

SINGAPORE TELECOMMUNICATIONS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199201624D

ANNOUNCEMENT PURSUANT TO
RULE 706A OF THE SGX LISTING MANUAL

Singapore Telecommunications Limited ("**Singtel**") wishes to announce the following pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited:

Divestment of Interest in Subsidiaries and Associated Companies

- (a) Singtel's wholly-owned subsidiary, Singapore Telecom International Pte. Ltd. ("**STI**"), had on 25 March 2022 disposed of 60 million shares representing 1.6% of STI's equity interest in London Stock Exchange-listed Airtel Africa plc ("**Airtel Africa**"), through a market placement exercise (the "**Airtel Africa Placement**"). The Airtel Africa Placement raised aggregate cash proceeds of S\$150 million.

Following the Airtel Africa Placement, STI's shareholding in Airtel Africa was reduced from 5.54% to 3.94%.

Please refer to Singtel's announcement dated 25 March 2022 for further details on the Airtel Africa Placement.

- (b) Singtel's wholly-owned subsidiary, Digital Gaming Investments Pte. Ltd. ("**DGI**"), had on 25 February 2022 divested (the "**GameCo Divestment**") 5.1 million ordinary shares in Digital Games International Pte. Ltd. ("**Digital GameCo**") to iCandy Interactive Ltd ("**iCandy**") for an aggregate consideration of approximately A\$2.7 million (satisfied via the issuance of new fully-paid ordinary shares of iCandy at an agreed issue price). The consideration was arrived at on a willing-buyer, willing-seller basis, based on an assessment of Digital GameCo's assets and business prospects.

Following the GameCo Divestment by DGI, Singtel's effective shareholding in Digital GameCo was reduced from 33.3% to 16.3%. As at 17 December 2021, the unaudited net asset value of the ordinary shares subject to the GameCo Divestment was S\$1.8 million.

- (c) Singtel's wholly-owned subsidiary, Singtel ICT Pte. Ltd., had on 14 December 2021 divested 16.2 million ordinary shares representing 100% of the issued and paid-up capital in Global Enterprise International (Malaysia) Sdn. Bhd. ("**GEIM**"), to Infosys Consulting Pte. Ltd. ("**Infosys**") for an aggregate cash consideration of RM17 million (equivalent to S\$5.5 million). The consideration was arrived at on a willing-buyer, willing-seller basis, based on an assessment of GEIM's assets and business prospects.

The unaudited net asset value of GEIM as at 13 December 2021 was RM16.3 million (S\$5.3 million).

The GEIM Divestment resulted in GEIM ceasing to be a subsidiary of Singtel ICT Pte. Ltd.

- (d) SCS MNP Pte. Ltd., an indirect wholly-owned subsidiary of Singtel through its Singapore subsidiary NCS Pte. Ltd., had on 20 December 2021 divested 59,000 ordinary shares representing 49.1% of the issued and paid-up capital in Viewers Choice Pte. Ltd. ("**Viewers Choice**"), to Asia Choice Limited for a nominal cash consideration of S\$1. The consideration was arrived at on a willing-buyer, willing-seller basis.

The unaudited net liability value of Viewers Choice as at 30 September 2021 was S\$0.7 million.

The divestment of Viewers Choice was part of restructuring plans to focus on NCS' core activities and resulted in Viewers Choice ceasing to be an associated company of NCS Pte. Ltd.

- (e) SCS Computer Systems Pte. Ltd., an indirect wholly-owned subsidiary of Singtel through its Singapore subsidiary NCS Pte. Ltd., had on 30 November 2021 divested 38,000 preference shares representing 19% of the issued and paid-up capital in Pulse Logistics Systems Pty Ltd ("**Pulse Logistics**") to Pulse Corporation Pty Ltd for an aggregate cash consideration of A\$25,000. The consideration was arrived at on a willing-buyer, willing-seller basis, based on an assessment of the assets and business prospects of Pulse Logistics.

The unaudited net asset value of Pulse Logistics as at 30 June 2020 was A\$1.1 million.

The divestment of Pulse Logistics was part of restructuring plans to focus on NCS' core activities and resulted in Pulse Logistics ceasing to be an associate of NCS Pte. Ltd.

- (f) Singtel's wholly-owned subsidiaries, HOOQ Digital Pte. Ltd. (in creditors' voluntary liquidation), HOOQ Digital SG1 Pte. Ltd. and HOOQ Digital SG2 Pte. Ltd. (collectively, the "**Transferors**") transferred 1.4 million shares representing 100% of the share capital in its dormant Thailand-incorporated subsidiary, HOOQ Digital (Thailand) Company Limited ("**HOOQ Thailand**"), to certain private individuals (the "**Transferees**"), pursuant to a share transfer agreement dated 8 December 2021 (the "**Share Transfer Agreement**").

