



Full Year 2018 Financial Statement Announcement

TABLE OF CONTENTS	Page No:
1(a) Consolidated Statement of Comprehensive Income	1
1(b) Statements of Financial Position	2
1(c) Consolidated Cash Flow Statement	3
1(d) Statements of Changes In Equity	4
1(e) Notes to Financial Statements	8
2(a) Negative Assurance	11
2(b) Audit / Review	12
3 Basis of Preparation	12
4 Accounting Policies	12
5 Earnings Per Share	13
6 Net Asset Value	13
7,8 Dividend	14
9 Significant Related Party Transactions	15
10 Interested Person Transactions	15
11 Review of Performance of the Group	15
12 Auditor's Report	15
13 Review of Performance	15
14 Variance From Prospect Statement	23
15 Outlook	23
16,17 Segment Revenue and Results	24, 25
18,19 Breakdown of Sales and Total Dividend	25
20 Disclosure under Rule 704(13) of the Listing Manual	25
21 Confirmation that the issuer has procured undertakings from all its Directors and Executive Officers	26

Notes:

(1) Numbers in all tables may not exactly add due to rounding.



1(a) Consolidated Statement of Comprehensive Income for:

		4Q2018	4Q2017		2018	2017	
	Note	\$'m	\$'m	Change	\$'m	\$'m	Change
Operating revenue	(i)	312.8	301.7	3.7%	1,094.7	1,053.0	4.0%
Operating expenses	(ii)	(278.9)	(259.8)	7.3%	(925.4)	(874.0)	5.9%
Other revenue		0.6	-	@	2.7	1.7	58.0%
Finance costs		(2.9)	(2.9)	0.3%	(11.5)	(9.9)	16.7%
Share of loss of associates		(0.1)	(0.1)	121.2%	(0.7)	(0.3)	115.4%
Profit before tax		31.5	38.9	-19.0%	159.8	170.5	-6.3%
Taxation	(iii)	(6.3)	(6.8)	-7.4%	(29.1)	(31.5)	-7.4%
Net profit		25.2	32.1	-21.4%	130.7	139.1	-6.0%
Other comprehensive income		0.4	4.8	-92.5%	0.2	4.4	-95.4%
Total comprehensive income for the period		25.6	36.9	-30.7%	130.9	143.5	-8.8%
Attributable to:-							
Shareholders of the company		25.7	36.9	-30.4%	131.3	143.5	-8.5%
Non-controlling interests		(0.1)	-	@	(0.4)	-	@
Total comprehensive income for the period		25.6	36.9	-30.7%	130.9	143.5	-8.8%
Earnings per share (cents)							
Basic		2.7	3.5	-21.8%	14.2	15.0	-5.4%
Diluted		2.7	3.5	-21.8%	14.2	15.0	-5.4%
EBITDA (\$'m)		68.0	75.8	-10.3%	299.0	310.3	-3.7%

The results for fourth quarter and full year ended 31 December 2017 are restated following the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)s").

^{n.m.} Non meaningful

@ Denotes more than +/-300%

* Denotes less than \$0.05 million

The net profit included the following:

	4Q2018	4Q2017	2018	2017
	\$'m	\$'m	\$'m	\$'m
Other revenue including interest income	(0.6)	-	(2.7)	(1.7)
Interest on borrowings	2.9	2.9	11.5	9.9
Depreciation and amortisation	33.5	34.0	127.6	129.9
Loss allowance on trade receivables	1.6	2.2	7.4	9.0
Write-back for inventory obsolescence	(0.2)	-	(0.4)	-
Foreign exchange (gain)/loss, net	0.1	*	(*)	0.1
Gain on disposal of fixed assets	(0.1)	-	(0.1)	(2.4)
Amortisation of capitalised contract costs	1.2	1.2	5.0	4.5
Impairment loss on investment in an associate	-	-	0.7	-

* Denotes less than \$0.05 million



1(b) Statements of Financial Position as at:

	Note	Group		Company	
		31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
		\$'m	\$'m	\$'m	\$'m
Non-current assets:					
Fixed assets		767.2	762.3	735.1	731.7
Capitalised contract cost		1.2	1.3	0.9	1.0
Contract asset		39.3	39.5	37.0	37.4
Licences and spectrum rights		127.2	143.5	127.2	143.5
Other intangibles		32.3	14.9	-	-
Staff loans		0.3	0.4	0.3	0.4
Investment securities		25.6	25.5	-	-
Investment in associates		2.8	2.7	-	-
Interest in subsidiaries		-	-	9.6	7.1
Due from subsidiaries		-	-	23.7	24.9
		<u>995.9</u>	<u>990.2</u>	<u>933.7</u>	<u>946.0</u>
Current assets:					
Inventories		36.2	49.8	0.1	0.2
Trade receivables	(iv)	109.4	78.1	87.7	65.4
Capitalised contract cost		3.6	4.0	2.8	3.1
Contract asset		117.8	118.6	111.0	112.2
Other receivables		36.6	39.1	17.4	31.9
Prepayments		15.3	13.3	13.1	12.2
Due from related companies		0.3	0.9	0.3	0.8
Investment securities		-	6.7	-	-
Cash and cash equivalents	(v)	79.2	46.5	63.2	43.4
		<u>398.5</u>	<u>357.0</u>	<u>295.7</u>	<u>269.3</u>
Current liabilities:					
Creditors and accruals		223.2	204.1	153.6	147.2
Contract liability		4.0	5.4	3.7	5.4
Unearned revenue		28.0	31.3	24.6	28.1
Due to related companies		0.6	0.3	3.8	0.2
Taxation		42.5	41.8	40.4	39.4
		<u>298.3</u>	<u>282.9</u>	<u>226.1</u>	<u>220.4</u>
Net current assets		100.3	74.1	69.6	48.9
Non-current liabilities:					
Borrowings	(vi)	450.0	450.0	450.0	450.0
Other creditors		1.4	-	-	-
Deferred tax liabilities		121.6	120.6	116.2	117.2
Net assets		523.2	493.6	437.1	427.7
Represented by:					
Share capital		217.0	217.1	217.0	217.1
Share option reserve		6.5	7.3	6.5	7.3
Treasury Shares		(26.2)	(27.3)	(26.2)	(27.3)
Fair value adjustment reserve		4.8	4.6	-	-
Retained profits		318.9	292.0	239.8	230.7
Non-controlling Interests		2.2	-	-	-
Total shareholders' equity		523.2	493.6	437.1	427.7



