilities
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
2020				
Fair value and cash flow hedges				
Cross currency swaps	792.9	15.4	123.2	15.4
Interest rate swaps	17.9	121.5	-	29.7
Forward foreign exchange contracts	43.9	-	16.3	-
	854.7	136.9	139.5	45.1
Disclosed as -				
Current	337.2	14.0	5.3	-
Non-current	517.5	122.9	134.2	45.1
	854.7	136.9	139.5	45.1
2019				
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

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18. DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

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 2021, 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 29**.

As at 31 March 2020, the details of the outstanding derivative financial instruments were as follows -

	Group		Company	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Interest rate swaps				
Notional principal (S\$ million equivalent)	3,832.4	2,557.4	703.4	2,663.4
Fixed interest rates	1.6% - 5.4%	2.0% - 6.2%	1.9% - 3.9%	2.0% - 4.5%
Floating interest rates	0.2% - 1.9%	1.8% - 3.6%	-	1.8% - 3.6%
Cross currency swaps				
Notional principal (S\$ million equivalent)	5,891.5	4,600.2	712.7	5,014.4
Fixed interest rates	2.6% - 7.5%	2.6% - 7.5%	5.2%	2.4% - 5.2%
Floating interest rates	1.3% - 3.5%	2.3% - 4.0%	3.0% - 3.5%	2.3% - 4.0%
Forward foreign exchange				
Notional principal (S\$ million equivalent)	604.6	705.7	242.2	306.3

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 into by the Company are re-priced every six months.

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19. PROPERTY, PLANT AND EQUIPMENT

Group – 2020	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 2019	20.3	252.5	910.2	20,037.4	2,522.8	7,537.0	1,662.0	32,942.2
Additions (net of rebates)	-	-	5.1	84.4	14.9	198.4	1,748.4	2,051.2
Disposals/ Write-offs	-	-	(11.9)	(113.0)	(172.3)	(998.6)	(41.2)	(1,337.0)
Reclassifications/ Adjustments	1.3	(252.5)	6.8	1,158.6	420.3	106.0	(1,730.7)	(290.2)
Translation differences	(1.9)	-	(26.7)	(1,434.4)	(109.6)	(326.1)	(76.6)	(1,975.3)
Balance as at 31 March 2020	19.7	-	883.5	19,733.0	2,676.1	6,516.7	1,561.9	31,390.9
Accumulated depreciation								
Balance as at 1 April 2019	-	72.2	380.7	14,005.6	1,951.4	5,447.1	-	21,857.0
Depreciation charge for the year	-	-	42.6	1,010.4	117.2	655.4	-	1,825.6
Disposals/ Write-offs	-	-	(4.8)	(111.9)	(171.3)	(998.3)	-	(1,286.3)
Reclassifications/ Adjustments	-	(72.2)	-	-	-	(8.5)	-	(80.7)
Translation differences	-	-	(2.4)	(998.7)	(57.5)	(254.7)	-	(1,313.3)
Balance as at 31 March 2020	-	-	416.1	13,905.4	1,839.8	4,841.0	-	21,002.3
Accumulated impairment								
Balance as at 1 April 2019	-	2.0	7.3	5.4	0.3	19.8	-	34.8
Disposals/ Write-offs	-	-	(6.9)	-	-	-	-	(6.9)
Reclassifications/ Adjustments	-	(2.0)	-	-	-	-	-	(2.0)
Translation differences	-	-	-	-	-	(1.1)	-	(1.1)
Balance as at 31 March 2020	-	-	0.4	5.4	0.3	18.7	-	24.8
Net Book Value as at 31 March 2020	19.7	-	467.0	5,822.2	836.0	1,657.0	1,561.9	10,363.8

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19. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

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Group - 2019	Freehold	Leasehold	Buildings	Transmission	Switching	Other	Capital	Total
	land	land	SS Mil	plant and	equipment	plant and	work-in-	SS Mil
	SS Mil	SS Mil	SS Mil	equipment	equipment	equipment	progress	SS Mil
Cost								
Balance as at 1 April 2018	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	-	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

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19. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Company - 2020	Freehold land S\$ Mil	Leasehold land S\$ Mil	Buildings		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
			S\$ Mil	S\$ Mil					
Cost									
Balance as at 1 April 2019	0.4	229.4	524.4	3,120.4	688.2	1,972.1	529.3	7,064.2	
Additions (net of rebates)	-	-	4.3	26.0	1.2	107.5	325.9	464.9	
Disposals/ Write-offs	-	-	(10.1)	(54.7)	(154.9)	(54.7)	(41.2)	(315.6)	
Reclassifications	-	(229.4)	2.5	90.0	27.1	84.2	(203.8)	(229.4)	
Balance as at 31 March 2020	0.4	-	521.1	3,181.7	561.6	2,109.1	610.2	6,984.1	
Accumulated depreciation									
Balance as at 1 April 2019	-	62.7	310.4	2,429.8	619.5	1,378.5	-	4,800.9	
Depreciation charge for the year	-	-	15.8	102.7	30.7	151.8	-	301.0	
Disposals/ Write-offs	-	-	(3.1)	(53.6)	(154.1)	(54.5)	-	(265.3)	
Reclassifications	-	(62.7)	-	-	-	-	-	(62.7)	
Balance as at 31 March 2020	-	-	323.1	2,478.9	496.1	1,475.8	-	4,773.9	
Accumulated impairment									
Balance as at 1 April 2019	-	2.0	7.2	4.1	-	-	-	13.3	
Disposals/ Write-offs	-	-	(6.9)	-	-	-	-	(6.9)	
Reclassifications	-	(2.0)	-	-	-	-	-	(2.0)	
Balance as at 31 March 2020	-	-	0.3	4.1	-	-	-	4.4	
Net Book Value as at 31 March 2020	0.4	-	197.7	698.7	65.5	633.3	610.2	2,205.8	

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19. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

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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	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	-	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	-	2.0	7.2	4.1	-	-	-	13.3
and 31 March 2019	-	-	-	-	-	-	-	-
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

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19. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Property, plant and equipment included the following -

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Net book value of property, plant and equipment				
Staff costs capitalised	200.2	188.3	31.4	25.9

20. RIGHT-OF-USE ASSETS

Group - 2020	Mobile base stations/ Central offices S\$ Mil	Other properties S\$ Mil	Equipment S\$ Mil	Others S\$ Mil	Total S\$ Mil
Cost					
Balance as at 1 April 2019	1,518.3	577.1	458.3	9.4	2,563.1
Additions (net of rebates)	112.3	62.8	41.7	2.0	218.8
Disposals/ Write-offs	(2.4)	(81.5)	-	-	(83.9)
Reclassifications/ Adjustments	6.0	244.4	26.3	-	276.7
Translation differences	(138.1)	(4.1)	2.1	(1.0)	(141.1)
Balance as at 31 March 2020	1,496.1	798.7	528.4	10.4	2,833.6
Accumulated depreciation					
Balance as at 1 April 2019	-	191.4	139.2	-	330.6
Depreciation charge for the year	267.2	81.0	50.6	4.2	403.0
Disposals/ Write-offs	-	(22.7)	-	-	(22.7)
Reclassifications/ Adjustments	3.0	70.7	5.1	-	78.8
Translation differences	(16.0)	(0.9)	0.5	(0.2)	(16.6)
Balance as at 31 March 2020	254.2	319.5	195.4	4.0	773.1
Net Book Value as at 31 March 2020	1,241.9	479.2	333.0	6.4	2,060.5

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20. RIGHT-OF-USE ASSETS (Cont'd)

Company – 2020	Central offices S\$ Mil	Other properties S\$ Mil	Equipment S\$ Mil	Others S\$ Mil	Total S\$ Mil
Cost					
Balance as at 1 April 2019	12.9	426.2	454.2	0.5	893.8
Additions (net of rebates)	-	3.4	11.5	-	14.9
Disposals/ Write-offs	-	(81.5)	-	-	(81.5)
Reclassifications/ Adjustments	6.0	223.4	-	-	229.4
Balance as at 31 March 2020	18.9	571.5	465.7	0.5	1,056.6
Accumulated depreciation					
Balance as at 1 April 2019	-	191.4	139.2	-	330.6
Depreciation charge for the year	6.4	13.2	40.7	0.2	60.5
Disposals/ Write-offs	-	(22.7)	-	-	(22.7)
Reclassifications/ Adjustments	3.0	61.7	-	-	64.7
Balance as at 31 March 2020	9.4	243.6	179.9	0.2	433.1
Net book value as at 31 March 2020	9.5	327.9	285.8	0.3	623.5

21. INTANGIBLE ASSETS

	Group	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Goodwill on acquisition of subsidiaries	11,429.9	11,538.3
Telecommunications and spectrum licences	2,024.7	2,116.2
Technology and brand	143.9	183.9
Customer relationships and others	137.4	178.3
	13,735.9	14,016.7

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21. INTANGIBLE ASSETS (Cont'd)

21.1 Goodwill on Acquisition of Subsidiaries

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	11,538.3	11,372.2
Acquisition of subsidiaries	-	109.9
Impairment charge for the year	(194.8)	-
Translation differences	86.4	56.2
Balance as at 31 March	11,429.9	11,538.3
Cost	11,632.3	11,538.3
Accumulated impairment	(202.4)	-
Net book value as at 31 March	11,429.9	11,538.3

21.2 Telecommunications and Spectrum Licences

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	2,116.2	2,355.5
Additions	286.1	130.2
Amortisation for the year	(205.9)	(210.0)
Reclassification/ Adjustment	-	(71.8)
Translation differences	(171.7)	(87.7)
Balance as at 31 March	2,024.7	2,116.2
Cost	3,610.0	3,622.9
Accumulated amortisation	(1,579.1)	(1,500.5)
Accumulated impairment	(6.2)	(6.2)
Net book value as at 31 March	2,024.7	2,116.2

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21. INTANGIBLE ASSETS (Cont'd)

21.3 Technology and Brand

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	183.9	204.6
Acquisition of a subsidiary	-	18.8
Amortisation for the year	(47.8)	(46.5)
Translation differences	7.8	7.0
Balance as at 31 March	143.9	183.9
Cost	618.6	611.7
Accumulated amortisation	(382.0)	(334.8)
Accumulated impairment	(92.7)	(93.0)
Net book value as at 31 March	143.9	183.9

21.4 Customer Relationships and Others

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	178.3	36.8
Additions	72.6	86.6
Amortisation for the year	(98.0)	(69.6)
Impairment charge for the year	(1.9)	-
Disposals	(21.7)	(0.1)
Reclassification/ Adjustment	-	125.3
Translation differences	8.1	(0.7)
Balance as at 31 March	137.4	178.3
Cost	491.6	437.1
Accumulated amortisation	(352.3)	(258.8)
Accumulated impairment	(1.9)	-
Net book value as at 31 March	137.4	178.3

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22. SUBSIDIARIES

	Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Unquoted equity shares, at cost	15,036.1	14,259.7
Shareholders' advances	5,733.0	5,733.0
Deemed investment in a subsidiary	32.5	32.5
	20,801.6	20,025.2
Less: Allowance for impairment losses	(1,122.4)	(16.0)
	19,679.2	20,009.2

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 46.1** to **Note 46.3**.

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23. JOINT VENTURES

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Quoted equity shares, at cost	3,533.4	2,798.4	-	-
Unquoted equity shares, at cost	5,791.5	5,777.9	22.8	22.8
	9,324.9	8,576.3	22.8	22.8
Goodwill on consolidation adjusted against shareholders' equity	(1,225.9)	(1,225.9)	-	-
Share of post-acquisition reserves (net of dividends, and accumulated amortisation of goodwill)	8,012.8	9,635.7	-	-
Translation differences	(4,444.1)	(4,098.2)	-	-
	2,342.8	4,311.6	-	-
Less: Allowance for impairment losses	(30.0)	(30.0)	-	-
	11,637.7	12,857.9	22.8	22.8

As at 31 March 2020,

- (i) The market value of the quoted equity shares in joint ventures held by the Group was S\$24.55 billion (31 March 2019: S\$18.89 billion).
- (ii) The Group's proportionate interest in the capital commitments of joint ventures was S\$2.45 billion (31 March 2019: S\$1.97 billion).

The details of joint ventures are set out in **Note 46.5**.

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 2019: 50%) in the assets, with access to the shared network and shares 50% (31 March 2019: 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 amounting to S\$1.08 billion (31 March 2019: S\$1.10 billion).