Under the Share Transfer Agreement, the Transferors agreed to pay an aggregate cash consideration of THB4.2 million to one of the Transferees. This aggregate cash consideration was arrived at on a willing-buyer and willing-seller basis taking into account the net liability position of HOOQ Thailand. The unaudited net liability of HOOQ Thailand was THB27.3 million as at 31 March 2021.

- (g) Singtel's wholly owned subsidiaries (a) Trustwave Holdings, Inc. ("**TW USA**") and (b) Trustwave Trustwave Holdings Limited ("**TW UK**"), had on 18 October 2021 sold all assets pertaining their PCI compliance businesses and 100% of their respective equity interests in:
- (i) SecureTrust Compliance, Ltd; and
 - (ii) Secure Compliance, Inc.;
 - (iii) Secure Compliance Holdings, LLC

(iv) Secure Compliance Holdings 2, LLC,

collectively, the “**SecureTrust Entities**”, to Sysxnet Limited and Sysnet Global Solutions (UK) Limited, a provider of PCI-focused cyber security and compliance and security solutions (the “**SecureTrust Divestment**”).

The aggregate cash consideration received by TW USA and TW UK for the SecureTrust Divestment was US\$80 million and comprised (A) US\$60 million paid out on completion of the SecureTrust Divestment (“**Closing Date**”) and a (B) US\$20 million note payable two years from the Closing Date, subject to standard working capital adjustments. The consideration was arrived at on a willing buyer-willing seller basis based on an assessment of the SecureTrust Entities’ business prospects.

As at 18 October 2021, the adjusted unaudited net asset value of the SecureTrust Entities was US\$7.2 million in aggregate.

After the SecureTrust Divestment, the SecureTrust Entities ceased to be subsidiaries of Singtel.

The SecureTrust Divestment was part of Singtel’s wider divestment of its payment card industry compliance business, from its strategic review of its digital business announced in May 2021.

Please refer to Singtel’s announcement dated 25 October 2021 for further details in relation to the SecureTrust Divestment.

Investments in Subsidiaries and Associated Companies

- (h) Optus Networks Pty Limited (“**Optus Networks**”), an indirect wholly-owned subsidiary of Singtel held through Singtel Optus Pty Limited, had on 10 January 2022, subscribed for an additional 1.5 million ordinary shares in its Delaware-incorporated associate company Pacific Carriage Holdings Limited Inc. (“**Pacific Carriage**”) for the aggregate consideration of US\$1.5 million (the “**Pacific Carriage Subscription**”). The aggregate consideration was arrived at based on a valuation of Pacific Carriage agreed between Optus Networks, MFS Globenet Inc., Telstra Holdings Pty Limited and TCNZ (Bermuda) Limited as shareholders of Pacific Carriage and funded by way of internal cash resources.

Optus Networks’ shareholding in Pacific Carriage increased from 32.4% to 32.5% after the Pacific Carriage Subscription.

As at 31 January 2022, the unaudited net liability value represented by Optus Networks’ stake in Pacific Carriage was US\$44.8 million.

- (i) Singtel EInvestments Pte. Ltd. (“**Singtel EInvestments**”), a wholly-owned subsidiary of Singtel, had on 10 January 2022, subscribed for an additional 1 million ordinary shares in its associate company Southern Cross Cables Holdings Limited (“**Southern Cross**”) for the aggregate consideration of US\$2.3 million (the “**Southern Cross Subscription**”). The aggregate consideration was arrived at based on a valuation of Southern Cross agreed between Singtel EInvestments, MFS Globenet Inc., Telstra Holdings Pty Limited and TCNZ (Bermuda) Limited as shareholders of Southern Cross and funded by way of internal cash resources.

Singtel EInvestments' shareholding in Southern Cross increased from 32.4% to 32.5% after the Southern Cross Subscription.

As at 31 January 2022, the unaudited net liability value represented by Singtel EInvestments' stake in Southern Cross was US\$113.2 million.

Pacific Carriage and Southern Cross were established as joint ventures between the Singtel group and MFS Globenet Inc., Telstra Holdings Pty Limited and TCNZ (Bermuda) Limited for the purpose of owning and operating the assets of the Southern Cross Cable Network's international subsea telecommunications cable. The Pacific Carriage Subscription and Southern Cross Subscription were part of a series of transactions to raise funds from the joint venture partners for the building of the SX NEXT cable network.

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