1(c) Consolidated Cash Flow Statement for:

	4Q2018	4Q2017	2018	2017
	\$'m	\$'m	\$'m	\$'m
Cash flows from operating activities:				
Profit before tax	31.5	38.9	159.8	170.5
Adjustments for:				
Share-based payment expenses	0.4	0.6	1.4	0.6
Depreciation of fixed assets	29.3	29.9	111.1	114.3
Gain on disposal of fixed assets	(0.1)	-	(0.1)	(2.4)
Amortisation of licences/spectrum rights	4.2	4.1	16.5	15.6
Amortisation of capitalised contract costs	1.2	1.2	5.0	4.5
Unrealised exchange (gain)/ loss	*	0.1	(0.1)	-
Write-back for inventory obsolescence	(0.2)	-	(0.4)	-
Loss allowance on trade receivables	1.6	2.2	7.4	9.0
Impairment loss on investment in an associate	-	-	0.7	-
Interest income	(0.3)	(0.2)	(0.9)	(0.5)
Interest on borrowings	2.9	2.9	11.5	9.9
Share of loss of associates	0.1	0.1	0.7	0.3
Operating cash flows before working capital changes	70.8	79.8	312.6	322.1
Changes in:				
Inventories	(2.2)	(2.3)	13.9	(26.9)
Trade receivables	(17.3)	(8.7)	(38.7)	6.2
Capitalised contract cost	(1.6)	(1.9)	(4.5)	(5.5)
Contract asset	(17.5)	(13.2)	1.0	(5.1)
Non-current staff loans	0.0	(0.0)	0.1	(0.1)
Other receivables	(6.7)	13.3	2.0	(24.7)
Prepayments	(2.1)	(2.0)	(2.2)	(1.0)
Creditors and accruals	31.8	(13.3)	12.6	30.6
Contract liability	(0.3)	(1.5)	(1.4)	(2.3)
Unearned revenue	(3.2)	(2.1)	(3.3)	(1.5)
Related companies	(1.4)	(0.7)	0.9	0.3
Changes in working capital	(20.6)	(32.5)	(19.6)	(30.0)
Interest received	0.3	0.1	1.3	0.1
Interest paid	(4.5)	(4.5)	(11.4)	(8.7)
Tax refund/ (paid)	(2.7)	0.8	(27.3)	(24.4)
Net cash flows from operating activities	43.3	43.6	255.7	259.1
Cash flows from investing activities:				
Purchase of fixed assets	(42.3)	(46.9)	(115.9)	(132.3)
Net cash outflow on acquisition of a business	-	(0.9)	-	(0.9)
Purchase of spectrum rights	-	-	-	(20.0)
Purchase of long-term investments	-	(1.3)	(1.3)	(7.4)
Proceeds from redemption of investment securities	-	-	6.8	-
Net Cash outflow on acquisition of a subsidiary	(9.8)	-	(9.8)	-
Acquisition in an associated company	-	-	(1.5)	-
Proceeds from disposal of investment in associate	1.5	-	1.5	-
Proceeds from disposal of fixed assets	0.1	-	0.1	*
Net cash flows used in investing activities	(50.6)	(49.2)	(120.2)	(160.6)
Cash flows from financing activities:				
Proceeds from loans	-	-	-	174.8
Repayment of term loans	-	-	-	(125.8)
Purchase of treasury shares	-	-	-	(8.9)
Proceeds from issuance of ordinary shares on exercise of employee share options - treasury shares	0.1	-	0.1	0.1
Proceeds from issuance of ordinary shares by subsidiary	-	-	2.6	-
Dividends paid to shareholders	-	-	(105.5)	(103.2)
Net cash flows used in financing activities	0.1	-	(102.8)	(63.0)
Net changes in cash and cash equivalents	(7.3)	(5.6)	32.7	35.5
Cash and cash equivalents at beginning of financial period	86.5	52.1	46.5	11.0
Cash and cash equivalents at end of financial period	79.2	46.5	79.2	46.5

*Denotes less than \$0.05 million



1(d) (i) Statements of Changes in Equity:

Group	Attributable to Equity Holders of the Company							
	Share Capital \$'m	Share-Based Payment Reserve \$'m	Treasury Shares \$'m	Fair Value Adjustment Reserve \$'m	Retained Profits \$'m	Total \$'m	Non-Controlling Interests \$'m	Total \$'m
As at 1 Jan 2018, as previously stated	217.1	7.3	(27.3)	4.6	227.2	428.9	-	428.9
Impact on adoption of new accounting policy	-	-	-	-	64.8	64.8	-	64.8
As at 1 Jan 2018, as restated	217.1	7.3	(27.3)	4.6	292.0	493.6	-	493.6
Net Profit	-	-	-	-	34.8	34.8	(0.1)	34.8
<u>Other comprehensive income</u>								
Fair value adjustment reserve	-	-	-	(0.8)	-	(0.8)	-	(0.8)
Total comprehensive income for the period	-	-	-	(0.8)	34.8	34.1	(0.1)	34.0
Treasury shares transferred pursuant to share option plans	-	(0.2)	0.2	-	-	-	-	-
Expenses on share options	-	0.2	-	-	-	0.2	-	0.2
Change in non-controlling interests	-	-	-	-	-	-	2.6	2.6
As at 31 Mar 2018	217.1	7.3	(27.1)	3.8	326.8	527.9	2.5	530.4
Net Profit	-	-	-	-	36.3	36.3	(0.1)	36.2
<u>Other comprehensive income</u>								
Fair value adjustment reserve	-	-	-	0.9	-	0.9	-	0.9
Total comprehensive income for the period	-	-	-	0.9	36.3	37.3	(0.1)	37.1
Treasury shares transferred pursuant to share option plans	(0.1)	(0.7)	0.7	-	-	(0.1)	-	(0.1)
Expenses on share options	-	0.4	-	-	-	0.4	-	0.4
Dividends	-	-	-	-	(57.4)	(57.4)	-	(57.4)
Expiry of employee share options	-	(1.1)	-	-	1.1	-	-	-
As at 30 Jun 2018	217.0	5.9	(26.4)	4.7	306.9	508.1	2.4	510.6
Net Profit	-	-	-	-	34.6	34.6	(0.1)	34.5
<u>Other comprehensive income</u>								
Fair value adjustment reserve	-	-	-	(0.3)	-	(0.3)	-	(0.3)
Total comprehensive income for the period	-	-	-	(0.3)	34.6	34.3	(0.1)	34.2
Treasury shares transferred pursuant to share option plans	-	(*)	*	-	-	*	-	*
Expenses on share options	-	0.4	-	-	-	0.4	-	0.4
Dividends	-	-	-	-	(48.1)	(48.1)	-	(48.1)
Expiry of employee share options	-	(0.2)	-	-	0.2	-	-	-
As at 30 Sep 2018	217.0	6.1	(26.4)	4.4	293.7	495.0	2.3	497.1
Net Profit	-	-	-	-	25.3	25.3	(0.1)	25.2
<u>Other comprehensive income</u>								
Fair value adjustment reserve	-	-	-	0.4	-	0.4	-	0.4
Total comprehensive income for the period	-	-	-	0.4	25.3	25.7	(0.1)	25.6
Treasury shares transferred pursuant to share option plans	-	(0.2)	0.2	-	-	-	-	-
Expenses on share options	-	0.4	-	-	-	0.4	-	0.4
As at 31 Dec 2018	217.0	6.5	(26.2)	4.8	318.9	521.2	2.2	523.2