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23. 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 – 2020	Airtel S\$ Mil	Telkomsel S\$ Mil	Globe S\$ Mil	AIS S\$ Mil
Statement of comprehensive income				
Revenue	16,982.6	8,848.6	4,464.7	8,002.1
Depreciation and amortisation	(5,371.8)	(1,893.5)	(935.4)	(2,233.4)
Interest income	336.1	47.3	10.1	10.9
Interest expense	(2,701.7)	(262.4)	(178.9)	(227.0)
Income tax credit/ (expense)	2,350.8	(811.9)	(280.5)	(257.0)
(Loss)/ Profit after tax	(5,995.8)	2,527.6	590.5	1,325.1
Other comprehensive (loss)/ income	(230.2)	(40.3)	(44.2)	3.1
Total comprehensive (loss)/ income	(6,226.0)	2,487.3	546.3	1,328.2
Statement of financial position				
Current assets	14,470.6	2,062.7	2,002.7	2,401.9
Non-current assets	53,535.9	7,402.2	6,886.5	13,862.4
Current liabilities	(24,837.2)	(2,420.5)	(2,529.2)	(5,450.8)
Non-current liabilities	(24,135.3)	(2,177.3)	(3,996.7)	(8,002.2)
Net assets	19,034.0	4,867.1	2,363.3	2,811.3
Less: Non-controlling interests	(4,626.2)	*	4.1	(5.6)
Net assets attributable to equity holders	14,407.8	4,867.1	2,367.4	2,805.7
Proportion of the Group's ownership	33.3%	35.0%	47.0%	23.3% ⁽¹⁾
Group's share of net assets	4,796.3	1,703.5	1,113.4	654.3
Goodwill capitalised	1,238.5	1,403.6	381.1	313.2
Others ⁽²⁾	92.8	-	(143.6)	(17.0)
Carrying amount of the investment	6,127.6	3,107.1	1,350.9	950.5
Other items				
Cash and cash equivalents	3,000.6	1,194.7	405.6	1,406.4
Non-current financial liabilities excluding trade and other payables	(23,165.3)	(1,816.4)	(3,579.9)	(3,012.8)
Current financial liabilities excluding trade and other payables	(6,199.9)	(474.4)	(533.7)	(1,116.2)
Group's share of market value	15,118.3	NA	3,377.9	6,049.1
Dividends received during the year	-	905.7	154.3	212.4

"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).

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23. JOINT VENTURES (Cont'd)

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).

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23. JOINT VENTURES (Cont'd)

The aggregate information of the Group's investments in joint ventures which are not individually significant were as follows –

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Share of profit after tax	9.8	9.3
Share of other comprehensive income	1.0	*
Share of total comprehensive income	10.8	9.3
Aggregate carrying value	101.6	84.8

*** denotes amount of less than S\$0.05 million

24. ASSOCIATES

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Quoted equity shares, at cost	1,733.4	1,733.4	24.7	24.7
Unquoted equity shares, at cost	88.7	79.2	-	-
	1,822.1	1,812.6	24.7	24.7
Goodwill on consolidation adjusted against shareholders' equity	29.4	29.4	-	-
Share of post-acquisition reserves (net of dividends, and accumulated amortisation of goodwill)	79.5	135.1	-	-
Translation differences	179.1	138.6	-	-
	288.0	303.1	-	-
Less: Allowance for impairment losses	(5.0)	(5.0)	-	-
Reclassification to 'Net deferred gain' (see Note 32)	(31.0)	(50.5)	-	-
	2,074.1	2,060.2	24.7	24.7

As at 31 March 2020,

- (i) The market values of the quoted equity shares in associates held by the Group and the Company were S\$2.68 billion (31 March 2019: S\$2.98 billion) and S\$318.6 million (31 March 2019: S\$494.0 million) respectively.
- (ii) The Group's proportionate interest in the capital commitments of the associates was S\$257.4 million (31 March 2019: S\$139.9 million).

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24. ASSOCIATES (Cont'd)

The details of associates are set out in **Note 46.4**.

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 –

Group	2020 S\$ Mil	2019 S\$ Mil
Statement of comprehensive income		
Revenue	200.7	250.1
Profit after tax	468.4	451.7
Other comprehensive income/ (loss)	5.7	(0.9)
Total comprehensive income	474.1	450.8
Statement of financial position		
Current assets	712.0	743.1
Non-current assets	1,588.6	1,532.5
Current liabilities	(388.0)	(305.1)
Non-current liabilities	(198.8)	(205.5)
Net assets	1,713.8	1,765.0
Less: Non-controlling interests	(257.4)	(304.6)
Net assets attributable to equity holders	1,456.4	1,460.4
Proportion of the Group's ownership	21.0%	21.0%
Group's share of net assets	305.9	306.7
Goodwill and other identifiable intangible assets	1,465.6	1,441.7
Others ⁽¹⁾	(73.0)	(46.8)
Carrying amount of the investment	1,698.5	1,701.6
Other items		
Group's share of market value	1,461.3	1,653.2
Dividends received during the year	73.3	78.5

Note:

⁽¹⁾ Others include adjustments to align the respective local accounting standards to SFRS(I).

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24. ASSOCIATES (Cont'd)

The aggregate information of the Group's investments in associates which are not individually significant were as follows –

	Group	
	2020 S\$ Mil	2019 S\$ Mil
Share of profit after tax	57.7	49.7
Share of other comprehensive (loss)/ income	(3.1)	0.4
Share of total comprehensive income	54.6	50.1

25. IMPAIRMENT REVIEWS

Goodwill arising on acquisition of subsidiaries

The carrying values of the Group's goodwill on acquisition of subsidiaries as at 31 March 2020 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 is fully allocated to Consumer Australia included in the Group Consumer segment for the purpose of goodwill impairment testing.

The recoverable values of CGUs including goodwill are assessed based on discounted cash flow models using cash flow projections from 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 ten years 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 discounted cash flow models 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.

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25. IMPAIRMENT REVIEWS (Cont'd)

The details are shown in the table below:

Group	31 March	31 March	Terminal growth rate ⁽¹⁾		Pre-tax discount rate	
	2020	2019	31 March	31 March	31 March	31 March
	S\$ Mil	S\$ Mil	2020	2019	2020	2019
Carrying value of goodwill in -						
Optus Group	9,259.5	9,272.2	3.0%	3.0%	7.1%	8.4%
Global Cyber Security business ⁽²⁾	1,097.4	1,046.6	3.5%	4.0%	11.4%	12.0%
Amobee, Inc. ("Amobee")	990.8	1,137.3	3.0%	3.0%	13.7%	14.3%
SCS Computer Systems Pte. Ltd. ("SCS")	82.2	82.2	2.0%	2.0%	7.0%	7.8%

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.

As at 31 March 2020, no impairment charge was required for goodwill arising from acquisition of Optus Group, Global Cyber Security business and SCS.

For Amobee, an impairment loss of S\$195 million (2019: nil), which was fully allocated to goodwill, was recognised during the financial year. Amobee's recoverable value was impacted by shifts in the advertising industry spend towards programmatic platform, leading to sustained decline in its legacy businesses. Following the impairment loss recognised in the Amobee CGU, the recoverable amount was equal to the carrying amount.

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26. FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") INVESTMENTS

	Group		Company	
	2020 S\$ Mil	2019 S\$ Mil	2020 S\$ Mil	2019 S\$ Mil
Balance as at 1 April	646.9	197.9	5.3	5.5
Additions	87.5	437.1	-	-
Disposals/ Write-offs	(34.5)	(9.6)	-	-
Net fair value (losses)/ gains included in 'Other Comprehensive Income'	(184.9)	13.2	(1.3)	(0.2)
Translation differences	*	8.3	-	-
Balance as at 31 March	515.0	646.9	4.0	5.3

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Cost	718.5	646.5	3.3	3.3
Fair value changes	(203.5)	0.4	0.7	2.0
	515.0	646.9	4.0	5.3

* denotes less than S\$0.05 million.

FVOCI investments included the following –

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Quoted equity securities				
- Africa	150.2	-	-	-
- Singapore	4.0	5.3	4.0	5.3
- United States of America	4.2	16.6	-	-
	158.4	21.9	4.0	5.3
Unquoted				
Equity securities	334.5	600.8	-	-
Others	22.1	24.2	-	-
	356.6	625.0	-	-
	515.0	646.9	4.0	5.3

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27. OTHER ASSETS

	Group		Company	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Non-current	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Capitalised contract costs (net)	319.5	273.4	*	0.1
Prepayments	129.3	157.8	105.7	130.6
Tax recoverable from ATO ⁽¹⁾	117.2	128.5	-	-
Other receivables	74.4	84.7	-	-
	640.4	644.4	105.7	130.7

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 42(b)).

The movements in capitalised contract costs (net) were as follows -

	Group		Company	
	2020	2019	2020	2019
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Balance as at 1 April	273.4	235.0	0.1	1.2
Contract costs incurred	293.8	296.4	-	0.2
Amortisation to operating expenses	(85.4)	(132.9)	(0.1)	(1.3)
Amortisation to mobile service revenue	(150.2)	(121.4)	-	-
Translation differences	(12.1)	(3.7)	-	-
Balance as at 31 March	319.5	273.4	*	0.1

** denotes less than S\$0.05 million.

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28. TRADE AND OTHER PAYABLES

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Trade payables	4,407.1	4,455.2	705.7	657.2
Accruals	813.7	844.3	207.4	226.0
Interest payable on borrowings and swaps	118.6	132.1	29.4	40.3
Contract liabilities (handset sales)	69.2	111.7	-	-
Deferred income	31.6	54.5	4.0	26.6
Customers' deposits	24.5	33.6	17.2	19.3
Due to associates and joint ventures				
- trade	23.3	47.7	14.9	21.5
- non-trade	0.1	0.1	-	-
	23.4	47.8	14.9	21.5
Due to subsidiaries				
- trade	-	-	196.2	371.9
- non-trade	-	-	1,201.8	340.4
	-	-	1,398.0	712.3
Other payables	152.8	137.9	40.5	34.3
	5,640.9	5,817.1	2,417.1	1,737.5

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.

29. BORROWINGS (UNSECURED)

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Current				
Bonds	2,033.4	678.5	-	-
Bank loans	1,554.8	1,167.7	-	-
	3,588.2	1,846.2	-	-
Non-current				
Bonds	7,323.1	7,267.5	942.5	786.5
Bank loans	1,060.9	1,466.9	-	-
	8,384.0	8,734.4	942.5	786.5
Total unsecured borrowings	11,972.2	10,580.6	942.5	786.5

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29. BORROWINGS (UNSECURED) (Cont'd)

29.1 Bonds

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Principal amount				
US\$2,850 million ⁽¹⁾ (31 March 2019: US\$2,100 million)	4,040.7	2,832.0	-	-
US\$500 million ⁽¹⁾	942.5	786.5	942.5	786.5
US\$500 million ⁽¹⁾⁽²⁾	-	678.5	-	-
€1,200 million ⁽¹⁾⁽²⁾ (31 March 2019: €700 million)	1,885.4	1,076.8	-	-
A\$1,150 million ⁽²⁾	1,004.0	1,100.1	-	-
S\$600 million ⁽¹⁾	600.0	599.8	-	-
S\$550 million	549.9	549.8	-	-
S\$150 million ⁽²⁾	150.0	149.9	-	-
HK\$1,000 million ⁽²⁾	184.0	172.6	-	-
	9,356.5	7,946.0	942.5	786.5
Classified as -				
Current	2,033.4	678.5	-	-
Non-current	7,323.1	7,267.5	942.5	786.5
	9,356.5	7,946.0	942.5	786.5

Notes:

⁽¹⁾ The bonds are listed on the Singapore Exchange Limited.

⁽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.

