



SINGAPORE TELECOMMUNICATIONS LIMITED

(Incorporated in the Republic of Singapore)

Company Registration Number: 199201624D

Letter to Shareholders

Directors:

Lee Theng Kiat (*Non-executive Chairman*)
Yuen Kuan Moon (*Group CEO*)
John Arthur (*Independent Director*)
Gautam Banerjee (*Independent Director*)
Gail Kelly (*Independent Director*)
Lim Swee Say (*Independent Director*)
Rajeev Suri (*Independent Director*)
Tan Tze Gay (*Independent Director*)
Wee Siew Kim (*Independent Director*)
Yong Hsin Yue (*Independent Director*)
Yong Ying-I (*Independent Director*)

Registered Office:

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Singapore 408600

30 June 2025

To: The Shareholders of
Singapore Telecommunications Limited (the "**Company**")

Dear Sir/Madam

1. INTRODUCTION

1.1 Notice of AGM. We refer to:

- (a) the Notice of Annual General Meeting of the Company dated 30 June 2025 (the "**Notice**") convening the 33rd Annual General Meeting of the Company to be held on 29 July 2025 (the "**2025 AGM**"); and
- (b) Resolution 10, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below), as proposed in the Notice.

1.2 Letter to Shareholders. The purpose of this Letter is to provide shareholders of the Company ("**Shareholders**") with information relating to Resolution 10 proposed in the Notice (the "**Proposal**").

1.3 SGX-ST. The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 Legal Adviser. Allen & Gledhill LLP is the legal adviser to the Company in relation to the Proposal.

1.5 Advice to Shareholders. If a Shareholder is in any doubt as to the course of action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Background. At the Annual General Meeting of the Company held on 30 July 2024 (the "**2024 AGM**"), Shareholders had approved, *inter alia*, the renewal of the mandate (the "**Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire its issued ordinary shares ("**Shares**").

The rationale for, the authority and limits on, and the financial effects of, the Share Purchase Mandate were set out in the Letter to Shareholders dated 1 July 2024 (the "**2024 Letter**") and Resolution 12 set out in the Notice of the 2024 AGM dated 1 July 2024.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Resolution 12 at the 2024 AGM and will expire on the date of the forthcoming 2025 AGM. Accordingly, the Directors propose that the Share Purchase Mandate be renewed at the 2025 AGM.

Letter to Shareholders

2.2 **Rationale for the Share Purchase Mandate.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Company and its subsidiaries (the “**Group**”), management strives to increase Shareholders’ value by improving, *inter alia*, the return on equity of the Group. Share purchases are one of the ways through which the return on equity of the Group may be enhanced.
- (b) The Share Purchase Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash which is in excess of the financial and possible investment needs of the Group to Shareholders.
- (c) In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company’s share capital structure, balance sheet and its dividend policy.
- (d) Repurchased Shares which are held in treasury may, *inter alia*, be sold for cash or transferred for the purposes of or pursuant to employees’ share schemes implemented by the Company or potentially as currency for future merger and acquisition activities.

The approval of the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake Share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. This will include purchases or acquisitions of Shares by way of Market Purchases (as defined in paragraph 2.3.3 below) for cancellation under the S\$2 billion value realisation share buyback programme announced on 22 May 2025.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 5% limit described in paragraph 2.3.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 5% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial condition of the Company.

2.3 **Authority and Limits on the Share Purchase Mandate.** The authority and limits placed on purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if renewed at the 2025 AGM, are substantially the same as were previously approved by Shareholders at the 2024 AGM, and are summarised below for the benefit of Shareholders:

2.3.1 **Maximum Number of Shares**

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 5% of the total number of issued Shares of the Company as at the date of the 2025 AGM. Treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST (the “**Listing Manual**”)⁽¹⁾) will be disregarded for purposes of computing the 5% limit.

As at 19 May 2025 (the “**Latest Practicable Date**”), the Company had 13,303,307 treasury shares and no subsidiary holdings. The maximum number of Shares which can be purchased or acquired by the Company, being 5% of the total number of issued Shares (disregarding treasury shares and subsidiary holdings), based on this and certain other assumptions, is illustrated in paragraph 2.7.1 below.