* Denotes less than \$0.05 million



Group	Attributable to Equity Holders of the Company					
	Share Capital	Share-based payment Reserve	Treasury Shares	Fair Value Adjustment Reserve	Retained Profits	Total
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
As at 1 Jan 2017	217.2	6.7	(18.6)	0.2	198.0	403.4
Impact on adoption of new accounting policy	-	-	-	-	58.2	58.2
As at 1 Jan 2017, as restated	217.2	6.7	(18.6)	0.2	256.2	461.6
Net profit (restated)	-	-	-	-	34.8	34.8
<u>Other comprehensive income</u>						
Fair value adjustment reserve	-	-	-	(1.0)	-	(1.0)
Total comprehensive income for the period	-	-	-	(1.0)	34.8	33.8
Issuance of ordinary shares on exercise of employee share options	-	(0.2)	-	-	-	(0.2)
Treasury shares transferred pursuant to share option plans	-	-	0.1	-	-	0.1
Expenses on share options	-	0.1	-	-	-	0.1
As at 31 Mar 2017	217.2	6.6	(18.5)	(0.8)	290.9	495.3
Net Profit	-	-	-	-	35.7	35.7
<u>Other comprehensive income</u>						
Fair value adjustment reserve	-	-	-	0.8	-	0.8
Total comprehensive income for the period	-	-	-	0.8	35.7	36.5
Treasury shares transferred pursuant to share option plans	(0.1)	-	0.1	-	-	-
Expenses on share options	-	0.1	-	-	-	0.1
Dividends	-	-	-	-	(54.9)	(54.9)
As at 30 Jun 2017	217.1	6.7	(18.4)	-	271.7	477.3
Net Profit	-	-	-	-	36.5	36.5
<u>Other comprehensive income</u>						
Fair value adjustment reserve	-	-	-	(0.2)	-	(0.2)
Total comprehensive income for the period	-	-	-	(0.2)	36.5	36.3
Expenses on share options	-	(*)	-	-	-	(*)
Purchase of treasury share	-	-	(8.9)	-	-	(8.9)
Dividends	-	-	-	-	(48.4)	(48.4)
As at 30 Sep 2017	217.1	6.7	(27.3)	(0.2)	259.9	456.2
Net Profit	-	-	-	-	32.1	32.1
<u>Other comprehensive income</u>						
Fair value adjustment reserve	-	-	-	4.8	-	4.8
Total comprehensive income for the period	-	-	-	4.8	32.1	36.9
Expenses on share options	-	0.6	-	-	-	0.6
Purchase of treasury share	-	-	-	-	-	-
As at 31 Dec 2017	217.1	7.3	(27.3)	4.6	292.0	493.6

*Denotes less than \$0.05 million



Company	Attributable to Equity Holders of the Company				
	Share Capital	Share- based payment Reserve	Treasury Shares	Retained Profits	Total
	\$'m	\$'m	\$'m	\$'m	\$'m
As at 1 Jan 2018, as previously stated	217.1	7.3	(27.3)	158.9	355.9
Impact on adoption of new accounting policy	-	-	-	71.7	71.7
As at 1 Jan 2018, as restated	217.1	7.3	(27.3)	230.6	427.7
Total comprehensive income for the period	-	-	-	31.9	31.9
Treasury shares transferred pursuant to share option plans	-	(0.2)	0.2	-	(*)
Expenses on share options	-	0.2	-	-	0.2
As at 31 Mar 2018	217.1	7.3	(27.1)	262.5	459.9
Total comprehensive income for the period	-	-	-	32.5	32.5
Treasury shares transferred pursuant to share option plans	(0.1)	(0.7)	0.7	-	(0.1)
Expenses on share options	-	0.4	-	-	0.4
Dividends	-	-	-	(57.4)	(57.4)
Expiry of employee share options	-	(1.1)	-	1.1	-
As at 30 Jun 2018	217.0	5.9	(26.4)	238.7	435.3
Total comprehensive income for the period	-	-	-	30.3	30.3
Treasury shares transferred pursuant to share option plans	-	(*)	*	-	-
Expenses on share options	-	0.4	-	-	0.4
Dividends	-	-	-	(48.1)	(48.1)
Expiry of employee share options	-	(0.2)	-	0.2	-
As at 30 Sep 2018	217.0	6.1	(26.4)	221.1	417.9
Total comprehensive income for the period	-	-	-	18.6	18.6
Treasury shares transferred pursuant to share option plans	-	(0.2)	0.2	-	-
Expenses on share options	-	0.4	-	-	0.4
As at 31 Dec 2018	217.0	6.5	(26.2)	239.8	437.1