29.2 Bank Loans

	Group	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Current	1,554.8	1,167.7
Non-current	1,060.9	1,466.9
	2,615.7	2,634.6

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29. BORROWINGS (UNSECURED) (Cont'd)

29.3 Maturity

The maturity periods of the non-current unsecured borrowings at the end of the reporting period were as follows -

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Between 1 and 5 years	3,468.8	5,927.3	-	-
Over 5 years	4,915.2	2,807.1	942.5	786.5
	8,384.0	8,734.4	942.5	786.5

29.4 Interest Rates

The weighted average effective interest rates at the end of the reporting period were as follows -

	Group		Company	
	31 March 2020 %	31 March 2019 %	31 March 2020 %	31 March 2019 %
Bonds (fixed rate)	3.4	3.9	7.4	7.4
Bank loans (floating rate)	1.1	2.5	-	-

29.5 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 5 years S\$ Mil	Over 5 years S\$ Mil
As at 31 March 2020			
Net-settled interest rate swaps	23.0	27.4	22.4
Cross currency interest rate swaps (gross-settled)			
- Inflow	(208.0)	(550.1)	(644.0)
- Outflow	138.6	475.8	504.4
	(46.4)	(46.9)	(117.2)
Borrowings	3,604.4	4,104.6	5,369.8
	3,558.0	4,057.7	5,252.6
As at 31 March 2019			
Net-settled interest rate swaps	36.3	16.7	9.0
Cross currency interest rate swaps (gross-settled)			
- Inflow	(339.4)	(878.0)	(881.4)
- Outflow	289.9	760.2	746.5
	(13.2)	(101.1)	(125.9)
Borrowings	2,033.8	6,458.5	3,524.0
	2,020.6	6,357.4	3,398.1

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29. BORROWINGS (UNSECURED) (Cont'd)

Company	Less than 1 year S\$ Mil	Between 1 and 5 years S\$ Mil	Over 5 years S\$ Mil
As at 31 March 2020			
Net-settled interest rate swaps	3.8	8.7	8.5
Cross currency interest rate swaps (gross-settled)			
- Inflow	(52.6)	(210.3)	(367.9)
- Outflow	32.0	128.2	224.1
	(16.8)	(73.4)	(135.3)
Borrowings	52.6	210.3	1,249.2
	35.8	136.9	1,113.9
As at 31 March 2019			
Net-settled interest rate swaps	1.0	3.9	7.8
Cross currency interest rate swaps (gross-settled)			
- Inflow	(183.6)	(602.8)	(715.0)
- Outflow	168.8	544.1	597.8
	(13.8)	(54.8)	(109.4)
Borrowings	50.0	199.9	1,281.1
	36.2	145.1	1,171.7

30. BORROWINGS (SECURED)

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Current				
Lease liabilities	382.3	34.0	63.2	4.8
	382.3	34.0	63.2	4.8
Non-current				
Lease liabilities	1,818.1	49.5	581.2	7.7
	1,818.1	49.5	581.2	7.7
Total secured borrowings	2,200.4	83.5	644.4	12.5

As at 31 March 2019, secured borrowings were finance lease liabilities in respect of certain assets leased from NetLink Trust. With the adoption of SFRS(I) 16 *Leases* from 1 April 2019, the finance lease liabilities were reclassified to lease liabilities. As at 31 March 2020, secured borrowings were lease liabilities in respect of right-of-use assets.

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30. BORROWINGS (SECURED) (Cont'd)

30.1 Maturity

The maturity periods of the non-current secured borrowings at the end of the reporting period were as follows –

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Between 1 and 5 years	956.4	49.5	236.6	7.7
Over 5 years	861.7	-	344.6	-
	1,818.1	49.5	581.2	7.7

30.2 The tables below set out the maturity profile of lease liabilities based on expected contractual undiscounted cash flows –

Group	Less than 1 year S\$ Mil	Between 1 and 5 years S\$ Mil	Over 5 years S\$ Mil
As at 31 March 2020			
Lease liabilities	450.3	1,140.7	990.3
Company			
	Less than 1 year S\$ Mil	Between 1 and 5 years S\$ Mil	Over 5 years S\$ Mil
As at 31 March 2020			
Lease liabilities	87.2	310.8	421.9

30.3 Finance Lease Liabilities

As at 31 March 2019, the minimum lease payments under the finance lease liabilities were payable as follows –

As at 31 March 2019	Group S\$ Mil	Company S\$ Mil
Within 1 year	38.2	5.5
Between 1 and 5 years	52.6	8.0
Over 5 years	-	-
	90.8	13.5
Less: Future finance charges	(7.3)	(1.0)
	83.5	12.5

The weighted average effective interest rates per annum for the Group and the Company as at 31 March 2019 were 7.1% and 7.3% respectively.

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31. RECONCILIATION OF LIABILITIES FROM FINANCING ACTIVITIES

Group - 2020	Bonds S\$ Mil	Bank loans S\$ Mil	Lease liabilities S\$ Mil	Interest payable S\$ Mil	Derivative financial instruments S\$ Mil
As at 1 April 2019	7,946.0	2,634.6	83.5	132.1	(280.0)
Financing cash flows ⁽¹⁾	1,113.4	16.7	(403.9)	(463.3)	173.9
Non-cash changes:					
Fair value adjustments	149.6	-	-	-	(214.8)
Amortisation of bond discount	(2.6)	-	-	-	-
Foreign exchange movements	150.1	(35.6)	(125.7)	*	(396.9)
Additions of lease liabilities	-	-	2,646.5	-	-
Interest expense	-	-	-	449.8	-
	297.1	(35.6)	2,520.8	449.8	(611.7)
As at 31 March 2020	9,356.5	2,615.7	2,200.4	118.6	(717.8)

* * denotes less than S\$0.05 million.

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 liabilities	-	-	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.

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32. NET DEFERRED GAIN

	Group	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Unamortised deferred gain	425.5	446.3
Reclassification from 'Associates' (see Note 24)	(31.0)	(50.5)
Net deferred gain	394.5	395.8
Classified as -		
Current	20.8	20.8
Non-current	373.7	375.0
	394.5	395.8

NetLink Trust ("NLT") is a business trust established as part of the Infocomm 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. With the divestment, Singtel ceased to own units in NLT but holds an interest of 24.8% in the Trust which owns all the units in NLT.

33. OTHER NON-CURRENT LIABILITIES

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Performance share liability	6.8	5.4	6.8	5.4
Other payables	141.5	284.4	11.9	21.1
	148.3	289.8	18.7	26.5

Other payables mainly relate to accruals of rental for certain network sites, long-term employee entitlements and asset retirement obligations.

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34. SHARE CAPITAL

Group and Company	Number of shares Mil	Share capital S\$ Mil
Balance as at 31 March 2020 and 31 March 2019	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.

Capital Management

The Group is committed to delivering sustainable dividends, 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.

35. DIVIDENDS

	Group		Company	
	2020 S\$ Mil	2019 S\$ Mil	2020 S\$ Mil	2019 S\$ Mil
Final dividend of 10.7 cents (2019: 10.7 cents) per share, paid	1,746.7	1,746.7	1,747.2	1,747.2
Interim dividend of 6.8 cents (2019: 6.8 cents) per share, paid	1,110.0	1,109.9	1,110.4	1,110.4
	2,856.7	2,856.6	2,857.6	2,857.6

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 2019. 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 2020.

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 5.45 cents per share, totalling approximately S\$890 million in respect of the current financial year ended 31 March 2020 for approval at the forthcoming Annual General Meeting.

These financial statements do not reflect the above final dividend payable of approximately S\$890 million, which will be accounted for in the 'Shareholders' Equity' as an appropriation of 'Retained Earnings' in the next financial year ending 31 March 2021.

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36. 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 -

- quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);
- 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
- inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

36.1 Financial assets and liabilities measured at fair value

Group 31 March 2020	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments (Note 26)				
- Quoted equity securities	158.4	-	-	158.4
- Unquoted investments	-	-	356.6	356.6
	158.4	-	356.6	515.0
Derivative financial instruments (Note 18)	-	854.7	-	854.7
	158.4	854.7	356.6	1,369.7
Financial liabilities				
Derivative financial instruments (Note 18)	-	136.9	-	136.9
	-	136.9	-	136.9
Group 31 March 2019				
Financial assets				
FVOCI investments (Note 26)				
- 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

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36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (Cont'd)

36.1 Financial assets and liabilities measured at fair value (Cont'd)

Company 31 March 2020	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments (Note 26)				
- Quoted equity securities	4.0	-	-	4.0
Derivative financial instruments (Note 18)	-	139.5	-	139.5
	4.0	139.5	-	143.5
Financial liabilities				
Derivative financial instruments (Note 18)	-	45.1	-	45.1
	-	45.1	-	45.1
Company 31 March 2019				
	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments (Note 26)				
- 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

See Note 2.17 for the policies on fair value estimation of the financial assets and liabilities.

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36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (Cont'd)

36.1 Financial assets and liabilities measured at fair value (Cont'd)

The following table presents the reconciliation for the unquoted FVOCI investments measured at fair value based on unobservable inputs (Level 3) -

	Group	
	2020 S\$ Mil	2019 S\$ Mil
FVOCI investments - unquoted		
Balance as at 1 April	625.0	187.9
Total gains included in 'Fair Value Reserve'	56.2	4.1
Additions	33.1	437.1
Disposals	(18.7)	(2.3)
Transfer out from Level 3 ⁽¹⁾	(339.1)	(10.1)
Translation differences	0.1	8.3
Balance as at 31 March	356.6	625.0

Note:

⁽¹⁾ Included the transfer of the Group's direct equity investment of 5.5% in Airtel Africa Plc, which was listed on the London Stock Exchange and Nigeria Stock Exchange during the year, to Level 1 of the fair value hierarchy.

36.2 Financial assets and liabilities not measured at fair value (but with fair value disclosed)

	Carrying Value	Fair value			Total S\$ Mil
	S\$ Mil	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
As at 31 March 2020					
Financial liabilities					
Group					
Bonds (Note 29.1)	9,356.5	7,848.9	1,951.0	-	9,799.9
Company					
Bonds (Note 29.1)	942.5	1,071.7	-	-	1,071.7
As at 31 March 2019					
Financial liabilities					
Group					
Bonds (Note 29.1)	7,946.0	6,235.4	2,013.0	-	8,248.4
Company					
Bonds (Note 29.1)	786.5	936.4	-	-	936.4

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36. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES *(Cont'd)*

36.2 Financial assets and liabilities not measured at fair value (but with fair value disclosed) *(Cont'd)*

See **Note 2.17** 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.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

37.1 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 2020, 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.

37.2 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 in **Note 6** and the foreign exchange difference on non-trade balances is disclosed in **Note 10**.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

37.2 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.

37.3 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 2020, after taking into account the effect of interest rate swaps, approximately 72% (31 March 2019: 66%) of the Group's borrowings were at fixed rates of interest.

As at 31 March 2020, 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\$15.8 million (2019: S\$15.4 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.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

37.3 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 increased by S\$124.7 million (31 March 2019: 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 2020, S\$2.83 billion (31 March 2019: S\$2.54 billion) of borrowings were 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.

37.4 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 counterparties 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.

37.5 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.

In April 2020, the Group obtained total credit facilities of S\$4.17 billion for general corporate purposes and refinancing of existing facilities.

The maturity profile of the Group's borrowings and related swaps based on expected contractual undiscounted cash flows is disclosed in **Note 29.5**.

37.6 Market Risk

The Group has investments in quoted equity shares. The market value of these investments will fluctuate with market conditions.

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38. SEGMENT INFORMATION

Segment information is presented based on the information reviewed by senior management for performance measurement and resource allocation.

The Group is structured into three business segments, Group Consumer, Group Enterprise and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, which focus on driving greater value and performance from the core carriage business including mobile, pay TV, fixed broadband and voice, as well as equipment sales. It also includes the Group's regional investments in 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, as well as two key digital businesses – mobile financial business, and gaming and digital content business.