2.3.2 **Duration of Authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2025 AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

⁽¹⁾ “Subsidiary holdings” is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

Letter to Shareholders

2.3.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares may be made by way of:

- (a) an on-market purchase of Shares by the Company ("**Market Purchase**") effected on the SGX-ST, or on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) an off-market purchase of Shares by the Company ("**Off-Market Purchase**") effected otherwise than on a stock exchange, in accordance with an equal access scheme pursuant to Section 76C of the Companies Act 1967 (the "**Companies Act**").

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual, the listing rules of any other stock exchange on which the Shares may for the time being be listed and quoted, and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (1) terms and conditions of the offer;
- (2) period and procedures for acceptances;
- (3) reasons for the proposed Share purchases;
- (4) consequences, if any, of Share purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers (the "**Take-over Code**") or other applicable take-over rules;
- (5) whether the Share purchases, if made, could affect the listing of the Shares on the SGX-ST;
- (6) details of any Share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

Letter to Shareholders

2.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. The maximum price to be paid for the Shares as determined by the Directors must not exceed, in the case of both a Market Purchase and an Off-Market Purchase, 105% of the Average Closing Price of the Shares, excluding related expenses of the purchase or acquisition (the **"Maximum Price"**).

For the above purposes:

"Average Closing Price" means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, such other stock exchange on which the Shares are listed and quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 2.4 **Source of Funds.** Under the Companies Act, the Company may purchase or acquire its Shares out of its distributable profits, as well as out of capital.

The Company intends to use internal and external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the financial condition of the Company would be materially adversely affected.

- 2.5 **Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

- 2.6 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.6.1 **Maximum Holdings**

The number of Shares held as treasury shares⁽²⁾ cannot at any time exceed 10% of the total number of issued Shares.

2.6.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

⁽²⁾ For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act 1967.

Letter to Shareholders

2.6.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Take-over Code):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

- 2.7 **Financial Effects.** The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2025, are based on the assumptions set out below:

2.7.1 **Number of Shares Purchased or Acquired**

Purely for illustrative purposes, on the basis of 16,514,634,755 Shares in issue as at the Latest Practicable Date and disregarding the 13,303,307 Shares held in treasury as at the Latest Practicable Date, and assuming that on or prior to the 2025 AGM (i) no further Shares are issued, (ii) no further Shares are purchased or acquired by the Company, or held as treasury shares, and (iii) no Shares are held as subsidiary holdings, the purchase or acquisition by the Company of 5% of its issued Shares will result in the purchase or acquisition of 825,066,572 Shares.

2.7.2 **Maximum Price Paid for Shares Purchased or Acquired**

In the case of both Market Purchases and Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 825,066,572 Shares at the maximum price of S\$3.9711 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 825,066,572 Shares is S\$3,276,421,864.07.

Letter to Shareholders

2.7.3 Illustrative Financial Effects

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7.1 and 2.7.2 above, and further assuming that the purchase or acquisition of the 825,066,572 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases or Off-Market Purchases is made as to half out of profits and as to half out of capital and cancelled or held in treasury, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 March 2025 are set out below.

Scenario A

Market Purchases or Off-Market Purchases of up to 5% made as to 2.5% out of profits and as to 2.5% out of capital and cancelled

	Group		Company	
	Before Market/ Off-Market Purchase S\$'million	After Market/ Off-Market Purchase S\$'million	Before Market/ Off-Market Purchase S\$'million	After Market/ Off-Market Purchase S\$'million
As at 31 March 2025				
Shareholders' Funds	24,922.5	21,646.1	18,858.3	15,581.9
Treasury Shares Held	(43.7)	(43.7)	(43.7)	(43.7)
Total Shareholders' Funds	24,878.8	21,602.4	18,814.6	15,538.2
Perpetual Securities	1,012.6	1,012.6	-	-
	25,891.4	22,615.0	18,814.6	15,538.2
Net Assets	25,956.4	22,680.0	18,814.6	15,538.2
Current Assets	8,191.4	7,970.2	2,747.8	2,526.6
Current Liabilities	8,379.1	8,379.1	3,475.6	3,475.6
Total Borrowings	11,671.7	14,726.9	1,023.5	4,078.7
Cash and Cash Equivalents	2,773.2	2,552.0	221.2	-
Number of Shares ('000)	16,501,331.4	15,676,264.9	16,501,331.4	15,676,264.9
Financial Ratios				
Net Assets per Share (S\$)	1.57	1.45	1.14	0.99
Gearing* (%)	46.91	68.17	5.44	26.25
Current Ratio (times)	0.98	0.95	0.79	0.73