* Denotes less than \$0.05 million



Company	Attributable to Equity Holders of the Company				
	Share Capital	based payment Reserve	Treasury Shares	Retained Profits	Total
	\$'m	\$'m	\$'m	\$'m	\$'m
As at 1 Jan 2017	217.2	6.7	(18.6)	153.6	358.8
Impact on adoption of new accounting policy	-	-	-	56.1	56.1
As at 1 Jan 2017, as restated	217.2	6.7	(18.6)	209.7	415.0
Total comprehensive income for the period	-	-	-	30.9	30.9
Issuance of ordinary shares on exercise of employee share options	-	(0.2)	-	-	(0.2)
Treasury shares transferred pursuant to share-based payment plans	-	-	0.1	-	0.1
Expenses on share-based payment	-	0.1	-	-	0.1
As at 31 Mar 2017	217.2	6.6	(18.5)	240.7	445.9
Total comprehensive income for the period	-	-	-	30.9	30.9
Treasury shares transferred pursuant to share-based payment plans	(0.1)	-	0.1	-	-
Expenses on share-based payment	-	0.1	-	-	0.1
Dividends	-	-	-	(54.9)	(54.9)
As at 30 Jun 2017	217.1	6.7	(18.4)	216.7	422.3
Total comprehensive income for the period	-	-	-	31.6	31.6
Expenses on share-based payment	-	(*)	-	-	(*)
Purchase of treasury share	-	-	(8.9)	-	(8.9)
Dividends	-	-	-	(48.4)	(48.4)
As at 30 Sep 2017	217.1	6.7	(27.3)	200.2	396.6
Total comprehensive income for the period	-	-	-	30.5	30.5
Expenses on share options	-	0.6	-	-	0.6
As at 31 Dec 2017	217.1	7.3	(27.3)	230.7	427.7

*Denotes less than \$0.05 million



1(d) (ii) Changes in Company's share capital

No. of Shares	Share options		Ordinary shares		Treasury shares	
	Year Ended 31 Dec		Year Ended 31 Dec		Year Ended 31 Dec	
	2018	2017	2018	2017	2018	2017
As at 1 Jan	33,374,700	37,207,700	925,114,782	930,022,782	12,123,000	7,215,000
Exercised during the financial period	(58,000)	(92,000)	58,000	92,000	-	-
Cancelled during the financial period	(6,490,700)	(3,741,000)	-	-	-	-
Purchased of treasury shares during the financial period	-	-	-	(5,000,000)	-	5,000,000
Treasury shares transferred pursuant to share option plans	-	-	442,300	-	(500,300)	(92,000)
As at 31 Dec	26,826,000	33,374,700	925,615,082	925,114,782	11,622,700	12,123,000

1(e) Notes to Financial Statements

(i) Operating Revenue

	Group		Group	
	4Q2018	4Q2017	2018	2017
	\$'m	\$'m	\$'m	\$'m
Operating revenue				
Mobile telecommunications services	139.6	143.5	569.4	564.3
International call services	11.5	14.0	43.3	55.9
Fixed services	36.7	33.8	143.1	120.6
Total service revenue	187.8	191.3	755.8	740.8
Handset/Equipment sales	125.0	110.4	339.0	312.2
Total	312.8	301.7	1,094.7	1,053.0

* Fixed services includes access and ICT services.



(ii) Operating expenses

	Group		Group	
	4Q2018	4Q2017	2018	2017
	\$'m	\$'m	\$'m	\$'m
Cost of sales	162.5	146.3	484.4	445.6
Staff costs	37.0	33.0	131.3	122.5
Advertising and promotion expenses	3.9	5.4	15.0	19.4
Depreciation and amortisation	33.5	34.0	127.6	129.9
Loss allowance on trade receivables	1.6	2.2	7.4	9.0
Facilities expenses	23.6	22.0	93.5	86.4
Leased circuit costs	8.3	8.5	33.3	32.8
Licence fees	1.1	1.1	4.4	3.8
Other general and administrative expenses	7.2	7.3	28.3	24.5
Foreign exchange (gain)/loss	0.1	*	(*)	0.1
Total	278.9	259.8	925.4	874.0

*Denotes less than \$0.05 million

(iii) Taxation

Major components of income tax expense for the periods ended 31 December were:

	Group		Group	
	4Q2018	4Q2017	2018	2017
	\$'m	\$'m	\$'m	\$'m
Current tax				
- Current provision	3.8	4.9	27.9	29.5
- (Over)/under provision in prior year	0.2	(0.7)	0.2	(0.7)
Deferred tax				
- Under provision in prior year	0.7	0.9	0.7	0.9
- Movement in temporary differences	1.6	1.8	0.3	1.8
Income tax expense	6.3	6.8	29.1	31.5



(iv) Trade receivables

	Group		Company	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	\$'m	\$'m	\$'m	\$'m
Mobile and fixed services				
- Billed	60.3	53.5	60.3	53.5
- Accrued service revenue	15.2	9.6	15.2	9.6
Others				
- Billed	41.4	23.9	19.7	11.1
- Accrued	0.9	1.2	0.9	1.2
	117.8	88.2	96.1	75.4
Loss allowance on trade receivables	(8.4)	(10.1)	(8.4)	(10.1)
	109.4	78.1	87.7	65.4

(v) Cash and cash equivalents comprise:

	Group		Company	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
	\$'m	\$'m	\$'m	\$'m
Cash and bank balances	79.2	46.5	63.2	43.4
	79.2	46.5	63.2	43.4

(vi) Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 December 2018		As at 31 December 2017	
Secured	Unsecured	Secured	Unsecured
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 31 December 2018		As at 31 December 2017	
Secured	Unsecured	Secured	Unsecured
Nil	\$450.0m	Nil	\$450.0m



Details of any collateral

None.

The \$250 million long term loan was refinanced in May 2016 at an effective interest rate of 2.65% per annum and is repayable in full in May 2021.

The \$200 million long term loan is unsecured and bears an effective interest rate at 2.45% per annum and is repayable in full in June 2020.

2(a) NEGATIVE ASSURANCE

We, DANNY TEOH LEONG KAY and TAN WAH YEOW, being two directors of M1 Limited (the “Company”) do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company that may render the Fourth Quarter and Full Year ended 31 December 2018 financial results to be false or misleading.

On behalf of the directors

DANNY TEOH LEONG KAY
Chairman

TAN WAH YEOW
Director

Singapore
28 January 2019



2(b) AUDIT/ REVIEW

The figures have not been audited or reviewed in accordance with Singapore Standard on Review Engagements (“SSRE”)2410.

3. BASIS OF PREPARATION

The condensed interim consolidated statement of comprehensive income of the Group and the statements of financial position and statements of changes in equity of the Group and Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34, Interim Financial Reporting.

The financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at their fair value.

4. ACCOUNTING POLICIES

The Group and Company has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with the audited financial statements for the year ended 31 December 2017, except for the adoption of new or revised Financial Reporting Standards (International) (“SFRS(I)”) 1-34 and Interpretations to FRS (“INT FRS”) which became effective from this financial year. The adoption of these new or revised FRS and INT FRS does not have any significant impact on the financial statement of the Group and the Company, except as stated below.