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 has two key businesses – digital marketing (Amobee) as well as advanced analytics and intelligence capabilities (DataSpark). It also serves 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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38. SEGMENT INFORMATION (Cont'd)

The Group's reportable segments by the three business segments for the financial years ended 31 March 2020 and 31 March 2019 were as follows –

Group - 2020	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	9,371.0	6,025.9	1,145.4	-	16,542.3
Operating expenses	(6,404.1)	(4,488.5)	(1,195.8)	(91.3)	(12,179.7)
Other income	123.5	49.2	2.2	3.9	178.8
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	3,090.4	1,586.6	(48.2)	(87.4)	4,541.4
Share of pre-tax results of associates and joint ventures					
- Airtel	(403.2)	-	-	-	(403.2)
- Telkomsel	1,168.9	-	-	-	1,168.9
- Globe	410.2	-	-	-	410.2
- AIS	365.0	-	-	-	365.0
- Intouch	101.0	-	-	-	101.0
- Others	1.3	-	-	99.4	100.7
	1,643.2	-	-	99.4	1,742.6
EBITDA and share of pre-tax results of associates and joint ventures	4,733.6	1,586.6	(48.2)	12.0	6,284.0
Depreciation and amortisation	(1,755.3)	(728.7)	(91.6)	(4.7)	(2,580.3)
Earnings before interest and tax ("EBIT")	2,978.3	857.9	(139.8)	7.3	3,703.7
Segment assets					
Investment in associates and joint ventures					
- Airtel	6,127.6	-	-	-	6,127.6
- Telkomsel	3,107.1	-	-	-	3,107.1
- Globe	1,350.9	-	-	-	1,350.9
- AIS	950.5	-	-	-	950.5
- Intouch	1,698.5	-	-	-	1,698.5
- Others	30.1	-	-	447.1	477.2
	13,264.7	-	-	447.1	13,711.8
Goodwill on acquisition of subsidiaries	9,184.5	1,254.6	990.8	-	11,429.9
Other assets	13,588.4	6,302.1	1,113.8	2,808.9	23,813.2
	36,037.6	7,556.7	2,104.6	3,256.0	48,954.9

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38. SEGMENT INFORMATION (Cont'd)

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
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)
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

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38. SEGMENT INFORMATION (Cont'd)

A reconciliation of the total reportable segments' EBIT to the Group's profit before tax was as follows –

	Group	
	2020 S\$ Mil	2019 S\$ Mil
EBIT	3,703.7	4,005.6
Share of exceptional items of associates and joint ventures (post-tax)	(1,806.2)	301.1
Share of tax expense of associates and joint ventures	(466.0)	(274.3)
Exceptional items	415.7	68.2
Profit before interest, investment income (net) and tax	1,847.2	4,100.6
Interest and investment income (net)	180.0	38.1
Finance costs	(461.8)	(392.8)
Profit before tax	1,565.4	3,745.9

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 39% (2019: 38%) and 51% (2019: 52%) of the total revenue for the financial year ended 31 March 2020, with the remaining 10% (2019: 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 2020 and 31 March 2019.

39. OPERATING LEASE COMMITMENTS (AS A LESSOR)

The following table sets out the maturity analysis of the undiscounted lease payments to be received after the reporting date –

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Less than 1 year	83.4	62.0	80.5	61.7
Between 1 and 2 years	76.8	86.1	75.0	78.8
Between 2 and 3 years	67.9	76.5	66.8	74.5
Between 3 and 4 years	62.4	67.3	62.4	66.4
Between 4 and 5 years	60.4	62.3	60.4	62.2
Over 5 years	268.2	328.4	268.2	328.4
	619.1	682.6	613.3	672.0

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40. LEASE COMMITMENTS (AS A LESSEE)

- (a) The lease commitments for short term leases (excluding contracts of one month or less) was S\$22.2 million as at 31 March 2020.
- (b) The lease commitments yet to be commenced as at 31 March 2020 was S\$385 million.

41. COMMITMENTS

- 41.1 The commitments for capital expenditure and investments which had not been recognised in the financial statements, excluding the commitments shown under **Note 41.2** were as follows -

	Group		Company	
	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil	31 March 2020 S\$ Mil	31 March 2019 S\$ Mil
Authorised and contracted for	864.2	987.5	247.2	250.3

- 41.2 As at 31 March 2020, the Group's commitments for the purchase of broadcasting programme rights were S\$559 million (31 March 2019: S\$926 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.

42. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES

(a) Guarantees

As at 31 March 2020,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$622.7 million and S\$202.7 million (31 March 2019: S\$592.4 million and S\$109.1 million) respectively.
- (ii) The Company provided guarantees for loans of S\$1.69 billion (31 March 2019: S\$1.24 billion) drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**"), a wholly-owned subsidiary, with maturities between May 2020 and December 2022.
- (iii) The Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$5.03 billion (31 March 2019: S\$3.95 billion) due between April 2020 and August 2029.
- (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 of 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's objections to the amended assessments were disallowed by the ATO on 27 September 2019. Based on legal advice, STAI has appealed the ATO's objection decisions in the Federal Court of Australia on 11 November 2019. 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 2020.

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42. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES (Cont'd)

The Group has received advice from external experts in relation to this matter and will vigorously defend its position. Accordingly, no provision has been made as at 31 March 2020.

In December 2018, Singtel Group received additional assessments amounting to S\$120 million from Inland Revenue Authority of Singapore ("IRAS") for reduction in group relief claims in Year of Assessment 2014. In May 2020, Singtel finalised the tax position with IRAS.

- (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.

43. 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, Department of Telecommunications ("DOT") issued a demand on Airtel Group for Rs. 52.01 billion (S\$982 million) towards levy of one time spectrum charge, which was further revised on 27 June 2018 to Rs. 84.14 billion (S\$1.59 billion), excluding related interest. In the opinion of Airtel, the above demand amounts to alteration of the terms of the licenses issued in the past. Airtel had filed a petition with the Hon'ble High Court of Bombay, which has directed DOT not to take any coercive action until the next date of hearing. The matter is currently pending with the Hon'ble High Court of Bombay.

On 4 July 2019, the Telecom Disputes Settlement and Appellate Tribunal ("TDSAT") in a similar matter of another unrelated telecom service provider, passed an order providing partial relief and confirming the basis for the balance of the one time spectrum charge. The said telecom service provider filed an appeal in the Hon'ble Supreme Court of India which was dismissed on 16 March 2020. With the ruling, Airtel Group assessed and provided Rs. 56.42 billion (S\$1.07 billion) as an exceptional charge in its financial statements as at 31 March 2020, comprising Rs. 18.08 billion (S\$0.34 billion) of principal demand and Rs. 38.35 billion (S\$0.73 billion) of related interest. Notwithstanding this, Airtel Group intends to continue to pursue its legal remedies.

Other taxes, custom duties and demands under adjudication, appeal or disputes and related interest for some disputes as at 31 March 2020 amounted to approximately Rs. 143.2 billion (S\$2.70 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 which are pending adjudication.

CAT Telecom Public Company Limited ("CAT") has demanded that AIS' subsidiary, Digital Phone Company Limited ("DPC") pay additional revenue share of THB 3.4 billion (S\$148 million) arising from the abolishment of excise tax, as well as to transfer the telecommunications systems which would have been supplied under the Concession Agreement between CAT and DPC of THB 13.4 billion (S\$583 million) or to pay the same amount plus interest.

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43. SIGNIFICANT CONTINGENT LIABILITIES OF ASSOCIATES AND JOINT VENTURES (Cont'd)

TOT Public Company Limited ("**TOT**") has demanded that AIS pay the following:

- (a) additional charges for porting of subscribers from 900MHz to 2100MHz network of THB 41.1 billion (S\$1.78 billion) plus interest.
- (b) additional revenue share of THB 36.2 billion (S\$1.57 billion) plus interest based on gross interconnection income from 2007 to 2015.
- (c) additional revenue share of THB 62.8 billion (S\$2.72 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. In January 2020, AIS received the award from the Arbitral Tribunal to pay THB 31.1 billion (S\$1.35 billion) and 1.25% interest per month after 30 November 2015. In April 2020, AIS filed a motion to the Central Administrative Court to set aside this award.

As at 31 March 2020, other claims against AIS and its subsidiaries which are pending adjudication amounted to THB 16.1 billion (S\$698 million).

The above claims have not included potential interest and penalty.

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 2020, Telkomsel, a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 492 billion (S\$43 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

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44. SUBSEQUENT EVENTS

- (a) On 29 April 2020, the Infocomm Media Development Authority announced that Singtel Mobile Singapore Pte. Ltd. ("Singtel Mobile"), a wholly-owned subsidiary of the Company, has been given a provisional award for 5G network pending completion of regulatory processes. Singtel Mobile will be assigned 100MHz of 3.5GHz spectrum and 800MHz of mmWave spectrum to deploy 5G networks.
- (b) On 26 May 2020, Bharti Telecom Limited completed the sale of 2.75% stake in Airtel for a consideration of approximately S\$1.6 billion. Following the close of this transaction, Singtel's effective shareholding in Airtel has reduced from 33.3% to 31.9%.

45. EFFECTS OF SFRS(I) AND INT SFRS(I) ISSUED BUT NOT YET ADOPTED

Certain new or revised SFRS(I) and INT SFRS(I) are mandatory for adoption by the Group for the financial year beginning on or after 1 April 2020. The new or revised SFRS(I) and INT SFRS(I) are not expected to have a significant impact on the financial statements of the Group and the Company in the period of initial application.

46. 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 2020 and 31 March 2019.

46.1 Significant subsidiaries incorporated in Singapore

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2020 %	2019 %
1.	Amobee Asia Pte. Ltd.	Provision of internet advertising solutions	100	100
2.	Consumer Journeys Pte. Ltd.	Provision of lifestyle services to end users	100	-
3.	DataSpark Pte. Ltd.	Develop and market data analytics and insights products and services	100	100
4.	Group Enterprise Pte. Ltd.	Telecommunications resellers and third party telecommunications providers	100	100
5.	HOOQ Digital Pte. Ltd. ⁽¹⁾	Provision of regional premium over-the-top video services	-	65
6.	NCS Communications Engineering Pte. Ltd.	Provision of facilities management and consultancy services, and distributor of specialised telecommunications and data communication products	100	100
7.	NCS Pte. Ltd.	Provision of information technology and consultancy services	100	100
8.	NCSI Solutions Pte. Ltd.	Provision of information technology services	100	100
9.	SCS Computer Systems Pte. Ltd.	Provision of information technology services	100	100

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46. COMPANIES IN THE GROUP (Cont'd)

46.1 Significant subsidiaries incorporated in Singapore (Cont'd)

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2020 %	2019 %
10.	Singapore Telecom International Pte Ltd	Holding of strategic investments and provision of technical and management consultancy services	100	100
11.	SingCash Pte Ltd	Provision of money remittance services	100	100
12.	SingNet Pte Ltd	Provision of internet access and pay television services	100	100
13.	Singtel Cyber Security (Singapore) Pte. Ltd.	Provision of information security services and products	100	100
14.	Singtel Innov8 Ventures Pte. Ltd.	Provision of fund management services	100	100
15.	Singtel Mobile Singapore Pte. Ltd.	Operation and provision of cellular mobile telecommunications systems and services, and sale of telecommunications equipment	100	100
16.	ST-2 Satellite Ventures Private Limited	Provision of satellite capacity for telecommunications and video broadcasting services	61.9	61.9
17.	Sembawang Cable Depot Pte Ltd	Provision of storage facilities for submarine telecommunication cables and related equipment	60	60
18.	Singtel Digital Media Pte Ltd	Development and management of online internet portal to provide digital content services and digital marketing solutions	100	100
19.	SingtelSat Pte Ltd	Provision of satellite capacity for telecommunications and video broadcasting services	100	100
20.	Telecom Equipment Pte Ltd	Engaged in the sale and maintenance of telecommunications equipment, and mobile finance services	100	100
21.	Trustwave Pte. Ltd.	Provision of information security services and products	100	100

All companies are audited by KPMG LLP.

Note:

⁽¹⁾ HOOQ Digital Pte. Ltd. ("HOOQ"), a 76.5%-owned subsidiary, was placed under creditors' voluntary liquidation and hence was deconsolidated from March 2020.

