

SINGAPORE TELECOMMUNICATIONS LIMITED

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

ANNOUNCEMENT

1. INTRODUCTION

- 1.1** Singapore Telecommunications Limited (the “**Company**”, and together with its subsidiaries, the “**Singtel Group**”) wishes to announce that its wholly-owned subsidiary, Singtel Interactive Pte. Ltd. (“**Singtel Investor**”) and KKR Opal Topco LP (“**KKR Opal**”), a fund managed by affiliates of global investment firm, KKR, have agreed to form a consortium to acquire through Opal Bidco Pte. Ltd. (the “**Purchaser**”), all the shares in the share capital of STT GDC Pte. Ltd. (“**STT GDC**”) held by STT Communications Ltd. (the “**Seller**”, and such shares, the “**Sale Shares**”). The Sale Shares represent approximately 81.7%¹ of all the shares in the share capital of STT GDC on a fully diluted and as converted basis.

2. PROPOSED ACQUISITION OF THE SALE SHARES

- 2.1 Transaction.** As at the date of this Announcement, the Seller and the Purchaser have entered into a sale and purchase agreement (“**SPA**”), in relation to the sale and purchase of the Sale Shares (the “**Transaction**”). Singtel Investor and KKR Opal have today entered into a shareholders’ agreement (“**SHA**”) to govern their respective 25%:75% relationship in relation to Opal Holdco I Pte. Ltd. (“**Opal**”), the holding company of the Purchaser, on closing of the SPA (“**Closing**”).
- 2.2 Consideration.** The consideration payable by the Purchaser to the Seller for the sale and purchase of the Sale Shares is S\$6.6 billion in cash (the “**Total Consideration**”). An amount equal to S\$3.3 billion, being 50% of the Total Consideration, will be payable on Closing. The remaining S\$3.3 billion of the Total Consideration will be payable on the earlier of (i) the first anniversary of the date of Closing and (ii) the date of consummation of the sale by the Purchaser of either such number of Sale Shares (or other monetising event) resulting in a change of control in respect of STT GDC group or all or substantially all of STT GDC group’s material assets (“**Tranche 2 Payment**”).
- 2.3 Conditions Precedent.** Closing is subject to customary conditions, including regulatory approvals.

3. DETAILS OF THE TRANSACTION

- 3.1** In connection with the Transaction, Singtel Investor has committed a sum in cash equal to S\$740 million (the “**Singtel Committed Sum**”), by way of an equity injection into Opal (the “**Singtel Investment**”), which will be applied towards part payment of the Total Consideration to the Seller under the SPA and/or otherwise, towards payment in respect of any other new share issuances by Opal between Closing and Tranche 2 Payment as may from time to time

¹ As at the date of this announcement, Singtel Investor holds 400 million redeemable non-voting preference shares in the share capital of STT GDC (“**GDC RPS**”) and detachable warrants with an aggregate notional amount of S\$284 million issued by STT GDC (“**GDC Warrants**”), representing approximately 4.2% of all the shares in the share capital of STT GDC, on a fully diluted and as converted basis, while KKR holds 1.35 billion redeemable non-voting preference shares in the share capital of STT GDC and detachable warrants with an aggregate notional amount of S\$958 million issued by ST GDC, representing approximately 14.1% of all the shares in the share capital of STT GDC, on a fully diluted and as converted basis.

be called upon by Opal. The Singtel Committed Sum is expected to be funded by Singtel Investor with internal cash resources from the Company.

- 3.2** The remaining Total Consideration payable for the Sale Shares will be funded by KKR's separate investment into Opal and debt. The Purchaser has secured debt facilities of S\$5 billion to fund the Total Consideration, future capital expenditure and other corporate purposes, reflecting strong support from local and international banks. Upon Closing, together with the GDC RPS and GDC Warrants that are currently held by Singtel Investor in STT GDC, Singtel Investor will hold an aggregate equity interest of approximately 25% of all the shares in the share capital of STT GDC, on a fully diluted and as converted basis through its shareholding in Opal.
- 3.3** The terms of the Transaction were arrived at on a willing buyer-willing seller basis and after arm's length negotiations, taking into consideration, among others, the business plan, current financial position and future growth prospects of STT GDC.
- 3.4** Based on the audited financial statement of STT GDC as at 31 December 2024, STT GDC had book value and net tangible assets of S\$5.3 billion and S\$4.7 billion respectively. The net loss of STT GDC in its audited consolidated financial statements for the financial year ended 31 December 2024 is S\$185 million.
- 3.5** For illustrative purposes only, the financial effects of the Transaction on the earnings per Singtel share ("**EPS**"), based on the audited consolidated financial statements of the Company for the financial year ended 31 March 2025, are set out below.

Assuming that the Transaction had been completed on 1 April 2024, being the beginning of the most recently completed financial year of the Singtel Group, the proforma financial effects on the consolidated EPS are as follows:

	Before the Transaction	After the Transaction
Profits attributable to shareholders (S\$ million) ²	4,017	3,987
EPS (Singapore cents)	24.3	24.2

- 3.6** As detailed in the above table, based on the illustrative proforma financial effects for the financial year ended 31 March 2025, the Transaction is not expected to have a material effect on the EPS of the Singtel Group.

4. RATIONALE AND BENEFITS

- 4.1** The Transaction is aligned with Singtel Group's Singtel28 growth plan for data centres to be a growth engine. STT GDC is one of the world's fastest-growing and most diversified data centre platforms with more than 670MW of operational capacity (as of December 2025) across 12 major markets including Singapore, Asia and Europe. The Transaction, taken together with Singtel Group's regional data centre platform, Nxera, will bolster Singtel Group's data centre

² 'Profits attributable to shareholders' means profits after tax and minority interests.

standing with approximately 2.8GW of combined design capacity, creating a stronger (ex-US and China) data centre player with global reach.