Letter to Shareholders

Scenario B

Market Purchases or Off-Market Purchases of up to 5% made as to 2.5% out of profits and as to 2.5% out of capital and held in treasury

	Group		Company	
	Before Market/ Off-Market Purchase S\$'million	After Market/ Off-Market Purchase S\$'million	Before Market/ Off-Market Purchase S\$'million	After Market/ Off-Market Purchase S\$'million
As at 31 March 2025				
Shareholders' Funds	24,922.5	24,922.5	18,858.3	18,858.3
Treasury Shares Held	(43.7)	(3,320.1)	(43.7)	(3,320.1)
Total Shareholders' Funds	24,878.8	21,602.4	18,814.6	15,538.2
Perpetual Securities	1,012.6	1,012.6	-	-
	25,891.4	22,615.0	18,814.6	15,538.2
Net Assets	25,956.4	22,680.0	18,814.6	15,538.2
Current Assets	8,191.4	7,970.2	2,747.8	2,526.6
Current Liabilities	8,379.1	8,379.1	3,475.6	3,475.6
Total Borrowings	11,671.7	14,726.9	1,023.5	4,078.7
Cash and Cash Equivalents	2,773.2	2,552.0	221.2	-
Number of Shares ('000)	16,501,331.4	15,676,264.9	16,501,331.4	15,676,264.9
Financial Ratios				
Net Assets per Share (S\$)	1.57	1.45	1.14	0.99
Gearing* (%)	46.91	68.17	5.44	26.25
Current Ratio (times)	0.98	0.95	0.79	0.73

* "Gearing" means total borrowings divided by total shareholders' funds.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATION PURPOSES ONLY (BASED ON THE ABOVEMENTIONED ASSUMPTIONS). Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 5% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

Letter to Shareholders

- 2.8 **Reporting Requirements.** Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares, and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.
- 2.9 **No Purchases During Price or Trade Sensitive Developments.** While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced. The Company will continue to comply with the best practices on dealings in securities set out in Rule 1207(19)(c) of the Listing Manual.
- 2.10 **Listing Status of the Shares.** The Listing Manual requires a listed company to ensure that at least 10% of equity securities (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, Temasek Holdings (Private) Limited (“**Temasek**”) had an interest (both direct and deemed) in 8,553,676,060 Shares representing approximately 51.84% of the issued Shares (excluding Shares held in treasury) as at that date. Approximately 48.14% of the issued Shares (excluding Shares held in treasury) were held by public Shareholders as at that date. Assuming the Company had purchased or acquired Shares from the public up to the full 5% limit pursuant to the proposed Share Purchase Mandate on the Latest Practicable Date, approximately 45.41% of the issued Shares (excluding Shares held in treasury) would have been held by public Shareholders as at that date.

The Company will ensure that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 5% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

- 2.11 **Shareholding Limits.** The Constitution of the Company prescribes a limit of 15% of the issued Shares (excluding treasury shares) in which any person or related group of persons (other than a person or persons approved by the Directors) may have an interest, whether directly or indirectly (the “**Individual Shareholding Limit**”). The Constitution also empowers the Directors to require the sale of Shares, if it shall come to their notice that the Individual Shareholding Limit is exceeded.

The Company holds various broadcasting and telecommunications licences, and is regulated under the Broadcasting Act 1994 (the “**Broadcasting Act**”) and the Telecommunications Act 1999 (the “**Telecommunications Act**”).

