



News Release

Singtel backs amalgamation of Intouch and GULF in move to simplify Thai associate AIS' holding structure

Intends to increase direct stake in AIS through voluntary tender offer

Singapore, 16 July 2024 – Singtel today announced its support for the amalgamation of Intouch Holdings and GULF, Intouch's largest shareholder, which will create a leading digital and energy infrastructure player in Southeast Asia (NewCo). This group restructuring will simplify Singtel's shareholding in its Thai associate AIS by removing Intouch as the intermediary holding company. Currently, Singtel and GULF hold 24.99% and 47.37% in Intouch respectively while Intouch holds 40.44% in AIS, with all three entities listed on the Thai stock exchange.

In exchange for its stake in Intouch, Singtel will receive an approximately 9% stake in NewCo, which is expected to become one of the largest and most liquid listed companies in Thailand. Singtel will also book an estimated gain of S\$0.4 billion from the amalgamation. After the completion of the transaction, Singtel will evaluate options for its stake in NewCo as it continues to be a long-term investor in Thailand while proactively managing capital to create value for shareholders in line with its Singtel28 strategy.

Mr Arthur Lang, Singtel's Group CFO said, "For some years now, Singtel and GULF, as major shareholders of Intouch, have been working to streamline the diversified holding structure of Intouch. We believe it is in the best interests of stakeholders to simplify AIS' shareholding structure and are supportive of this move. We have always preferred to hold direct stakes in our associates and this amalgamation is a step in the right direction. In addition to the special dividend of THB 4.50 per share which Intouch will be proposing for its Board's approval, we have the opportunity to increase our 23.3% direct stake in AIS, which has consistently been a strong brand and business, through this transaction."

As part of the transaction, Singtel will participate in a conditional voluntary tender offer with GULF, Intouch and GULF's major shareholder Mr Sarath Ratanavadi to acquire all other shares in AIS' public float at THB 216.3 per share. Singtel will be allocated the first 5% of shares in AIS tendered in acceptance of this offer and the maximum number of shares it can acquire will not exceed 10% of shares in AIS. There is no intention to privatise AIS at this juncture.

"Thailand has been a key market in the Southeast Asia region for Singtel since we made our initial investment in AIS some 25 years ago. We see good growth potential with the rapid digitalisation and 5G adoption in the country and the mobile industry's return to a more sustainable structure. We expect AIS to strengthen its position as it executes on its fixed mobile convergence strategy to deliver greater digital access. We will continue to invest in AIS with our Thai partner to help accelerate Thailand's digital transformation," Mr Lang added.

Thailand's digital economy is expected to contribute 30% to national GDP by 2027¹ and the rapid pace of digital transformation in the country presents significant opportunities in both the consumer and enterprise space. AIS is in a unique position to benefit from these tailwinds following the acquisition of internet service provider 3BB which strengthened its fixed mobile convergence strategy.

The transaction is expected to be completed by the second quarter of 2025, subject to customary regulatory approvals, approval from the shareholders of Intouch and GULF, and satisfaction of conditions precedent in the amalgamation agreement.

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¹ Thai Ministry of Digital Economy and Society's estimates



About Singtel

Singtel is a leading Asian communications technology group, operating next-generation connectivity, digital infrastructure and digital businesses including regional data centre arm Nxera and regional IT services arm NCS. The Group has presence in Asia, Australia and Africa and reaches over 780 million mobile customers in 21 countries.

For consumers, Singtel delivers a complete and integrated suite of services, including mobile, broadband and TV. For enterprises, Singtel offers a complementary array of workforce mobility solutions, data hosting, cloud, network infrastructure, analytics and cyber security capabilities.

Singtel is dedicated to continuous innovation, harnessing technology to create new and exciting customer experiences, support enterprises in their digital transformation and shape a more sustainable, digital future.

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