



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

ACQUISITION OF ARQ GROUP

NCSI Holdings Pte. Ltd. ("**NCS**"), a wholly-owned subsidiary of Singapore Telecommunications Limited has entered into a conditional sale and purchase agreement to acquire 100% of the share capital of Row TopCo Pty Ltd, the group holding company of the ARQ Group ("**ARQ**") (a Melbourne-based digital consultancy group specialising in mobile applications, cloud and data analytics), for an aggregate cash consideration of A\$290 million (the "**Acquisition**"), comprising:

- (i) A\$265 million to be paid out in cash on completion of the Acquisition ("**Completion**"); and
- (ii) Deferred consideration and earn-out amounts of A\$25 million (with potential additional payments subject to management meeting performance targets), payable in tranches over a period of 3 years after Completion.

The consideration was determined on an arm's length basis through a privately negotiated process based on, *inter alia*, the assessment of the business and prospects of ARQ. The consideration is subject to certain purchase price adjustments at Completion and will be funded via internal cash resources and working capital. The unaudited net asset value of ARQ as at 31 December 2021 was A\$46 million.

The Acquisition is subject to the receipt of the relevant regulatory approvals and is expected to complete by May 2022.

As one of the largest fast-growing digital services providers in Australia, ARQ has deep expertise in cloud, mobile, data and analytics solutions. Headquartered in Melbourne, with offices in Sydney and Brisbane, ARQ has a strong client coverage across diverse sectors in financial services, utilities, retail, healthcare, travel and government. ARQ has a strong partnership ecosystem across major cloud hyperscalers in Australia and delivers tailored tech innovation at scale through its 560-strong team.

Issued by Singapore Telecommunications Limited on 28 March 2022.