The Accounting Standards Council announced on 29 May 2014 that Singapore incorporated companies listed on the Singapore Exchange will apply a new financial reporting framework identical to the International Financial Reporting Standards. The Group has adopted the new financial reporting framework on 1 January 2018. Other than the adoption of the new standards that are effective on 1 January 2018, the new framework will have no material impact on the financial statements in the year of application except as follows:-

SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 15 establishes a five step model to account for revenue arising from contracts with customers, and introduces new contract costs guidance. Under SFRS(I) 15, revenue is recognized at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is effective for annual periods beginning or after 1 January 2018. The Group and Company has applied the changes in accounting policies retrospectively to each reporting year presenting, using the full retrospective approach. As such, the comparative 2017 figures in this report is not comparable to previously announced 2017 figures.



SFRS(I) 9 Financial Instruments

SFRS(I) 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in SFRS(I) 9 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

The Group and Company adopted the new standard on the required effective date without restating prior periods' information and recognizes any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

5. EARNINGS PER SHARE

	4Q2018	4Q2017	Change	2018	2017	Change
Earnings per ordinary share of the Group based on the net profit attributable to shareholders:-						
(i) Based on weighted average number of shares	2.7cts	3.5cts	-21.8%	14.2cts	15.0cts	-5.4%
- Weighted average number of shares ('000)	925,578	917,743	0.9%	925,401	928,228	-0.3%
(ii) On fully diluted basis	2.7cts	3.5cts	-21.8%	14.2cts	15.0cts	-5.4%
- Adjusted weighted average number of shares ('000)	925,602	917,754	0.9%	925,412	928,251	-0.3%

6. NET ASSET VALUE

	Group		Company	
	31 Dec 2018	31 Dec 2017	31 Dec 2018	31 Dec 2017
Net asset value per share (cents)	56.3	53.4	47.2	46.2



7. DIVIDEND

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

Yes.

Name of Dividend	Interim	Final (proposed)
Dividend Type	Cash	Cash
Dividend Rate	5.2 cents per ordinary share (one-tier tax)	6.0 cents per ordinary share (one-tier tax)
Tax Rate	N.A	N.A

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Rate	5.2 cents per ordinary share (one-tier tax)	6.2 cents per ordinary share (one-tier tax)
Tax Rate	N.A	N.A

(c) Date Payable

The proposed final dividends, if approved at the next Annual General Meeting to be held on 22 April 2019, will be paid on 15 May 2019.

(d) Books Closure Date

NOTICE IS HEREBY GIVEN that subject to Shareholders approving the declaration of the proposed final dividends, the Transfer Books and Register of Members of the Company will be closed from 7 May 2019 to 8 May 2019, both dates inclusive for the preparation of dividend warrants.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to the close of business at 5.00 p.m. on 6 May 2019, will be registered to determine shareholders' entitlement to the proposed final dividends.

In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the proposed final dividends will be paid by the Company to CDP which will in turn distribute the final dividends entitlements to the CDP account holders in accordance with its normal practice.

8. If no dividend have been declared/recommended, a statement to that effect.

Not applicable.



9. SIGNIFICANT RELATED PARTY TRANSACTIONS

The following were significant transactions entered into by the Group and related parties who are not members of the Group at market rates during the quarter:

	4Q2018	4Q2017	2018	2017
	\$'m	\$'m	\$'m	\$'m
Sales	(2.7)	(4.9)	(8.4)	(13.0)
Purchases	2.5	4.3	13.3	16.8

10. INTERESTED PERSON TRANSACTIONS

Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000).

	4Q2018	2018
	\$'000	\$'000
Transactions for the purchase of goods and services		
Singapore Telecommunications Limited & its associates	10,965	45,214
Axiata Group Berhad	785	3,485
Keppel Logistics Pte Ltd	256	1,191
SingPost Ltd	-	-
Starhub Ltd & its associates	4,923	20,374
Temasek Holdings (Private) Limited & its associates	630	4,038
Transactions for the sale of goods and services		
Singapore Telecommunications Limited & its associates	3,198	13,242
Axiata Group Berhad	222	1,480
Starhub Ltd & its associates	1,119	5,157
Temasek Holdings (Private) Limited & its associates	1,429	1,504
Total Interested Person Transactions	23,527	95,685

11. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the fourth quarter and full year financial results ended 31 December 2018.

12. AUDITOR'S REPORT

Not applicable.



13. REVIEW OF PERFORMANCE

	Group		YoY Change	Group		YoY Change	Group	Change (4Q2018 vs 3Q2018)
	4Q2018 \$'m	4Q2017 \$'m		2018 \$'m	2017 \$'m		3Q2018 \$'m	
Revenues								
Operating revenue								
Mobile telecommunications services	139.6	143.5	-2.7%	569.4	564.3	0.9%	142.6	-2.1%
International call services	11.5	14.0	-18.4%	43.3	55.9	-22.5%	9.8	17.1%
Fixed services	36.7	33.8	8.6%	143.1	120.6	18.6%	37.8	-2.9%
Total service revenue	187.8	191.3	-1.8%	755.8	740.8	2.0%	190.2	-1.3%
Handset/Equipment sales	125.0	110.4	13.3%	339.0	312.2	8.6%	84.5	48.0%
Total	312.8	301.7	3.7%	1,094.7	1,053.0	4.0%	274.6	13.9%
Key Drivers								
Number of customers ('000)								
Postpaid	1,384	1,292	7.1%	1,384	1,292	7.1%	1,362	1.6%
Prepaid	572	747	-23.4%	572	747	-23.4%	584	-2.0%
Total Mobile	1,956	2,038	-4.1%	1,956	2,038	-4.1%	1,946	0.5%
Fibre	209	189	10.7%	209	189	10.7%	204	2.3%
Total	2,165	2,227	-2.8%	2,165	2,227	-2.8%	2,150	0.7%
Mobile market share ^								
Postpaid	25.8%	25.4%	-	25.8%	25.4%	-	25.7%	-
Prepaid	19.4%	22.2%	-	19.4%	22.2%	-	19.2%	-
Overall	23.5%	24.1%	-	23.5%	24.1%	-	23.4%	-
Mobile penetration rate ^	147.0%	150.8%	-	147.0%	150.8%	-	147.7%	-
Monthly minutes of use per active customer (per month)								
Postpaid	171	185	-7.7%	177	190	-6.7%	177	-3.3%
Prepaid	98	131	-24.6%	111	149	-25.5%	111	-11.2%
Average monthly churn rate	1.3%	1.2%	-	1.1%	1.3%	-	1.0%	-
Acquisition cost per postpaid customer	\$472	\$473	-0.2%	\$419	\$404	3.7%	\$411	14.8%

^ Based on latest published statistics October 2018.