The Broadcasting Act provides that no person may become:

- (a) a substantial shareholder (as defined under the Companies Act);
- (b) a 12% controller (as defined under the Broadcasting Act); or
- (c) an indirect controller (as defined under the Broadcasting Act),

of a broadcasting company (as defined under the Broadcasting Act) without first obtaining the approval of the Minister for Digital Development and Information (the “**Minister**”).

In addition, under the Broadcasting Act, the Company shall not, unless the Minister otherwise approves, be granted or hold a relevant licence (as defined under the Broadcasting Act) if the Minister is satisfied that any foreign source (as defined under the Broadcasting Act), alone or together with one or more other foreign sources, holds not less than 49% of the Shares, or is in a position to control voting power of not less than 49%, in the Company or its holding company (as defined under the Companies Act).

Letter to Shareholders

The Telecommunications Act provides that:

- (a) no person shall, whether through a series of transactions over a period of time or otherwise, become a 12% controller (as defined under the Telecommunications Act) or a 30% controller (as defined under the Telecommunications Act) of a designated telecommunication licensee (as defined under the Telecommunications Act); and
- (b) no person shall obtain effective control (as defined under the Telecommunications Act) over a designated telecommunication licensee,

without obtaining the prior written approval of the Info-communications Media Development Authority of Singapore (the “**IMDA**”).

The Code of Practice for Competition in the Provision of Telecommunication Services 2022 (the “**Telecom Competition Code**”) provides that:

- (a) for the purposes of the Telecommunications Act:
 - (i) every Acquiring Party (as defined under the Telecom Competition Code) and the Designated Telecommunication Licensee (as defined under the Telecom Competition Code) must seek the IMDA’s approval in connection with such Acquiring Party acquiring Voting Shares (as defined under the Telecom Competition Code) or Voting Power (as defined under the Telecom Competition Code) in the Designated Telecommunication Licensee that would result in such Acquiring Party becoming a 12% Controller (as defined under the Telecom Competition Code) of the Designated Telecommunication Licensee; and
 - (ii) every Acquiring Party and the Designated Telecommunication Licensee must seek the IMDA’s approval in connection with such Acquiring Party acquiring Voting Shares or Voting Power in the Designated Telecommunication Licensee that would result in such Acquiring Party becoming a 30% Controller (as defined under the Telecom Competition Code) of the Designated Telecommunication Licensee or entering into any other transaction that constitutes a Consolidation (as defined under the Telecom Competition Code) with the Designated Telecommunication Licensee;
- (b) the term “Consolidation” includes any transaction that results in a person:
 - (i) becoming a 30% Controller of a Designated Telecommunication Licensee; or
 - (ii) obtaining Effective Control (as defined under the Telecom Competition Code) over a Designated Telecommunication Licensee; and
- (c) every Acquiring Party and the Designated Telecommunication Licensee must *jointly* file a Consolidation Application (as defined under the Telecom Competition Code) in respect of such Acquiring Party becoming a 30% Controller of the Designated Telecommunication Licensee or otherwise entering into a Consolidation with the Designated Telecommunication Licensee.

If the Minister and/or the applicable regulatory authority, as the case may be, is satisfied that a person and/or his associates (as the case may be) have reached or exceeded the limits applicable in relation to the holding of or having an interest in Shares, or the controlling of voting power in the Company, in each case as defined in and as prescribed by the Broadcasting Act, the Telecommunications Act and/or any other legislation to which the Company is subject from time to time and/or any regulations, directives, guidelines, notices and/or codes of practice promulgated or issued thereunder from time to time, as the case may be (the “**Prescribed Limits**”), or in other specified circumstances, the Minister and/or the applicable regulatory authority, as the case may be, may make certain directions, including but not limited to requiring such person and/or his associates to transfer or dispose of all or part of the Shares which such person and/or his associates may have acquired in the Company, or restricting the voting rights or dividend rights that such person and/or his associates has obtained through the acquisition of such Shares.

As a result of a purchase or acquisition of Shares by the Company, the shareholding percentage of a holder of Shares (whose Shares were not the subject of a share purchase or acquisition by the Company) in the issued Shares of the Company immediately following any purchase or acquisition of Shares by the Company may increase correspondingly.