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46. COMPANIES IN THE GROUP (Cont'd)

46.2 Significant subsidiaries incorporated in Australia

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2020 %	2019 %
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	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⁾⁽²⁾	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
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

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46. COMPANIES IN THE GROUP (Cont'd)

46.2 Significant subsidiaries incorporated in Australia (Cont'd)

	Name of subsidiary	Principal activities	Percentage of effective equity interest held by the Group	
			2020 %	2019 %
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 ⁽¹⁾⁽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	100
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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46. COMPANIES IN THE GROUP (Cont'd)

46.3 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	
				2020 %	2019 %
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	100
5.	Global Enterprise International Malaysia Sdn. Bhd.	Provision of data communication and value added network services	Malaysia	100	100
6.	HOOQ Digital (India) Private Limited ⁽²⁾	Provision of over-the-top video services and related activities and services	India	-	65
7.	HOOQ Digital Mauritius Private Limited ⁽²⁾	Content operations and procurement	Mauritius	-	65
8.	HOOQ Digital (Philippines) Inc. ⁽²⁾	Provision of market research, sales and marketing support services	Philippines	-	65
9.	HOOQ Digital (Thailand) Company Limited ⁽²⁾	Provision of market research, sales and marketing support services	Thailand	-	65
10.	Lanka Communication Services (Pvt) Limited	Provision of telecommunications services	Sri Lanka	82.9	82.9
11.	M86 Security International, Ltd.	Provision of information security services and products	United Kingdom	100	100
12.	M86 Security Israel, Ltd.	Provision of information security services and products	Israel	100	100
13.	NCS Information Technology (Suzhou) Co., Ltd. ⁽³⁾	Software development and provision of information technology services	People's Republic of China	100	100
14.	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

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46. COMPANIES IN THE GROUP (Cont'd)

46.3 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	
				2020 %	2019 %
15.	NCSI (HK) Limited	Provision of information technology services	Hong Kong	100	100
16.	NCSI (Malaysia) Sdn Bhd	Provision of information technology services	Malaysia	100	100
17.	NCSI (Philippines) Inc.	Provision of information technology and communication engineering services	Philippines	100	100
18.	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
19.	NCSI Technologies (India) Pvt. Ltd.	Provision of information technology services	India	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

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46. COMPANIES IN THE GROUP (Cont'd)

46.3 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	
				2020 %	2019 %
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
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	100
33.	Trustwave Government Solutions, LLC	Provision of information security services and products	USA	100	100
34.	Trustwave Holdings, Inc.	Provision of information security services and products	USA	100	100
35.	Trustwave Limited	Provision of information security services and products	United Kingdom	100	100
36.	Trustwave SecureConnect Inc.	Provision of information security services and products	USA	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 holding company, HOOQ, was placed under creditors' voluntary liquidation. Accordingly, HOOQ and these subsidiaries were deconsolidated from March 2020.

⁽³⁾ Subsidiary's financial year-end is 31 December.

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For the financial year ended 31 March 2020

46. COMPANIES IN THE GROUP (Cont'd)

46.4 Associates of the Group

	Name of associate	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2020 %	2019 %
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.	Digital Games International Pte. Ltd. ⁽³⁾	To operate a regional game store and online community portal	Singapore	33.3	-
5.	HOPE Technik Pte Ltd	Provision of high performance unique engineering solutions	Singapore	21.3	21.3
6.	Intouch Holdings Public Company Limited ⁽⁴⁾	Investment holding	Thailand	21.0	21.0
7.	Kai Square	Provision of next generation cloud-based video surveillance services, monitoring and analytics based on unified platform	Singapore	39.2	39.2
8.	MassiveImpact International Ltd	Provision of performance based mobile advertising platform	British Virgin Islands	48.9	48.9
9.	NetLink Trust ⁽⁵⁾	To own, install, operate and maintain the passive infrastructure for Singapore's Next Generation Nationwide Broadband Network	Singapore	24.8	24.8
10.	NetLink NBN Trust ⁽⁵⁾	Investment holding	Singapore	24.8	24.8
11.	Sentilla Corporation	Provision of energy management services for data centres	USA	31.0	31.0

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46. COMPANIES IN THE GROUP (Cont'd)

46.4 Associates of the Group (Cont'd)

	Name of associate	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2020 %	2019 %
12.	Singapore Post Limited ⁽⁵⁾	Operation and provision of post and parcel, eCommerce logistics and property	Singapore	21.7	21.7
13.	SESTO Robotics Pte Ltd	Provision of autonomous mobile robots	Singapore	25.1	28.5
14.	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 2019, the financial year-end of the company.

⁽³⁾ This represents the Group's direct interest in Digital Games International Pte. Ltd.

⁽⁴⁾ Audited by Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd, Bangkok.

⁽⁵⁾ Audited by Deloitte & Touche LLP, Singapore.

46.5 Joint ventures of the Group

	Name of joint venture	Principal activities	Country of incorporation/ operation	Percentage of effective equity interest held by the Group	
				2020 %	2019 %
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 cables	Singapore	16.7	16.7
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 Cables Pte Ltd	Operation of cables 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

Notes to the Financial Statements

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46. COMPANIES IN THE GROUP (Cont'd)

46.5 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	
				2020 %	2019 %
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	33.3	39.5
8.	Bharti Telecom Limited ⁽⁶⁾	Investment holding	India	49.4	48.9
9.	Bridge Mobile Pte. Ltd.	Provision of regional mobile services	Singapore	33.9	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 Cables Pte. Ltd.	Leasing, operating and managing of maintenance-cum-laying cables	Singapore	50.0	50.0
13.	International Cables Pte Ltd	Ownership and chartering of cables	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	29.99	39.99
17.	PT Telekomunikasi Selular ⁽¹⁰⁾	Provision of mobile telecommunications and related services	Indonesia	35.0	35.0

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For the financial year ended 31 March 2020

46. COMPANIES IN THE GROUP (Cont'd)

46.5 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	
				2020 %	2019 %
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	27.87	39.99
20.	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 2019, 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) up till 31 December 2019 and Isla Lipana & Co./PwC Philippines with effect from 1 January 2020.

⁽⁸⁾ The Group has a 47.0% 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 Purwanto, Sungkoro & Surja (a member firm of Ernst & Young).

⁽¹¹⁾ Audited by KPMG, Bermuda.

**AUDITED FINANCIAL STATEMENTS OF THE SINGTEL GROUP
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

The information in this section has been reproduced from the audited financial statements of the Singtel Group for the financial year ended 31 March 2019 and has not been specifically prepared for inclusion in this Offering Circular.

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)	-	-	-

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
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				
(\$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.

Directors' Statement

For the financial year ended 31 March 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)	-	-
<i>Sub-total</i>	-	1,457	-	(1,457)	-	-
Performance shares (Restricted Share Awards)						
For Group Chief Executive Officer (Chua Sock Koong)						
17.06.15	55	-	-	(55)	-	-
20.06.16	201	-	72	(137)	-	136
19.06.17	383	-	-	-	-	383
19.06.18	-	397	-	-	-	397
	639	397	72	(192)	-	916

Directors' Statement

For the financial year ended 31 March 2019

4. PERFORMANCE SHARES (Cont'd)

Date of grant	Balance as at 1 April 2018 ('000)	Share awards granted ('000)	Additional share awards from targets exceeded ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2019 ('000)
For other staff						
17.06.15	2,132	-	-	(2,111)	(21)	-
28.09.15	15	-	-	(15)	-	-
05.01.16	5	-	-	(5)	-	-
20.06.16	4,710	-	1,676	(3,264)	(206)	2,916
20.03.17	20	-	8	(14)	-	14
19.06.17	6,910	-	-	(201)	(474)	6,235
21.09.17	87	-	-	-	-	87
18.12.17	77	-	-	-	(48)	29
14.03.18	150	-	-	-	(32)	118
19.06.18	-	9,132	-	(17)	(692)	8,423
21.09.18	-	82	-	-	-	82
18.12.18	-	77	-	-	-	77
21.03.19	-	147	-	-	-	147
	14,106	9,438	1,684	(5,627)	(1,473)	18,128
Sub-total	14,745	9,835	1,756	(5,819)	(1,473)	19,044
Performance shares						
(Performance Share Awards)						
For Group Chief Executive Officer						
(Chua Sock Koong)						
17.06.15	1,659	-	-	-	(1,659)	-
20.06.16	1,695	-	-	-	-	1,695
19.06.17	832	-	-	-	-	832
19.06.18	-	634	-	-	-	634
	4,186	634	-	-	(1,659)	3,161
For other staff						
17.06.15	6,870	-	-	-	(6,870)	-
28.09.15	125	-	-	-	(125)	-
05.01.16	32	-	-	-	(32)	-
20.06.16	6,956	-	-	-	(376)	6,580
20.03.17	91	-	-	-	-	91
19.06.17	3,897	-	-	-	(189)	3,708
21.09.17	24	-	-	-	-	24
18.12.17	53	-	-	-	(36)	17
14.03.18	79	-	-	-	-	79
19.06.18	-	3,537	-	-	(163)	3,374
21.09.18	-	24	-	-	-	24
18.12.18	-	12	-	-	-	12
	18,127	3,573	-	-	(7,791)	13,909
Sub-total	22,313	4,207	-	-	(9,450)	17,070
Total	37,058	15,599	1,756	(7,376)	(10,923)	36,114

Directors' Statement

For the financial year ended 31 March 2019

4. PERFORMANCE SHARES (Cont'd)

During the financial year, awards in respect of an aggregate of 7.4 million shares granted under the Singtel PSP 2012 were vested. The awards were satisfied by the delivery of existing shares purchased from the market as permitted under the Singtel PSP 2012.

As at 31 March 2019, no participant (other than Ms Chua Sock Koong) has received shares pursuant to the vesting of awards granted under the Singtel PSP 2012 which, in aggregate, represents five per cent or more of the aggregate of –

- (i) the total number of new shares available under the Singtel PSP 2012; and
- (ii) the total number of existing shares purchased for delivery of awards released under the Singtel PSP 2012.

5. SHARE OPTION PLANS

During the financial year, there were:

- (a) no options granted by the Company to any person to take up unissued shares of the Company; and
- (b) no shares issued by virtue of any exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

The particulars of the share option plans of subsidiary corporations of the Company are as follows:

Amobee Group Pte. Ltd.

In April 2015, Amobee, a wholly-owned subsidiary corporation of the Company, implemented the 2015 Long-Term Incentive Plan ("**Amobee LTI Plan**"). Under the terms of Amobee LTI Plan, options to purchase ordinary shares of Amobee may be granted to employees (including executive directors) and non-executive directors of Amobee and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of Amobee on the date of grant.

From 1 April 2018 to 31 March 2019, options in respect of an aggregate of 62.6 million of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries. As at 31 March 2019, options in respect of an aggregate of 112.6 million of ordinary shares in Amobee are outstanding.

The grant dates and exercise prices of the share options were as follows –

Date of grant	Exercise price
For employees	
13 April 2015, 14 October 2015	US\$0.54 to US\$0.79
20 January 2016, 10 May 2016, 23 June 2016, 24 August 2016, 25 January 2017, 19 July 2017, 18 August 2017, 12 September 2017, 25 January 2018	US\$0.54
21 August 2018, 25 March 2019	US\$0.55 to US\$0.58
For non-executive directors	
14 October 2015	US\$0.54
21 August 2018	US\$0.55

Directors' Statement

For the financial year ended 31 March 2019

5. SHARE OPTION PLANS (Cont'd)

The options granted to employees and non-executive directors expire 10 years and 5 years from the date of grant respectively.

During the financial year, 10,879 ordinary shares of Amobee were issued pursuant to the exercise of options granted under the Amobee LTI Plan. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

Trustwave Holdings, Inc.

In December 2015, Trustwave Holdings, Inc. ("**Trustwave**"), a wholly-owned subsidiary corporation of the Company, implemented the Stock Option Incentive Plan ("**Trustwave ESOP**"). Under the terms of the Trustwave ESOP, options to purchase common stock of Trustwave may be granted to employees (including executive directors) and non-executive directors of Trustwave and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the common stock of Trustwave on the date of grant.

From 1 April 2018 to 31 March 2019, options in respect of an aggregate of 0.6 million of common stock in Trustwave have been granted to the employees of Trustwave and/or its subsidiaries. As at 31 March 2019, options in respect of an aggregate of 2.2 million of common stock in Trustwave are outstanding.

The grant dates and exercise prices of the stock options were as follows –

<u>Date of grant</u>	<u>Exercise price</u>
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.

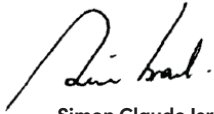
The Committee has nominated KPMG LLP for re-appointment as auditors of the Company at the forthcoming Annual General Meeting.

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

Singapore
14 May 2019



Chua Sock Koong
Director

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
<p>Revenue recognition (Cont'd)</p> <p>In addition, the initial application of SFRS(I) 15 <i>Revenue from Contracts with Customers</i> required the exercise of significant judgement regarding:</p> <ul style="list-style-type: none"> • 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. <p>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.</p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> - Assessing the appropriateness of the transaction price and its allocation to performance obligations identified within bundled contracts based on stand-alone selling prices; - Inspection of customer contracts to evaluate whether performance obligations were satisfied over time or at a point in time, and assessed the reasonableness of estimates used in respect to revenue recognition and deferral of revenue; and - Assessing the effects of the initial application of SFRS(I) 15 as at 1 April 2018. • Testing of manual journal entries recorded in the general ledger relating to revenue recognition.