* Fixed services includes access and ICT services.



13.1 Operating Revenue

YoY, operating revenue at \$312.8m for 4Q2018 and \$1,094.7m for the year ended 31 December 2018 were 3.7% and 4.0% higher respectively mainly due to higher fixed services revenue and handset/equipment sales. Compared to 3Q2018, it was 13.9% higher due to higher handset/equipment sales.

13.1.1 Key Drivers

As at 31 December 2018, our customer base stood at 2,165,000, 2.8% lower than last year. Compared to 3Q2018, it was 0.7% higher. Market share was 23.5% at end October 2018.

Churn rate at 1.3% for 4Q2018 was higher YoY and QoQ.

YoY, postpaid customer acquisition cost decreased 0.2% to \$472 for 4Q2018 but was 3.7% higher at \$419 for FY2018. Compared to 3Q2018, it was 14.8% higher.

13.1.2 Mobile Telecommunications Services

	Group			Group			Group 3Q2018 \$'m	Change (4Q2018 vs 3Q2018)
	4Q2018 \$'m	4Q2017 \$'m	YoY Change	2018 \$'m	2017 \$'m	YoY Change		
Telecommunications revenue								
Postpaid	127.1	129.0	-1.5%	516.5	504.1	2.5%	129.4	-1.8%
Prepaid	12.5	14.5	-13.4%	52.9	60.2	-12.2%	13.2	-4.9%
Total	139.6	143.5	-2.7%	569.4	564.3	0.9%	142.6	-2.1%
ARPU* (per month)								
Postpaid (net)	\$40.1	\$41.9	-4.3%	\$41.0	\$41.7	-1.7%	\$40.8	-1.7%
Postpaid (gross)	\$54.0	\$56.4	-4.3%	\$54.5	\$55.8	-2.3%	\$54.0	0.0%
Data plan (net)	\$9.7	\$12.2	-20.5%	\$10.6	\$12.8	-17.2%	\$10.6	-8.5%
Data plan (gross)	\$10.1	\$12.7	-20.5%	\$11.0	\$13.2	-16.7%	\$11.0	-8.2%
Prepaid	\$9.7	\$10.5	-7.6%	\$10.2	\$10.7	-4.7%	\$10.5	-7.6%
Fibre Broadband (net)	\$38.9	\$40.0	-2.8%	\$39.0	\$38.0	2.6%	\$38.6	0.8%
Fibre Broadband (gross)	\$42.8	\$43.7	-2.1%	\$42.9	\$41.8	2.6%	\$42.7	0.2%
Mobile data contribution as a % of service revenue	65.3%	58.2%		63.9%	56.2%		64.6%	

* Average Revenue Per User

YoY, mobile telecommunications revenue decreased 2.7% to \$139.6m for 4Q2018 but was 0.9% higher at \$569.4m for FY2018 due to higher postpaid revenue. Against 3Q2018, it was 2.1% lower.

Postpaid revenue decreased 1.5% YoY to \$127.1m for 4Q2018 but was 2.5% higher at \$516.5m for FY2018. Compared to 3Q2018, it was 1.8% lower.

YoY, prepaid revenue decreased 13.4% to \$12.5m for 4Q2018 and 12.2% to \$52.9m for FY2018. Against 3Q2018, it was 4.9% lower.



Average postpaid smartphone data usage increased to 5.4GB per month this quarter from 4.3GB per month a year ago. YoY, mobile data contribution increased by 7.1% point to 65.3% for 4Q2018 and 7.7% point to 63.9% for FY2018 respectively. Against 3Q2018, it was 0.7% point higher.

13.1.3 International call services

	Group			Group			Group		Change (4Q2018 vs 3Q2018)
	4Q2018	4Q2017	YoY	2018	2017	YoY	3Q2018		
	\$'m	\$'m	Change	\$'m	\$'m	Change	\$'m		
International call services									
Retail revenue	6.2	8.4	-25.8%	27.1	36.0	-24.8%	6.4	-3.6%	
Wholesale and bilateral revenue	5.2	5.7	-7.5%	16.3	19.9	-18.2%	3.3	56.8%	
Total	11.5	14.0	-18.4%	43.3	55.9	-22.5%	9.8	17.1%	
Total international retail minutes (in millions)									
	96	137	-29.9%	437	631	-30.7%	106	-9.2%	

YoY, international call services revenue decreased 18.4% to \$11.5m for 4Q2018 and 22.5% to \$43.3m for FY2018 respectively due to lower retail traffic. Compared to 3Q2018, it was 17.1% higher.

13.1.4 Fixed services

Fixed services revenue grew 8.6% and 18.6% YoY to \$36.7m for 4Q2018 and \$143.1m for FY2018 respectively driven by higher fibre customer base and contribution from corporate projects. Against 3Q2018, it was 2.9% lower.

13.1.5 Handset/Equipment sales

Handset/Equipment sales increased 13.3% and 8.6% YoY to \$125.0m for 4Q2018 and \$339.0m for FY2018 respectively due to higher sales volume and consolidation of a newly acquired subsidiary. Against 3Q2018, it was 48.0% higher driven by higher sales volume and consolidation of a newly acquired subsidiary.



13.2 Operating Expenses

	Group			Group			Group 3Q2018 \$'m	Change (4Q2018 vs 3Q2018)
	4Q2018 \$'m	4Q2017 \$'m	YoY Change	2018 \$'m	2017 \$'m	YoY Change		
Cost of sales	162.5	146.3	11.0%	484.4	445.6	8.7%	122.0	33.1%
Staff costs	37.0	33.0	12.1%	131.3	122.5	7.2%	31.5	17.4%
Advertising and promotion expenses	3.9	5.4	-27.1%	15.0	19.4	-22.4%	2.8	42.1%
Depreciation & amortisation	33.5	34.0	-1.3%	127.6	129.9	-1.8%	32.2	4.1%
Loss allowance on trade receivables	1.6	2.2	-27.8%	7.4	9.0	-17.9%	1.9	-13.9%
Facilities expenses	23.6	22.0	7.2%	93.5	86.4	8.3%	23.7	-0.4%
Leased circuit costs	8.3	8.5	-2.4%	33.3	32.8	1.5%	7.8	5.9%
Licence fees	1.1	1.1	-3.0%	4.4	3.8	15.6%	1.1	0.0%
Other general & administrative expenses	7.2	7.3	-1.0%	28.3	24.5	15.5%	7.4	-2.8%
Foreign exchange (gain)/loss	0.1	*	@	(*)	0.1	@	*	@
Total	278.9	259.8	7.3%	925.4	874.0	5.9%	230.6	20.9%

*Denotes less than \$0.05 million

YoY, operating expenses increased 7.3% to \$278.9m for 4Q2018 and 5.9% to \$925.4m for FY2018. Against 3Q2018, operating expenses was 20.9% higher.