- 4.2** As demand for AI and cloud services continues to accelerate, particularly in Asia Pacific, there is an increasing need for new data centres to support resource-intensive workloads. Singtel Group's stakes in both Nxera and STT GDC, underpinned by full-stack cloud and Next-Gen AI capabilities, will strengthen the Group's ability to lean in on this growing trend as well as diversify across major tier-1 hubs and key growth markets.
- 4.3** Singtel Group sees this investment as a strategic approach to unlock long term value through its stakes in both Nxera and STT GDC. Nxera is anchored in Asia, while STT GDC is established across Asia, Europe and UK, expanding Singtel Group's exposure to high growth markets and the global colocation needs of hyperscalers and enterprises. Nxera also brings Next-Gen AI-focused infrastructure capabilities, while STT GDC has been an early mover with cloud infra-backbone and Nex-Gen AI capabilities. A differentiated and scalable data centre footprint for Singtel Group would accelerate the market exposure and strengthen market credibility, underpinning sustainable growth and efficiencies, with enhanced capital access and options maximising shareholder value in the long term.
- 4.4** With the investment in STT GDC being equity-accounted, Singtel Group will be able to participate in the enlarged portfolio's value creation without consolidating STT GDC's debt or financials. This will limit any impact on Singtel Group's financials while retaining meaningful upside as STT GDC grows. This transaction is therefore, not expected to have an impact on Singtel's investment grade credit rating and dividend policy.

5. INTERESTED PERSON TRANSACTION

5.1 Interested Person Transaction.

- 5.1.1** Temasek Holdings (Private) Limited ("**Temasek**") has a direct interest in approximately 8.30 billion ordinary shares of the Company and a deemed interest (through interests of subsidiaries and associated companies) in approximately 0.22 billion ordinary shares of the Company, representing an aggregate of approximately 51.69% of the Company's issued ordinary shares (excluding shares held in treasury) as at 28 January 2026. Under the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), Temasek is deemed to be a "controlling shareholder" of the Company as it has a more than 15% interest in the issued share capital of the Company.
- 5.1.2** The Seller is an indirect wholly-owned subsidiary of Temasek. Under the Listing Manual, the Seller is considered to be an "associate" of Temasek as Temasek has a more than 30% interest in the issued share capital of the Seller. Therefore, for the purposes of Chapter 9 of the Listing Manual, the Seller would be considered an "interested person" vis-à-vis the Company, which is regarded as an "entity at risk" for these purposes. Accordingly, the commitment by Singtel Investor of the Singtel Committed Sum to Opal, some or all which may be applied by the Purchaser towards part payment of the Total Consideration to the Seller under the Transaction, could be deemed to constitute an "interested person transaction" under Rule 904(4A) of the Listing Manual.

5.1.3 Save as disclosed in this Announcement, Temasek, as majority shareholder of the Company, does not have any other interest, direct or indirect, in the Transaction and the Singtel Investment.

5.2 Disclosure Requirement. As at 31 March 2025, the latest audited consolidated net tangible assets ("**NTA**") of Singtel Group was S\$16.41 billion, 3% of which was S\$492 million. As disclosed in paragraph 3.1 above, the amount at risk for the Transaction is S\$740 million, being the Singtel Committed Sum. The Singtel Committed Sum represents approximately 4.51% of the latest audited consolidated NTA of Singtel Group. As this represents more than 3% of the latest audited consolidated NTA of Singtel Group, the Company is required to disclose its entry into the Transaction in accordance with Chapter 9 of the Listing Manual.

5.3 Total Value of Interested Person Transactions. For the period from the beginning of the current financial year, 1 April 2025, to 31 December 2025:

5.3.1 the total value of all interested persons transactions with the Seller and its associates (as defined in the Listing Manual) (the "**STT Group**") (excluding transactions less than S\$100,000) is approximately S\$0.3 million which represents less than 0.01% of the latest audited consolidated NTA of Singtel Group; and

5.3.2 the total value of all interested person transactions with Temasek and its associates (as defined in the Listing Manual) (excluding (i) transactions less than S\$100,000 and (ii) transactions entered into with Temasek listed associates) was approximately S\$14 million, which represents approximately 0.09% of the latest audited consolidated NTA of Singtel Group.

Save for the above, there have been no other interested person transactions since the beginning of the current financial year, 1 April 2025, to 31 December 2025 with Temasek and its associates (including the STT Group but excluding transactions with Temasek listed associates).

6. OTHERS

6.1 Independent Financial Adviser. Ernst & Young Corporate Finance Pte Ltd (the "**IFA**") has been appointed as the independent financial adviser in relation to the Transaction and the Singtel Investment to advise the directors of the Company ("**Directors**") who are considered independent for the purposes of the Transaction (the "**Independent Directors**"). **Having carefully considered the information available to them, the IFA has given its opinion to the Independent Directors that the entry into of each of the Transaction and the Singtel Investment is (i) on normal commercial terms and (ii) not prejudicial to the interests of the Company and its minority shareholders.** The IFA has given and has not withdrawn its written consent to the issue of this Announcement with the inclusion of its name and all references to its works and its opinion in the form and context in which they appear in this Announcement.

6.2 Opinion of Audit Committee. The Audit Committee (comprising Mr Gautam Banerjee, Mrs Gail Kelly and Ms Tan Tze Gay) has considered the terms of the Transaction and the Singtel Investment, and the opinion of the IFA, and is of the view that each of the Transaction and the Singtel Investment is (i) on normal commercial terms and (ii) not prejudicial to the interests of the Company and its minority shareholders.

Issued by Singapore Telecommunications Limited on 4 February 2026.