Letter to Shareholders

The Company wishes to draw the attention of Shareholders to the following consequences of a purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, if the renewal of the Share Purchase Mandate is approved by Shareholders:

A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY MAY INADVERTENTLY CAUSE ANY PERSON TO REACH OR EXCEED THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE (IN PARTICULAR, A PERSON WHO IS CURRENTLY CLOSE TO ANY OF THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE).

IN RELATION TO THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, THE DIRECTORS ARE EMPOWERED TO SERVE NOTICE ON SUCH PERSON REQUIRING A DISPOSAL OF THE INTEREST IN THE AFFECTED SHARES WITHIN 21 DAYS OF THE GIVING OF SUCH NOTICE OR SUCH SHORTER OR LONGER PERIOD AS THE DIRECTORS CONSIDER REASONABLE TO A PERSON QUALIFIED TO HAVE AN INTEREST IN THE AFFECTED SHARES. IF SUCH NOTICE IS NOT COMPLIED WITH TO THE SATISFACTION OF THE DIRECTORS, THE DIRECTORS MAY ARRANGE FOR THE COMPANY TO SELL THE AFFECTED SHARES.

IN RELATION TO THE PRESCRIBED LIMITS, PERSONS WHO (AT ANY TIME DURING THE PERIOD WHEN THE SHARE PURCHASE MANDATE IS IN FORCE) ARE CLOSE TO AND MAY REACH OR EXCEED ANY OF THE PRESCRIBED LIMITS BY REASON OF A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY, ARE ADVISED TO NOTIFY THE COMPANY AND TO CONSIDER SEEKING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY) TO REACH OR EXCEED THE PRESCRIBED LIMITS, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), AS A CONSEQUENCE OF SUCH PURCHASE OR ACQUISITION.

THE COMPANY WILL, TO THE EXTENT REQUIRED, PRIOR TO A PURCHASE OR ACQUISITION OF SHARES PURSUANT TO THE SHARE PURCHASE MANDATE, CALCULATE THE INTERESTS OF EACH SHAREHOLDER TO DETERMINE WHETHER SUCH INTERESTS MAY, FOLLOWING SUCH PURCHASE OR ACQUISITION, REACH OR EXCEED THE PRESCRIBED LIMITS. IF, FOLLOWING SUCH CALCULATION, THE COMPANY BELIEVES THAT THE SHAREHOLDER MAY, FOLLOWING SUCH PURCHASE OR ACQUISITION, REACH OR EXCEED ANY OF THE PRESCRIBED LIMITS REQUIRING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), THE COMPANY WILL NOTIFY SUCH SHAREHOLDER AND SUCH SHAREHOLDER MAY BE ADVISED TO EITHER (1) ESTABLISH TO THE COMPANY'S SATISFACTION THAT SUCH SHAREHOLDER WILL NOT REACH OR EXCEED SUCH PRESCRIBED LIMITS, OR (2) SUBMIT AN APPLICATION FOR APPROVAL (TOGETHER WITH THE COMPANY, IF SO REQUIRED) TO THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), TO REACH OR EXCEED THE PRESCRIBED LIMITS, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), AS A CONSEQUENCE OF SUCH PURCHASE OR ACQUISITION.

- 2.12 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.12.1 *Obligation to make a Take-over Offer*

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

Letter to Shareholders

2.12.2 *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the companies referred to above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.12.3 *Effect of Rule 14 and Appendix 2*

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on the interests of the substantial Shareholder as at the Latest Practicable Date as set out in paragraph 3.2 below, the substantial Shareholder would not become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 5% of its issued Shares (excluding treasury shares) as at the Latest Practicable Date.

SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

Letter to Shareholders

- 2.13 **Previous Purchases.** The following are details of purchases or acquisitions of Shares made by the Company via Market Purchases during the period from 30 July 2024, being the date of the 2024 AGM, to the Latest Practicable Date:

Date of purchase or acquisition	Number of Shares purchased or acquired	Highest price paid per Share	Lowest price paid per Share	Total consideration paid
9 Dec 2024	3,354,400	S\$3.07	S\$3.04	S\$10,284,045.15
10 Dec 2024	3,730,000	S\$3.09	S\$3.05	S\$11,469,915.87
11 Dec 2024	2,700,549	S\$3.08	S\$3.05	S\$8,297,822.01
12 Dec 2024	2,500,000	S\$3.09	S\$3.08	S\$7,726,891.14

As at the Latest Practicable Date, the Company had not purchased or acquired any of its Shares by way of Off-Market Purchases pursuant to the Share Purchase Mandate approved by Shareholders at the 2024 AGM.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

- 3.1 **Directors' Interests.** The interests of the Directors in Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

	Number of Shares				Number of Shares comprised in outstanding awards granted by the Company
	Direct Interest	Deemed Interest	Total Interest	Total Percentage Interest ⁽¹⁾	
Ordinary Shares					
Lee Theng Kiat	360,797	-	360,797	nm ⁽⁸⁾	-
Yuen Kuan Moon	2,732,470 ⁽²⁾	6,360 ⁽³⁾	2,738,830	nm ⁽⁸⁾	7,197,375 ⁽⁴⁾
John Arthur	-	-	-	-	-
Gautam Banerjee	-	-	-	-	-
Gail Kelly	-	-	-	-	-
Lim Swee Say	1,490	-	1,490	nm ⁽⁸⁾	-
Rajeev Suri	-	-	-	-	-
Tan Tze Gay	13,783	61,643 ⁽⁵⁾	75,426	nm ⁽⁸⁾	-
Wee Siew Kim	533,438 ⁽⁶⁾	190 ⁽⁷⁾	533,628	nm ⁽⁸⁾	-
Yong Hsin Yue	1,360	-	1,360	nm ⁽⁸⁾	-
Yong Ying-I	60,000	-	60,000	nm ⁽⁸⁾	-

Notes:

⁽¹⁾ Based on the total number of issued Shares as at the Latest Practicable Date, less Shares held in treasury.

⁽²⁾ Includes 1,610 Shares held in the Central Provident Fund Board, 350,000 Shares held in the name of United Overseas Bank Nominees (Private) Limited and 1,380,000 Shares held in the name of DBS Nominees (Private) Limited.

⁽³⁾ Held by spouse of Mr Yuen Kuan Moon.

⁽⁴⁾ As at the Latest Practicable Date, Mr Yuen Kuan Moon has been granted awards in respect of 7,197,375 Shares pursuant to the Singtel Performance Share Plan 2012, subject to certain performance criteria being met and other terms and conditions. Depending on the extent of the satisfaction of the relevant performance criteria, up to an aggregate of 9,904,767 Shares may be released pursuant to the conditional awards granted.

⁽⁵⁾ Held by spouse of Ms Tan Tze Gay.

⁽⁶⁾ 228,278 Shares held in the name of UBS AG and 305,160 Shares held in the name of Bank of Singapore.

⁽⁷⁾ Held by spouse of Mr Wee Siew Kim.

⁽⁸⁾ "nm" means not meaningful.

Letter to Shareholders

- 3.2 **Substantial Shareholder's Interests.** The interests of the substantial Shareholder in Shares as at the Latest Practicable Date are set out below:

	Number of Shares		
	Direct Interest	Deemed Interest	Total Percentage Interest ⁽¹⁾
Temasek Holdings (Private) Limited	8,304,071,181	249,604,879 ⁽²⁾	51.84

Notes:

⁽¹⁾ Based on the total number of issued Shares as at the Latest Practicable Date, less Shares held in treasury.

⁽²⁾ Deemed through interests of subsidiaries and associated companies.

4. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 10, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2025 AGM.

5. INSPECTION OF DOCUMENTS

The following documents may be accessed at the URL <https://www.singtel.com/about-us/investor-relations/annual-reports>:

- (a) the Annual Report of the Company for the financial year ended 31 March 2025; and
- (b) the 2024 Letter.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposal, and the Company and its subsidiaries which are relevant to the Proposal, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

Yours faithfully
for and on behalf of
the Board of Directors of
SINGAPORE TELECOMMUNICATIONS LIMITED

LEE THENG KIAT
Chairman

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