

GROUP DIGITAL LIFE

The evolution of the industry has opened up infinite opportunities in the digital space. Consumers now look to their mobile devices for immersive content, entertainment and commerce. Group Digital Life is positioned to capture these opportunities by developing services that create an amazing experience for every customer.

We are focused on building next generation growth engines and key digital solutions that deliver relevant, personalised and timely content and services. As an established telco, the SingTel Group has distinctive assets and expertise in the mobile business, such as our customer base of 468 million across Asia and Africa, deep customer knowledge, extensive customer touch points and payment mechanisms. Group Digital Life's strategy is to pursue target areas in the digital space where our assets give us an advantage over the competition and where we can deliver better value propositions.

To take full advantage of the SingTel Group's scale, we have also developed our strategy alongside our regional mobile associates, and are working closely with them to grow in the digital space.

Leading the Global Digital Advertising Industry

One area where our assets can help us win is in digital advertising and marketing. Mobile advertising and marketing is a fast-growing industry. As people become increasingly inseparable from their mobile devices, brands and advertisers are shifting their advertising spend into this space. According to eMarketer, the worldwide digital advertising spend surpassed US\$100 billion in 2012.

In addition to television advertising on mio TV, SingTel offers online advertising on our web properties like inSing, HungryGoWhere and mio Stadium. We also offer digital agency services including search marketing to hundreds of small-medium enterprises (SMEs).

Through Amobee, we offer comprehensive mobile advertising solutions to brands around the globe. Leveraging the Group's advanced geo-location capabilities and data-rich inventory, Amobee delivers premium and targeted hyperlocal advertising opportunities across our extensive regional mobile footprint and is well positioned to lead and shape a global digital advertising revolution.

By acquiring Adjitsu, a US company specialising in 3D visualisation, Amobee strengthened its capabilities to produce interactive 3D mobile ads, to transform existing 2D advertisements into immersive campaigns.

Amobee is also tapping the scale of the SingTel Group and extending its reach in Asia. For example, it is partnering Globe, Optus, SingTel and Telkomsel to lead and shape mobile advertising in the region with its PULSE for Publishers platform. With targetable user data, advertisers and brands can achieve better results by reaching the right consumers at the right time in the right place with the right offer through these operators.

REVENUE

\$111 million

SIGNIFICANT HIGHLIGHTS

- Completed the acquisition of Amobee, the premium provider of mobile advertising solutions
– April 2012

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- SingTel acquired HungryGoWhere, Singapore's leading food review portal
– May 2012

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- Amobee acquired Adjitsu, a leading 3D mobile advertising business
– May 2012

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- SingTel launched NewsLoop, a groundbreaking e-Reader app
– July 2012
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- Optus acquired Eatability, Australia's leading restaurant directory and review website
– July 2012
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- mio TV celebrated its 5th birthday, signing a landmark deal with Fox International Channels
– September 2012
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- SingTel acquired social photo aggregation service, Pixable
– September 2012
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- Amobee launched PULSE Create, a game changer in mobile advertising
– September 2012
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- mio TV secured broadcast rights to Barclays Premier League until 2016
– October 2012
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- Pixable made available on feature phones and in 10 new languages
– December 2012
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- Amobee joined forces with SingTel, Optus, Globe and Telkomsel to bring big data to mobile advertising
– February 2013
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- SingTel opened LifeLabs @ Israel
– March 2013
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- mio TV added four award-winning channels, Nickelodeon, Nick Jr., Comedy Central Asia and MTV
– March 2013
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Enhancing Lifestyles through Digital Solutions

Another cornerstone of Group Digital Life's growth strategy is to build digital solutions that help consumers in their daily lives as they live, work and play. We have deep local knowledge and hyperlocal content that differentiate and enable us to compete effectively in these areas.

We focus our efforts on local verticals with high user engagement. One such vertical is food. Customers now have access to the largest food and lifestyle information portal with our acquisition of HungryGoWhere, Singapore's most popular food website.