Findings

We found that the processes and controls to account for revenue were operating effectively.

We found that the key assumptions used and estimates made in regard to the policies for revenue recognition were reasonable.

Impairment assessment of goodwill

Goodwill is subject to an annual impairment test or more frequently if there are indications of impairment.

At 31 March 2019, the Group's statement of financial position includes goodwill amounting to S\$11.5 billion, primarily related to the following cash-generating units ("CGUs"):

Singtel Optus Pty Limited ("**Optus**"): S\$9.3 billion

Amobee, Inc. ("**Amobee**"): S\$1.1 billion

Global Cyber Security: S\$1.0 billion

We evaluated whether CGUs were appropriately identified by management based on our understanding of the current business structure of the Group.

We involved our valuation specialists in the overall assessment of the recoverable amounts of the respective CGUs.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

The key audit matter

How the matter was addressed in our audit

Impairment assessment of goodwill (Cont'd)

Global Cyber Security CGU

Subsequent to the reorganisation of the Group's cyber security business, with effect from 1 April 2018, management has assessed and considered the combined cyber security businesses of the Group, including Trustwave, to constitute one CGU.

The Group performed impairment assessments for each of the CGUs by estimating the recoverable amounts. The recoverable amount is the discounted sum of individually forecasted cash flows for each year and the value of the cash flows for the years thereafter using a long-term growth rate. As the recoverable amount for each of the CGUs was calculated to be in excess of the respective carrying amounts, no impairment was determined.

Forecasting of future cash flows is a highly judgmental process which requires estimation of revenue growth rates, profit margins, discount rates and future economic conditions.

Refer to Note 24 to the financial statements for the impairment assessments.

In particular, our procedures included:

Optus, Amobee and Global Cyber Security

We assessed the reasonableness of the key assumptions used by management in developing the cash flow forecasts and the discount rates used in computing the recoverable amounts, which included but are not limited to:

- Agreeing the cash flow forecasts used in the impairment model to Board approved forecasts and budgets;
- Considering management's expectations of the future business developments and corroborated certain information with market data; we also considered planned operational improvements to the businesses and how these plans would impact future cash flows and whether these were appropriately reflected in the cash flow forecasts used;
- Challenging the appropriateness of cash flow forecasts used by comparing against historical trends and recent performance and industry trends. Where relevant, assessing whether budgeted cash flows for prior years were achieved to assess forecasting accuracy;
- Comparing the discount rates and terminal growth rates to observable market data; and
- Performing a sensitivity analysis of the key assumptions used to determine which reasonable changes to assumptions would change the outcome of the impairment assessment.

Findings

We found the identification of CGUs to be reasonable and appropriate.

We found the key assumptions and estimates used in determining the recoverable amounts to be within a supportable range.

Share of joint ventures' reported contingent liabilities relating to regulatory litigations and tax disputes

The Group's significant joint ventures have a number of on-going disputes and litigations with their local regulators and tax authorities.

Significant judgement is required by management in assessing the likelihood of the outcome of each matter and whether the risk of loss is remote, possible or probable and whether the matter is considered a contingent liability to be disclosed.

Please refer to Note 41 to the financial statements for 'Significant Contingent Liabilities of Associates and Joint Ventures'.

Our audit procedures included:

- Inquiring with management and legal counsel of the joint ventures to understand the process and internal controls relating to the identification, assessment and recognition of the disputes and litigations.
- Reviewing the audit working papers of the auditors of the joint ventures ('Component Auditors'), in particular their assessment on the regulatory litigations and tax disputes that may have a material impact to the financial statements.
- Discussing with the Component Auditors on their evaluation of the probability and magnitude of losses relating to the disputes and litigations, and their conclusions reached in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

The key audit matter	How the matter was addressed in our audit
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Findings

We found management's assessment of the regulatory litigations and tax disputes to be reasonable, and the disclosure of contingent liabilities to be appropriate.

Taxation

The Group is exposed to tax disputes with local tax authorities in the jurisdiction it operates in on a regular basis. The assessment of the outcome of such disputes requires significant judgement and could have a material impact on the financial statements.

Australian Tax Office ("ATO") audit

The Group has been responding to an on-going specific issue audit by the ATO in connection with the acquisition financing of Optus.

The Group has engaged external specialists to advise on this matter and to assist in raising objections to the amended assessments. Significant judgement is required in assessing the probability and timing of the outlays necessary for the resolution of this matter.

Please refer to Note 40 to the financial statements.

Our audit procedures included:

- Inquiring with management on the tax issues raised by the tax authorities and assessing their impact to the financial statements;
- Involving our tax specialists in assessing the appropriateness of the accounting treatments of significant tax issues for the Group; and
- Assessing the reasonableness of management's position and the accounting impact to the Group's consolidated financial statements.

With respect to the ATO matter:

- Involving our tax specialists in assessing the appropriateness of management's judgements taken on this matter, and the disclosure as a contingent liability, and that the amount paid continues to represent a receivable as at 31 March 2019;
- Examining the advice that the Group had obtained from external specialists to support the position taken by management; and
- Inquiring with management and the external specialists to discuss the merits of the Group's position on the specific issue audit by ATO.

Findings

We found the position of management and the basis for it to be appropriate.

We found the disclosures to the consolidated financial statements to be adequate and appropriate in accordance to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Other matter

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 31 March 2018 were audited by another auditor who expressed an unmodified opinion on those statements on 16 May 2018.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. We have not obtained any other information prior to the date of this auditors' report. The other information is expected to be made available to us after the date of this auditors' report.

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

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

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

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

Responsibilities of management and directors for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Independent Auditors' Report

Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2019

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

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

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

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

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Mr Ong Pang Thye.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
14 May 2019

OVERVIEW

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ADDITIONAL INFORMATION

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

Notes	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 assets						
15	512.7	524.9	533.8	81.6	92.0	89.2
16	5,992.7	5,813.7	5,762.4	1,960.9	2,323.9	1,673.3
17	417.6	397.4	352.2	37.2	21.8	23.8
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						
19	11,050.4	11,454.1	11,456.1	2,250.0	2,259.4	2,266.6
20	14,016.7	13,969.1	13,072.8	-	-	-
21	-	-	-	20,009.2	19,425.9	17,441.0
22	12,857.9	12,786.5	12,285.3	22.8	22.8	23.0
23	2,060.2	2,000.2	1,946.7	24.7	24.7	603.5
25	646.9	197.9	192.9	5.3	5.5	37.4
18	283.6	388.3	434.4	125.9	130.6	283.5
12	276.6	353.0	634.9	-	-	-
26	644.4	587.8	592.0	130.7	144.9	161.0
	-	-	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						
27	5,817.1	5,371.0	5,054.8	1,737.5	1,468.4	1,602.0
	812.1	794.1	861.1	89.8	80.1	74.8
	255.0	351.3	296.3	83.6	101.5	100.6
28	1,846.2	1,800.5	3,046.6	-	-	-
29	34.0	23.1	86.7	4.8	7.4	1.5
18	9.2	69.3	15.8	0.5	84.9	108.8
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						
	197.4	221.6	241.9	129.2	136.7	138.3
28	8,734.4	8,586.1	7,898.2	786.5	739.5	802.7
29	49.5	81.5	199.6	7.7	68.5	157.2
18	149.5	277.0	279.4	191.8	250.9	344.0
31	375.0	357.7	1,282.7	-	-	-
12	515.1	535.6	572.8	274.5	268.2	273.0
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						
33	4,127.3	4,127.3	4,127.3	4,127.3	4,127.3	4,127.3
	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
	(28.1)	(3.2)	22.4	-	-	-
	-	(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

	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 ⁽³⁾ 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
Group - 2019												
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 (see Note 34)	-	-	(5.5)	-	-	-	-	-	(5.5)	-	-	(5.5)
Interim dividend paid (see Note 34)	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	-	(1,746.7)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(1,109.9)	-	(1,109.9)	-	-	(1,109.9)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	(5.4)	-	(5.4)
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(4.6)	4.6	(27.0)	(27.0)	4.6	22.4	-
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)	(4,767.5)	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

	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 ⁽³⁾ 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
Group - 2018												
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(⁵) 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 ⁽⁶⁾	-	(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	-	(0.2)	11.8	-	-	(39.4)	1.7	-	1.7	-	-	1.7
	-	-	-	-	-	(39.4)	(3,305.2)	-	(3,333.0)	(5.2)	-	(3,338.2)
Total comprehensive (loss)/ income for the year	-	-	-	(1,283.7)	(20.3)	9.6	5,473.0	650.3	4,828.9	(20.4)	-	4,808.5
Balance as at 31 March 2018	4,127.3	(32.7)	(96.2)	(1,283.7)	(54.3)	(18.9)	27,269.4	(173.8)	29,737.1	(3.2)	(22.4)	29,711.5

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Statements of Changes in Equity

For the financial year ended 31 March 2019

Company - 2019	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2018, previously reported	4,127.3	(1.0)	39.4	60.1	2.2	17,133.7	21,361.7
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	(56.1)	-	(21.5)	(77.6)
Balance as at 1 April 2018, restated	4,127.3	(1.0)	39.4	4.0	2.2	17,112.2	21,284.1
Changes in equity for the year							
Performance shares purchased by the Company	-	(1.8)	-	-	-	-	(1.8)
Performance shares vested	-	1.7	(1.7)	-	-	-	-
Equity-settled share-based payment	-	-	13.6	-	-	-	13.6
Transfer of liability to equity	-	-	7.8	-	-	-	7.8
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust ⁽⁵⁾	-	-	(13.8)	-	-	-	(13.8)
Final dividend paid (see Note 34)	-	-	-	-	-	(1,747.2)	(1,747.2)
Interim dividend paid (see Note 34)	-	-	-	-	-	(1,110.4)	(1,110.4)
	-	(0.1)	5.8	-	-	(2,857.6)	(2,851.9)
Total comprehensive income/ (loss) for the year	-	-	-	20.2	(0.2)	2,864.4	2,884.4
Balance as at 31 March 2019	4,127.3	(1.1)	45.2	24.2	2.0	17,119.0	21,316.6

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. Independent Auditors' Report – pages 131 to 136.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2019

	2019 S\$ Mil	2018 S\$ Mil
Cash Flows From Operating Activities		
Profit before tax	3,745.9	6,154.9
Adjustments for –		
Depreciation and amortisation	2,222.2	2,250.0
Share of results of associates and joint ventures	(1,562.7)	(1,804.0)
Exceptional items (non-cash)	(171.7)	(1,920.3)
Interest and investment income (net)	(38.1)	(45.5)
Finance costs	392.8	390.2
Other non-cash items	36.3	30.3
	878.8	(1,099.3)
Operating cash flow before working capital changes	4,624.7	5,055.6
Changes in operating assets and liabilities		
Trade and other receivables	(431.6)	(139.1)
Trade and other payables	338.8	58.8
Inventories	(33.6)	(59.1)
Cash generated from operations	4,498.3	4,916.2
Dividends received from associates and joint ventures	1,548.9	1,647.7
Income tax and withholding tax paid	(679.5)	(607.8)
Payment to employees in cash under performance share plans	(0.1)	(0.9)
Net cash from operating activities	5,367.6	5,955.2
Cash Flows From Investing Activities		
Payment for purchase of property, plant and equipment	(1,718.1)	(2,349.0)
Purchase of intangible assets	(216.7)	(1,124.4)
Investment in associate/ joint venture (Note 1)	(2.3)	(540.6)
Payment for acquisition of subsidiary, net of cash acquired (Note 2)	(5.8)	(336.5)
Payment for acquisition of intangibles and other assets (Note 3)	(123.1)	-
Investment in FVOCI investments (Note 4)	(436.9)	(59.6)
Proceeds from disposal of subsidiary	15.4	-
Payment for acquisition of non-controlling interests	(16.1)	-
Proceeds/ Deferred proceeds from disposal of associates and joint venture (Note 5)	14.8	1,146.4
Repayment of loan by an associate (Note 5)	-	1,100.5
Proceeds from sale of property, plant and equipment	160.9	142.6
Proceeds from sale of FVOCI investments	14.8	77.7
Interest received	7.0	16.4
Dividends received from FVOCI investments (net of withholding tax paid)	0.3	1.8
Withholding tax paid on intra-group interest income	(22.7)	(26.0)
Net cash used in investing activities	(2,328.5)	(1,950.7)

The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Consolidated Statement of Cash Flows

For the financial year ended 31 March 2019

	Note	2019 S\$ Mil	2018 S\$ Mil
Cash Flows From Financing Activities			
Proceeds from term loans		7,157.1	6,948.6
Repayment of term loans		(6,983.1)	(6,726.0)
Proceeds from bond issue		1,177.6	430.2
Repayment of bonds		(1,139.1)	(936.4)
Increase in finance lease liabilities		44.3	18.0
Finance lease payments		(34.5)	(46.3)
Net proceeds from/ (repayment of) borrowings		222.3	(311.9)
Final dividend paid to shareholders of the Company		(1,746.7)	(1,746.6)
Interim dividend paid to shareholders of the Company		(1,109.9)	(1,110.0)
Special dividend paid to shareholders of the Company		-	(489.7)
Net interest paid on borrowings and swaps		(385.1)	(379.9)
Settlement of swaps for bonds repaid		(6.2)	61.4
Purchase of performance shares		(25.6)	(25.0)
Dividend paid to non-controlling interests		(5.4)	(5.4)
Others		1.1	(2.1)
Net cash used in financing activities		(3,055.5)	(4,009.2)
Net change in cash and cash equivalents		(16.4)	(4.7)
Exchange effects on cash and cash equivalents		4.2	(4.2)
Cash and cash equivalents at beginning of year		524.9	533.8
Cash and cash equivalents at end of year	15	512.7	524.9

Note 1: Investment in joint venture

Singtel acquired an additional 1.7% equity interest in Bharti Telecom Limited for S\$539.4 million in the previous financial year.