13.2.1 Cost of sales

	Group			Group			Group 3Q2018 \$'m	Change (4Q2018 vs 3Q2018)
	4Q2018 \$'m	4Q2017 \$'m	YoY Change	2018 \$'m	2017 \$'m	YoY Change		
Handset/equipment costs	129.1	112.4	14.9%	348.6	314.8	10.8%	85.9	50.4%
Traffic expenses	8.0	9.9	-19.1%	30.2	38.7	-22.0%	7.2	11.5%
Wholesale costs of fixed services	14.0	14.8	-5.4%	58.6	56.1	4.5%	14.3	-1.9%
Other costs	11.4	9.2	22.9%	47.0	36.0	30.7%	14.7	-22.9%
Total	162.5	146.3	11.0%	484.4	445.6	8.7%	122.0	33.1%

YoY, cost of sales increased 11.0% to \$162.5m for 4Q2018 and 8.7% to \$484.4m for FY2018 mainly due to higher handset/equipment costs and other costs. Lower traffic expenses at \$8.0m for 4Q2018 and \$30.2m for FY2018 was due to lower retail traffic. YoY, wholesale costs of fixed services was 5.4% lower at \$14.0m for 4Q2018 as 4Q2017 incurred higher corporate projects related costs. Against FY2017, it increased 4.5% to \$58.6m for FY2018 due to higher connection costs as a result of enlarge customer base. YoY, other costs was higher mainly due to expenses incurred for corporate projects.



13.2.2 Staff costs

YoY, Staff costs increased 12.1% to \$37.0m for 4Q2018 and 7.2% to \$131.3m for FY2018 due to salary increment, expansion of Corporate team to support growth in ICT business and consolidation of a newly acquired subsidiary.

13.2.3 Advertising and promotion expenses

YoY, advertising and promotion expenses at \$3.9m for 4Q2018 and \$15.0m for FY2018 decreased 27.1% and 22.4% respectively. Against 3Q2018, it was 42.1% higher.

13.2.4 Depreciation and amortisation

Depreciation and amortisation expenses at \$33.5m for 4Q2018 and \$127.6m for FY2018 were 1.3% and 1.8% lower YoY respectively as certain 3G network assets were fully depreciated. Against 3Q2018, it was 4.1% higher.

13.2.5 Loss allowance on trade receivables

For 4Q2018 and FY2018, loss allowance on trade receivables decreased 27.8% and 17.9% YoY to \$1.6m and \$7.4m respectively. Against 3Q2018, it was 13.9% lower.

13.2.6 Facilities expenses

Facilities expenses at \$23.6m for 4Q2018 and \$93.5m for FY2018 was 7.2% and 8.3% higher YoY mainly due to higher repair and maintenance expenses in respect of microwave and 4G networks.

13.2.7 Leased circuit costs

Leased circuit costs at \$8.3m for 4Q2018 and \$33.3m for FY2018 was stable YoY. Against 3Q2018, it was 5.9% higher.

13.2.8 Other general and administrative expenses

Other general and administrative expenses at \$7.2m for 4Q2018 was stable YoY and QoQ. Against FY2017, it was 15.5% higher mainly due to FY2017 benefited from gain on disposal of fixed asset.

13.3 Finance Costs

Finance costs was stable at \$2.9m for 4Q2018. Against FY2017, it was 16.7% higher due to higher borrowings and interest rate.

13.4 Taxation

YoY, provision for taxation decreased 7.4% to \$6.3m for 4Q2018 and 7.4% to \$29.1m for FY2018.



13.5 Net Profit

	Group			Group			Group 3Q2018 \$'m	Change (4Q2018 vs 3Q2018)
	4Q2018 \$'m	4Q2017 \$'m	YoY Change	2018 \$'m	2017 \$'m	YoY Change		
Net profit	25.2	32.1	-21.4%	130.7	139.1	-6.0%	34.5	-26.9%
Net profit margin (on service revenue)	13.4%	16.8%		17.3%	18.8%		18.1%	

YoY, net profit at \$25.2m for 4Q2018 and \$130.7m for FY2018 were 21.4% and 6.0% lower respectively. Compared to 3Q2018, it was 26.9% lower.

Compared to the corresponding periods last year, net profit margin on service revenue was lower at 13.4% and 17.3% for 4Q2018 and FY2018 respectively. Against 3Q2018, it was 4.7% point lower.

13.6 EBITDA

	Group			Group			Group 3Q2018 \$'m	Change (4Q2018 vs 3Q2018)
	4Q2018 \$'m	4Q2017 \$'m	YoY Change	2018 \$'m	2017 \$'m	YoY Change		
EBITDA	68.0	75.8	-10.3%	299.0	310.3	-3.7%	77.2	-12.0%
EBITDA margin (on service revenue)	36.2%	39.6%		39.6%	41.9%		40.6%	

YoY, EBITDA at \$68.0m for 4Q2018 and \$299.0m for FY2018 was 10.3% and 3.7% lower respectively. Compared to 3Q2018, it was 12.0% lower.

EBITDA margin, as a percentage of service revenue, was 36.2% for 4Q2018 and 39.6% for FY2018.

13.7 Capital Expenditure and Commitments

Capital expenditure incurred for FY2018 was \$115.9m.

Capital commitment as at 31 December 2018 was \$195.9m which includes \$188.0m for the 700MHz spectrum.