HungryGoWhere introduced an online reservations service where users can make bookings at over 300 restaurants. Together with more than 100,000 restaurant reviews, HungryGoWhere is the one-stop solution for customers' food needs, from restaurant reviews and discovery to promotions and reservations.

As the leading digital destination for food and culinary establishments in Singapore, we plan to extend this model to other markets. During the year, we expanded into Australia with the acquisition of Eatability, one of Australia's leading restaurant review sites.

Another key vertical is news. We introduced NewsLoop, a comprehensive e-Reader app for iOS devices. NewsLoop features the largest selection of Singapore news, blogs, lifestyle articles, photographs and videos from more than 230 local and international media sources. It is the first app catering specifically to the needs and interests of local readers and consistently ranks as one of the top five news apps in Singapore. Since its launch, NewsLoop has also expanded into the Australian and Indonesian markets.

Gaming is also an important and attractive segment. We have made investments in this space through strategic partnerships with expert industry players, including TheMobileGamer, a Singapore-based mobile social gaming platform targeted at feature phone users in the region.

Engaging Consumers through a Tailor-made Content Experience

Group Digital Life is committed to engaging our customers with immersive and relevant content. Through innovations in our TV platform and mobile applications, we deliver a unique experience with content that is increasingly personal, social and mobile.

We continue to broaden the content suite for mio TV, our pay TV service in Singapore, delighting customers with new channels such as Fox International Channels, Nickelodeon, MTV and CCTV. In addition, our viewers enjoy a personalised and innovative audio-visual experience with mio TV Go, the mobile companion app for mio TV where viewers can effortlessly access the channel guide, read programme highlights and connect with Facebook friends on their favourite movies and TV series directly from their mobile devices.

OPERATING AND FINANCIAL REVIEW

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We acquired Pixable in September 2012 to tap the rapidly growing sphere of social and digital interactions. Pixable enables users to interact with their photos in an intuitive, personal, social and mobile manner through predictive analytics and artificial intelligence. This intelligent photo aggregator application regularly appears on various best apps lists.

Enabling and Accelerating Innovation

As the digital space evolves at a relentless pace, it is important to stay ahead of the competition through continuous innovation and by tapping emerging opportunities quickly. Working with incubators, the angel investor community, start-ups and research institutes, we are constantly looking for interesting ideas and innovations.

LfeLabs is a global initiative set up to foster innovation through collaboration with strategic partners, renowned research institutes, developers and innovators. Headquartered in Singapore, LfeLabs has innovation and development centres in Silicon Valley, Boston and Tel Aviv. We support a comprehensive scope of activities, from incubation to commercialisation. One of LfeLabs' anchor projects is the development of an indoor positioning system, which is a network of devices used to wirelessly locate objects or people inside a building.

Via our corporate venture fund, SingTel Innov8 (Innov8), we invest in companies that strengthen our ability to differentiate and offer improved market execution. Innov8 works closely with innovators, developers, government agencies, research companies and capital providers to nurture the innovation ecosystem in Singapore and the region. It is also part of an alliance of early stage incubation programmes operated by SingTel Group members. Innov8 provides thought leadership, access to ideas and markets, and facilitates information exchange to start-ups and entrepreneurs. Through the Optus Innov8 Seed Program, we foster early stage Australian start-ups and provide support in the form of funding, mentoring and logistics.

Harnessing Customer Insights from Big Data

Analytics and big data are a pivotal part of Group Digital Lfe's strategy for future growth, as people and companies look for more targeted and relevant service offerings. Our continued investment in big data will enable us to provide our customers with customised and differentiated experiences, through deeper insights into their behaviours and preferences.

To help us achieve this, we have set up a L!ving Analytics team and are working with universities and research institutes to analyse personalisation, social data and user interaction. In line with this, we have set up Experience Centres in Singapore and Thailand to better understand the field of human-media interaction. The data collected will be used for the exploration, development and potential commercialisation of applications and services.