Note 2: Payment for acquisition of subsidiary

- (a) On 28 December 2018, Singtel's wholly-owned subsidiary, Optus Cyber Security Pty Limited, completed the acquisition of 100% of shares in Hivint Pty Limited ("Hivint"), a cyber security consulting company in Australia, for S\$16.6 million (A\$17 million). The fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

*The accompanying notes on pages 147 to 249 form an integral part of these financial statements.
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Consolidated Statement of Cash Flows

For the financial year ended 31 March 2019

Note 2: Payment for acquisition of subsidiary (Cont'd)

	31 March 2019 S\$ Mil
Cash and cash equivalents	2.2
Trade and other receivables	2.8
Total liabilities	<u>(3.5)</u>
Net assets acquired	1.5
Goodwill	<u>15.1</u>
Total cash consideration	16.6
Less: Consideration unpaid as at 31 March 2019	(8.6)
Less: Cash and cash equivalents acquired	<u>(2.2)</u>
Net outflow of cash	<u>5.8</u>

(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	<u>(2.0)</u>
Net assets acquired	28.3
Goodwill	<u>94.8</u>
Net outflow of cash	<u>123.1</u>

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

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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.

Notes to the Financial Statements

For the financial year ended 31 March 2019

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.

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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**.

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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.

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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.

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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.

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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.

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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.

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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.

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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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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.

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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.

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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.

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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.

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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.

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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.

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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.

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3.1 Impairment Reviews (Cont'd)

Goodwill recorded by associates and joint ventures is required to be tested for impairment at least annually. The impairment assessment requires the exercise of significant judgement about future market conditions, including growth rates and discount rates applicable in a number of markets where the associates and joint ventures operate.

The assumptions used by management to determine the value-in-use calculations of goodwill on acquisition of subsidiaries are disclosed in **Note 24**. The carrying values of joint ventures and associates including goodwill capitalised are stated in **Note 22** and **Note 23** respectively.

3.2 Expected Credit Loss ("ECL") of Receivables

At each reporting date, the Group assesses whether trade and other receivables are credit-impaired. The allowance for ECL is based on management's assessment of the collectability of individual customer accounts taking into consideration the credit worthiness and financial condition of those customers. The Group also records an allowance for all other receivables based on management's collective assessment of their collectability taking into consideration multiple factors including historical experience of credit losses, forward looking information as applicable and the aging of the receivables with allowances generally increasing as the receivable ages. If there is a deterioration of customers' financial condition or if future default rates in general differ from those currently anticipated, the Group may have to adjust the allowance for credit losses, which would affect earnings in the period that adjustments are made.

The exposure to credit risk for receivables is disclosed in **Note 16**.

3.3 Estimated Useful Lives of Property, Plant and Equipment

Property, plant and equipment balances represent a significant component of the Group's assets. Property, plant and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the assets. The Group reviews the estimated useful lives of property, plant and equipment on an annual basis based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives would increase the recorded depreciation and decrease the carrying value of property, plant and equipment.

3.4 Taxation

3.4.1 Deferred tax asset

The Group reviews the carrying amount of deferred tax assets at each reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular legal entity or tax group for which the deferred tax asset has been recognised.

3.4.2 Income taxes

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business, including the tax matters disclosed in **Note 40(b)**. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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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 judgment 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.

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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
Total	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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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.

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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

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5.3.1 Performance share plans (Cont'd)

Cash-settled 2019	Date of grant		
	20 June 2016	19 June 2017	19 June 2018
Fair value at 31 March 2019	S\$3.02	S\$2.93	S\$2.77
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	12.1%	12.1%	12.1%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2019		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2019	31 March 2019	31 March 2019
Cash-settled 2018	Date of grant		
	17 June 2015	20 June 2016	19 June 2017
Fair value at 31 March 2018	S\$3.37	S\$3.28	S\$3.10
Assumptions under Monte-Carlo Model			
Expected volatility			
Singtel	14.4%	14.4%	14.4%
MSCI Asia Pacific Telco Index	10.2%	NA	NA
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2018		
Risk free interest rates			
Yield of Singapore Government Securities on	31 March 2018	31 March 2018	31 March 2018

"NA" denotes Not Applicable.

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5.3.1 Performance share plans (Cont'd)

Performance Share awards

The movements of the number of performance shares for the Performance Share Awards during the financial year were as follows –

Group and Company 2019	Outstanding as at 1 April 2018 '000	Granted '000	Cancelled '000	Outstanding as at 31 March 2019 '000
Date of grant				
FY2016				
17 June 2015	8,529	-	(8,529)	-
September 2015 to March 2016	157	-	(157)	-
FY2017				
20 June 2016	8,651	-	(376)	8,275
September 2016 to March 2017	91	-	-	91
FY2018				
19 June 2017	4,729	-	(189)	4,540
September 2017 to March 2018	156	-	(36)	120
FY2019				
19 June 2018	-	4,171	(163)	4,008
September 2018 to March 2019	-	36	-	36
	22,313	4,207	(9,450)	17,070

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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	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 –

Equity-settled	Date of grant		
	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

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5.3.1 Performance share plans (Cont'd)

Cash-settled 2019	Date of grant		
	20 June 2016	19 June 2017	19 June 2018
Fair value at 31 March 2019	-	S\$0.07	S\$1.23

Assumptions under Monte-Carlo Model

Expected volatility

Singtel	12.1%	12.1%	12.1%
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2019		

Risk free interest rates

Yield of Singapore Government Securities on	31 March 2019	31 March 2019	31 March 2019
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Cash-settled 2018	Date of grant		
	17 June 2015	20 June 2016	19 June 2017
Fair value at 31 March 2018	-	S\$0.91	S\$0.80

Assumptions under Monte-Carlo Model

Expected volatility

Singtel	14.4%	14.4%	14.4%
MSCI Asia Pacific Telco Index	10.2%	NA	NA
MSCI Asia Pacific Telco Component Stocks	36 months historical volatility preceding March 2018		

Risk free interest rates

Yield of Singapore Government Securities on	31 March 2018	31 March 2018	31 March 2018
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Special Share Award

The movements of the number of performance shares for the Special Share Award during the financial year were as follows –

Group and Company 2019	Outstanding as at 1 April 2018 '000	Granted '000	Vested '000	Outstanding
				as at 31 March 2019 '000
Date of grant				
FY2019				
19 June 2018	-	1,457	(1,457)	-
	-	1,457	(1,457)	-

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5.3.2 Amobee's share options - equity-settled arrangement

In April 2015, Amobee Group Pte. Ltd. ("Amobee"), a wholly-owned subsidiary of the Company, implemented the 2015 Long-Term Incentive Plan ("Amobee LTI Plan"). Selected employees (including executive directors) and non-executive directors of Amobee and/or its subsidiaries are granted options to purchase ordinary shares of Amobee.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of Amobee on the date of grant. Options for employees are scheduled to be fully vested in either 3 years or 3.5 years from the vesting commencement date.

The grant dates, exercise prices and fair values of the share options were as follows –

Equity-settled Date of grant	Exercise price US\$	Fair value at grant/ repriced date US\$
For employees		
13 April 2015	0.79	0.224 to 0.261
14 October 2015	0.54 to 0.79	0.217 to 0.287
20 January 2016, 10 May 2016, 24 August 2016, 25 January 2017	0.54	0.287
23 June 2016	0.54	0.273 to 0.287
19 July 2017, 18 August 2017, 12 September 2017, 25 January 2018	0.54	0.260 to 0.268
21 August 2018, 25 March 2019	0.55 to 0.58	0.259 to 0.266
For non-executive directors		
14 October 2015	0.54	0.203
21 August 2018	0.55	0.181

The terms of the options granted to employees and non-executive directors are 10 years and 5 years from the date of grant respectively.

The fair values for the share options granted were estimated using the Black-Scholes pricing model.

From 1 April 2018 to 31 March 2019,

- (a) options in respect of an aggregate of 62.6 million of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries.
- (b) 10,879 ordinary shares of Amobee were issued pursuant to the exercise of options granted under the Amobee LTI Plan.

As at 31 March 2019, options in respect of an aggregate of 112.6 million of ordinary shares in Amobee are outstanding.

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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.

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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

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For the financial year ended 31 March 2019

5.4 Structured Entity (Cont'd)

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

Group	Number of shares		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\$0.2 million 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	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	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	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

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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

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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

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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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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

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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.

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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.

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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.

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15. CASH AND CASH EQUIVALENTS

	Group			Company		
	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil
Fixed deposits	153.5	122.7	164.1	42.4	28.0	27.6
Cash and bank balances	359.2	402.2	369.7	39.2	64.0	61.6
	512.7	524.9	533.8	81.6	92.0	89.2

The carrying amounts of the cash and cash equivalents approximate their fair values.

Cash and cash equivalents denominated in currencies other than the respective functional currencies of the Group's entities were as follows –

	Group			Company		
	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil
USD	106.5	87.5	140.7	48.6	30.3	34.6
HKD	22.3	15.6	8.0	0.1	0.3	0.3
AUD	17.9	14.8	16.9	6.0	0.3	8.1

The maturities of the fixed deposits were as follows –

	Group			Company		
	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil
Less than three months	142.9	105.7	147.8	42.4	28.0	27.6
Over three months	10.6	17.0	16.3	-	-	-
	153.5	122.7	164.1	42.4	28.0	27.6

As at 31 March 2019, the weighted average effective interest rate of the fixed deposits of the Group and the Company were 2.1 per cent (31 March 2018: 1.6 per cent) per annum and 2.2 per cent (31 March 2018: 1.7 per cent) per annum respectively.

The exposure of cash and cash equivalents to interest rate risks is disclosed in **Note 36.3**.

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16. TRADE AND OTHER RECEIVABLES

	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						
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.

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17. INVENTORIES

	Group			Company		
	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil
Equipment held for resale	379.1	374.1	320.1	0.1	0.1	0.2
Maintenance and capital works' inventories	38.5	23.3	32.1	37.1	21.7	23.6
	417.6	397.4	352.2	37.2	21.8	23.8

18. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Company	
	2019 S\$ Mil	2018 S\$ Mil	2019 S\$ Mil	2018 S\$ Mil
Balance as at 1 April, previously reported	60.6	243.6	(159.7)	(88.0)
Effects of adoption of SFRS(I) 9	4.0	1.7	24.6	24.6
Balance as at 1 April, restated	64.6	245.3	(135.1)	(63.4)
Fair value gains/ (losses)				
- included in income statement	163.5	(97.5)	50.1	(63.5)
- included in 'Hedging Reserve'	59.6	(10.3)	19.3	(8.2)
Settlement of swaps for bonds repaid	6.2	(61.4)	-	-
Translation differences	(13.9)	(11.5)	-	-
Balance as at 31 March	280.0	64.6	(65.7)	(135.1)

	Group			Company		
	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil
Disclosed as –						
Current asset	155.1	22.6	106.1	0.7	70.1	105.9
Non-current asset	283.6	388.3	434.4	125.9	130.6	283.5
Current liability	(9.2)	(69.3)	(15.8)	(0.5)	(84.9)	(108.8)
Non-current liability	(149.5)	(277.0)	(279.4)	(191.8)	(250.9)	(344.0)
	280.0	64.6	245.3	(65.7)	(135.1)	(63.4)

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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 –

2019	Group		Company	
	Fair values		Fair values	
	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

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18.1 Fair Values (Cont'd)

2018	Group		Company	
	Fair values		Fair values	
	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
2017	Group		Company	
	Fair values		Fair values	
	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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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.

