

SINGAPORE TELECOMMUNICATIONS LIMITED

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

ENTRY INTO JOINT VENTURE AGREEMENT WITH TELEKOM MALAYSIA ENTRY INTO LAND ACQUISITION AGREEMENT WITH RIVER RETREAT SDN BHD

Singapore Telecommunications Limited ("**Singtel**") wishes to announce that its subsidiary Nxera MY Pte. Ltd. ("**Nxera MY**"), has entered into a conditional joint venture agreement (the "**JVA**") with TM DC Educity Sdn Bhd ("**TM DC Educity**"), an indirect, wholly-owned subsidiary of Telekom Malaysia Berhad ("**TM**"), to develop and operate a data centre campus in Johor, Malaysia (the "**Transaction**").

Nxera MY is a wholly-owned subsidiary of Nxera Investment Holdings Pte. Ltd., the holding company for Singtel's regional data centre business with Stellar Asia Holdings II Pte. Ltd., an affiliate of global investment firm KKR.

After the initial subscription under the JVA, Nxera MY and TM DC Educity will hold stakes of 49% and 51% respectively in ST Dynamo DC Sdn Bhd, a newly-incorporated Malaysian company ("**DC Co**").

Each of Nxera MY and TM DC Educity have agreed to fund DC Co via the subscription of new ordinary shares in the 49:51 proportion respectively, based on the agreed business plan of DC Co which takes into account the capital requirements of DC Co. Nxera MY and TM DC Educity have agreed to commit up to RM1,152 million as initial capital for DC Co (with Nxera MY's *pro rata* commitment being RM564 million), over a period of 5 years. Nxera MY will fund its subscriptions from internal cash resources.

The transactions contemplated under the JVA are subject to approval from non-interested shareholders of TM at an extraordinary general meeting of TM to be convened.

Earlier on 15 June 2024, DC Co had also entered into a conditional sale and purchase agreement with River Retreat Sdn Bhd for the acquisition of a plot of freehold land in Mukim Pulau, District of Johor Bahru, State of Johor measuring approximately 168,959 square metres (the "**Land**") for the development by DC Co of a data centre facility (the "**Land Acquisition**"). The purchase consideration for the Land Acquisition is approximately RM178.2 million, and was arrived at on a willing-buyer, willing-seller basis after taking into consideration the market value of the Land as appraised by independent registered valuer, Rahim & Co International Sdn Bhd.

The market value of the Land is approximately RM229 million (on the basis of use as a data centre) as at 24 May 2024, based on a valuation commissioned by TM and done by Rahim & Co International Sdn Bhd using a comparison valuation approach. For information purposes only, Rahim & Co International Sdn Bhd has determined the valuation of the Land on an as-is basis for mixed commercial use to be RM136.4 million.

The purchase consideration for the Land Acquisition will be funded by DC Co from internal resources including from the subscriptions under the Transaction.

The Land Acquisition is subject to various conditions precedent, including the receipt of relevant approvals from government authorities in Malaysia.

The Transaction and the Land Acquisition are not expected to have a material impact on the financial statements of the Singtel Group for the financial year ending 31 March 2025.

Please refer to the attached joint news release from TM and Singtel for more information on the Transaction.

Issued by Singapore Telecommunications Limited on 18 June 2024.