13.8 Liquidity and Capital Resources

	Group		YoY Change	Group		YoY Change	Group	Change (4Q2018 vs 3Q2018)
	4Q2018 \$'m	4Q2017 \$'m		2018 \$'m	2017 \$'m		3Q2018 \$'m	
Profit before tax	31.5	38.9	-19.0%	159.8	170.5	-6.3%	42.1	-25.2%
Non-cash item and net interest expense adjustments	32.3	37.2	-13.1%	115.5	118.6	-2.6%	28.5	13.4%
Net change in working capital	(20.6)	(32.5)	-36.7%	(19.6)	(30.0)	-34.7%	25.3	-181.2%
Net cash provided by operating activities	43.3	43.6	-0.8%	255.7	259.1	-1.3%	95.9	-54.9%
Net cash used in investing activities	(50.6)	(49.2)	2.9%	(120.2)	(160.6)	-25.2%	(16.5)	207.4%
Net cash used in financing activities	0.1	-	@	(102.8)	(63.0)	63.2%	(48.2)	100.1%
Net change in cash and cash equivalents	(7.3)	(5.6)	29.8%	32.7	35.5	-7.7%	31.4	-123.1%
Cash and cash equivalents at beginning of financial period	86.5	52.1	66.1%	46.5	11.0	@	55.1	56.9%
Cash and cash equivalents at end of financial period	79.2	46.5	70.4%	79.2	46.5	70.4%	86.5	-8.4%
Free Cash flow ⁽¹⁾	1.0	(3.3)	130.8%	139.9	106.8	31.0%	72.9	-98.6%

⁽¹⁾ Free Cash flow refers to Net cash provided by operating activities less current year capital expenditure and payment for spectrum rights.

@ Denotes more than +/-300%

YoY, operating cash flow decreased from \$43.6m to \$43.3m for 4Q2018. Against 3Q2018, it was 54.9% lower.

Free cash flow at \$1.0m for 4Q2018 was 130.8% higher YoY.

13.9 Gearing and Interest Cover

As at end December 2018, gearing ratio was stable at 0.7 times compared to end December 2017. Interest coverage ratio (EBITDA/Interest) was 25.9 times for 4Q2018 compared to 31.4 times for 4Q2017.



13.10 Balance Sheet

Total non-current assets increased 0.6% from \$990.2m as at 31 December 2017 to \$995.9m as at 31 December 2018 mainly due to higher intangible assets arising from newly acquired subsidiary and partially offset by amortisation of licences and spectrum right.

Total current assets increased 11.6% from \$357.0m as at 31 December 2017 to \$398.5m as at 31 December 2018, mainly due to higher cash and cash equivalents and trade receivables arising from newly acquired subsidiary.

Total current liabilities at \$298.3m as at 31 December 2018, an increase of 5.4% from \$282.9m as at 31 December 2017.

Against 31 December 2017, total shareholders' equity as at 31 December 2018 was 6.0% higher at \$523.2m.

14. VARIANCE FROM PROSPECT STATEMENT

The Group's performance for the period under review is in line with the prospect statement made when the half-year 2018 financial results were announced.

15. OUTLOOK

Voluntary Conditional General Offer

On 27 September 2018, a pre-conditional offer announcement was made by Konnectivity Pte. Ltd. (the "Offeror"), a company jointly owned by Keppel Corporation Limited and Singapore Press Holdings Limited, that the Offeror intends to make a pre-conditional voluntary conditional general offer for all the issued and paid up ordinary shares in the capital of the Company (the "Offeree"), other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations, and their respective nominees, in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers. On 28 December 2018, the Offeror announced the satisfaction of the pre-condition. Please refer to the Offer Document dated 7 January 2019 and Offeree Document dated 21 January 2019 for more information.



16. SEGMENT REVENUE AND RESULTS FOR BUSINESS OR GEOGRAPHICAL SEGMENTS (OR THE GROUP) IN THE FORM PRESENTED IN THE ISSUER'S MOST RECENTLY AUDITED ANNUAL FINANCIAL STATEMENTS, WITH COMPARATIVE INFORMATION FOR THE IMMEDIATELY PRECEDING YEAR

The company and its subsidiaries operate in Singapore in one business segment, that of provision of telecommunications services, international call services and fixed services, retail sales of telecommunications equipment and accessories, and customer services.

The Group has a diversified customer base which comprises individuals and corporates. There was no single customer that contributed to 10% or more of the Group's revenue.

The Group's reportable segment information is as follows:

	Group	
	2018	2017
	\$'m	\$'m
Mobile telecommunications services	569.4	564.3
International call services	43.3	55.9
Fixed services	143.0	120.6
Handset sales	339.0	312.2
Others	0.1	*
Total revenue	1,094.7	1,053.0
EBITDA	299.0	310.3
Depreciation and amortisation (net of assets grants)	(127.6)	(129.9)
Finance income	*	*
Finance costs	(11.5)	(9.9)
Profit before taxation	159.8	170.5
Taxation	(29.1)	(31.5)
Profit for the year	130.7	139.1
Assets and liabilities		
Non-current assets	995.9	990.2
Current assets	398.5	357.0
Total assets	1,394.4	1,347.1
Non-current borrowings	450.0	450.0
Other non-current liabilities	123.0	120.6
Other current liabilities	298.3	282.9
Total liabilities	871.3	853.5
Other information		
Capital expenditure	115.9	151.1
Free cash flow	139.9	106.8

*Denotes less than \$0.05 million



17. IN THE REVIEW OF PERFORMANCE, THE FACTORS LEADING TO ANY MATERIAL CHANGES IN CONTRIBUTION TO TURNOVER AND EARNINGS BY THE BUSINESS OR GEOGRAPHICAL SEGMENTS.

Please refer to item 13 Review of performance.

18. A BREAKDOWN OF SALES

Half yearly results	Group 2018 \$'m	Group 2017 \$'m	Group YoY Change
Operating revenue for first half year	507.3	501.8	1.1%
Net profit after tax for first half year	71.0	70.5	0.8%
Operating revenue for second half year	587.4	551.2	6.6%
Net profit after tax for second half year	59.7	68.6	-13.0%

19. A BREAKDOWN OF THE TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE) FOR THE ISSUER'S LATEST FULL YEAR AND ITS PREVIOUS FULL YEAR.

	Latest Full Year \$'m	Previous Full Year \$'m
Ordinary shares	105.5	103.2
Preference shares	-	-
Total	<u>105.5</u>	<u>103.2</u>

20. DISCLOURE UNDER RULE 704(13) OF THE LISTING MANUAL

Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive office or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company who is related to the director, chief executive officer or substantial shareholder of the Company.



21. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Karen Teo
Company Secretary
28 January 2019