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19. PROPERTY, PLANT AND EQUIPMENT

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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

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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	2,101.1	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

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19. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

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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

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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

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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

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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

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20.4 Customer Relationships and Others

	Group	
	2019 S\$ Mil	2018 S\$ Mil
Balance as at 1 April	36.8	40.2
Additions	86.6	17.9
Amortisation for the year	(69.6)	(20.4)
Disposals	(0.1)	-
Reclassification/ adjustment	125.3	-
Translation differences	(0.7)	(0.9)
Balance as at 31 March	178.3	36.8
Cost	437.1	135.8
Accumulated amortisation	(258.8)	(99.0)
Net book value as at 31 March	178.3	36.8

21. SUBSIDIARIES

	Company		
	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil
Unquoted equity shares, at cost	14,259.7	13,676.4	11,001.2
Shareholders' advances	5,733.0	5,733.0	6,423.3
Deemed investment in a subsidiary	32.5	32.5	32.5
	20,025.2	19,441.9	17,457.0
Less: Allowance for impairment losses	(16.0)	(16.0)	(16.0)
	20,009.2	19,425.9	17,441.0

The advances given to subsidiaries were interest-free and unsecured with settlement neither planned nor likely to occur in the foreseeable future.

The deemed investment in a subsidiary, Singtel Group Treasury Pte. Ltd. ("SGT"), arose from financial guarantees provided by the Company for loans drawn down by SGT prior to 1 April 2010.

The significant subsidiaries of the Group are set out in **Note 44.1** to **Note 44.3**.

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22. JOINT VENTURES

	Group			Company		
	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil	31 March 2019 S\$ Mil	31 March 2018 S\$ Mil	1 April 2017 S\$ Mil
Quoted equity shares, at cost	2,798.4	2,798.4	2,798.4	-	-	-
Unquoted equity shares, at cost	5,777.9	5,778.7	5,240.8	22.8	22.8	23.0
	8,576.3	8,577.1	8,039.2	22.8	22.8	23.0
Goodwill on consolidation adjusted against shareholders' equity	(1,225.9)	(1,225.9)	(1,225.9)	-	-	-
Share of post-acquisition reserves (net of dividends, and accumulated amortisation of goodwill)	9,635.7	9,414.8	8,717.6	-	-	-
Translation differences	(4,098.2)	(3,949.5)	(3,215.6)	-	-	-
	4,311.6	4,239.4	4,276.1	-	-	-
Less: Allowance for impairment losses	(30.0)	(30.0)	(30.0)	-	-	-
	12,857.9	12,786.5	12,285.3	22.8	22.8	23.0

As at 31 March 2019,

- (i) The market value of the quoted equity shares in joint ventures held by the Group was S\$18.89 billion (31 March 2018: S\$21.29 billion).
- (ii) The Group's proportionate interest in the capital commitments of joint ventures was S\$1.97 billion (31 March 2018: S\$2.14 billion).

The details of joint ventures are set out in **Note 44.5**.

Optus has an interest in an unincorporated joint operation to share certain 4G network sites and radio infrastructure across Australia whereby it holds an interest of 50% (31 March 2018: 50%) in the assets, with access to the shared network and shares 50% (31 March 2018: 50%) of the cost of building and operating the network.

The Group's property, plant and equipment included the Group's interest in the property, plant and equipment employed in the unincorporated joint operation was S\$1.10 billion (31 March 2018: S\$1.08 billion).

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).

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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).

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For the financial year ended 31 March 2019

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	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

Notes to the Financial Statements

For the financial year ended 31 March 2019

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**.

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For the financial year ended 31 March 2019

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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For the financial year ended 31 March 2019

24. IMPAIRMENT REVIEWS

Goodwill arising on acquisition of subsidiaries

The carrying values of the Group's goodwill on acquisition of subsidiaries as at 31 March 2019 were assessed for impairment during the financial year.

Goodwill is allocated for impairment testing purposes to the individual entity which is also the cash-generating unit ("CGU").

The Group is structured into three business segments, Group Consumer, Group Enterprise and Group Digital Life. Based on the relative fair value approach, the goodwill of Optus was fully allocated to Consumer Australia included in the Group Consumer segment for the purpose of goodwill impairment testing.

The recoverable values of cash-generating units including goodwill are determined based on value-in-use calculations.

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management. The Group has used cash flow projections of five years except for Amobee and the Global Cyber Security business which were based on cash flow projections of thirteen years and ten years respectively to better reflect their stages of growth. Cash flows beyond the terminal year are extrapolated using the estimated growth rates stated in the table below. Key assumptions used in the calculation of value-in-use are growth rates, operating margins, capital expenditure and discount rates.

The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with forecasts included in industry reports.

The discount rates applied to the cash flow projections are based on Weighted Average Cost of Capital (WACC) where the cost of a company's debt and equity capital are weighted to reflect its capital structure.

The details of other subsidiaries are shown in the table below:

Group	31 March 2019	31 March 2018	1 April 2017	Terminal growth rate ⁽¹⁾		Pre-tax discount rate	
	S\$ Mil	S\$ Mil	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.

Notes to the Financial Statements

For the financial year ended 31 March 2019

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

Notes to the Financial Statements

For the financial year ended 31 March 2019

26. OTHER ASSETS

	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
Non-current						
Capitalised contract costs (net)	273.4	235.0	239.5	0.1	1.2	5.9
Prepayments	157.8	198.3	194.5	130.6	143.7	155.1
Tax recoverable from ATO ⁽¹⁾	128.5	134.9	143.2	-	-	-
Other receivables	84.7	19.6	14.8	-	-	-
	644.4	587.8	592.0	130.7	144.9	161.0

Note:

⁽¹⁾ In November 2016, the Group paid A\$134 million to the Australian Taxation Office ("ATO") for amended tax assessments received in respect of the acquisition financing of Optus. This payment has been recorded as a tax recoverable from the ATO pending outcome of its objections to the ATO (see Note 40(b)).

The movements in capitalised contract costs (net) were as follows –

	Group		Company	
	2019 S\$ Mil	2018 S\$ Mil	2019 S\$ Mil	2018 S\$ Mil
Balance as at 1 April	235.0	239.5	1.2	5.9
Contract costs incurred	296.4	252.7	0.2	0.2
Amortisation to operating expenses	(132.9)	(145.0)	(1.3)	(4.9)
Amortisation to mobile service revenue	(121.4)	(108.0)	-	-
Translation differences	(3.7)	(4.2)	-	-
Balance as at 31 March	273.4	235.0	0.1	1.2

Notes to the Financial Statements

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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

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28.1 Bonds

Principal amount	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
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.

Notes to the Financial Statements

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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

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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
<i>Less: Future finance charges</i>	(7.3)	(250.6)	(1.0)	(248.9)
	83.5	104.6	12.5	75.9

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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.

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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.

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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 –

- quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);
- 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
- 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				
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

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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				
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				
Financial assets				
FVOCI investments (Note 25)				
- Quoted equity securities	5.5	-	-	5.5
Derivative financial instruments (Note 18)	-	200.7	-	200.7
	5.5	200.7	-	206.2
Financial liabilities				
Derivative financial instruments (Note 18)	-	335.8	-	335.8
	-	335.8	-	335.8

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35.1 Financial assets and liabilities measured at fair value (Cont'd)

Company 1 April 2017	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
FVOCI investments (Note 25)				
- Quoted equity securities	29.1	-	-	29.1
- Unquoted investments	-	-	8.3	8.3
	29.1	-	8.3	37.4
Derivative financial instruments (Note 18)	-	389.4	-	389.4
	29.1	389.4	8.3	426.8
Financial liabilities				
Derivative financial instruments (Note 18)	-	452.8	-	452.8
	-	452.8	-	452.8

See **Note 2.16** for the policies on fair value estimation of the financial assets and liabilities.

The following table presents the reconciliation for the unquoted FVOCI investments measured at fair value based on unobservable inputs (**Level 3**) –

	Group		Company	
	2019 S\$ Mil	2018 S\$ Mil	2019 S\$ Mil	2018 S\$ Mil
FVOCI investments - unquoted				
Balance as at 1 April, previously reported	86.1	90.3	-	8.3
Effects of adoption of SFRS(I) 9	101.8	69.3	-	-
Balance as at 1 April, restated	187.9	159.6	-	8.3
Total gains/ (losses) included in 'Fair Value Reserve'	4.1	(6.3)	-	0.3
Additions	437.1	59.6	-	-
Disposals	(2.3)	(24.2)	-	(8.6)
Transfer out from Level 3	(10.1)	-	-	-
Translation differences	8.3	(0.8)	-	-
Balance as at 31 March	625.0	187.9	-	-

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35.2 Financial assets and liabilities not measured at fair value (but with fair value disclosed)

	Carrying Value	Fair value			Total S\$ Mil
	S\$ Mil	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 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**.

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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.

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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.

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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

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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

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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

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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) Guarantees

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.

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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.

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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.

Notes to the Financial Statements

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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

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42. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME AND EQUITY (Cont'd)

Statement of Financial Position as at 31 March 2018

Company	Previously reported S\$ Mil	Adjustments S\$ Mil	Restated S\$ Mil
Current assets			
Cash and cash equivalents	92.0	-	92.0
Trade and other receivables	2,323.9	-	2,323.9
Inventories	21.8	-	21.8
Derivative financial instruments	70.1	-	70.1
	2,507.8	-	2,507.8
Non-current assets			
Property, plant and equipment	2,303.9	(44.5)	2,259.4
Subsidiaries	19,425.9	-	19,425.9
Joint ventures	22.8	-	22.8
Associates	24.7	-	24.7
Available-for-sale investments	5.5	(5.5)	-
Fair value through other comprehensive income investments	-	5.5	5.5
Derivative financial instruments	134.1	(3.5)	130.6
Trade and other receivables	143.7	(143.7)	-
Other assets	-	144.9	144.9
	22,060.6	(46.8)	22,013.8
Total assets	24,568.4	(46.8)	24,521.6
Current liabilities			
Trade and other payables	1,468.4	-	1,468.4
Advance billings	80.1	-	80.1
Current tax liabilities	101.5	-	101.5
Borrowings (secured)	7.4	-	7.4
Derivative financial instruments	84.9	-	84.9
	1,742.3	-	1,742.3
Non-current liabilities			
Advance billings	136.7	-	136.7
Borrowings (unsecured)	673.2	66.3	739.5
Borrowings (secured)	68.5	-	68.5
Derivative financial instruments	279.0	(28.1)	250.9
Deferred tax liabilities	275.6	(7.4)	268.2
Other non-current liabilities	31.4	-	31.4
	1,464.4	30.8	1,495.2
Total liabilities	3,206.7	30.8	3,237.5
Net assets	21,361.7	(77.6)	21,284.1
Share capital and reserves			
Share capital	4,127.3	-	4,127.3
Reserves	17,234.4	(77.6)	17,156.8
Total equity	21,361.7	(77.6)	21,284.1

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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

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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

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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.

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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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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 ⁽⁷⁾⁽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

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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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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

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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

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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

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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 cables	Singapore	16.7	16.7

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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 Cablesip Pte Ltd	Operation of cablesips 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 Cablesip Pte. Ltd.	Leasing, operating and managing of maintenance-cum-laying cablesip	Singapore	50.0	50.0
13.	International Cablesip Pte Ltd	Ownership and chartering of cablesips	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

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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 Purwanto, Sungkoro & Surja (a member firm of Ernst & Young).

⁽¹¹⁾ Audited by KPMG, Bermuda.

⁽¹²⁾ The company has been disposed during the year.

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