



Media Release

SPH to unlock value for shareholders via S\$3.4 billion privatisation offer from Keppel post media restructuring

- Shareholders to receive cash of S\$0.668, 0.596 Keppel REIT units and 0.782 SPH REIT units per share
- Total consideration of S\$2.099 per share represents a 39.9% premium to the last traded price of S\$1.500 per share before the Strategic Review was announced on 30 March 2021¹; implying a total equity value for SPH of S\$3.4 billion
- Culmination of a Strategic Review process to restructure loss-making media business and unlock value of remaining non-media business
- The Scheme delivers meaningful shareholder value through an orderly process
- Successful completion of the Scheme will see SPH eventually delisted

Singapore, 2 Aug 2021 --- Singapore Press Holdings Limited (“SPH”) announced today that Keppel Pegasus Pte. Ltd. (“the Offeror”), a wholly owned subsidiary of Keppel Corporation Limited (“Keppel”) has proposed to acquire all the shares of SPH post restructuring of the media business through a scheme of arrangement (the “Scheme”).

Pursuant to the Scheme, for each share in SPH, a shareholder will receive a total consideration of S\$2.099 per share¹, comprising:

- (i) cash of S\$0.668 per share,
- (ii) 0.596 Keppel REIT units valued at S\$0.715 per share¹, and
- (iii) 0.782 SPH REIT units valued at S\$0.716 per share¹ from a distribution in-specie (“DIS”) by SPH.

This represents a 39.9% premium to the last traded price of S\$1.500 per share before the strategic review of SPH's businesses was announced on 30 March 2021 ("Strategic Review") as well as an 11.6% premium to the last traded price of S\$1.880 per share on 30 July 2021 and a 21.4% premium to the 3-month volume weighted average price of S\$1.729 per share.

Mr. Ng Yat Chung, Chief Executive Officer of SPH, said: "The outcome is the result of a strategic review process that has taken place over many months. We took the first step with the Media Restructuring to ensure a sustainable future for the media business, while removing its losses from SPH. The next step was a thorough process to unlock and maximise value for all shareholders for the remaining company. With the privatisation offer from Keppel, shareholders now have an opportunity to realise the value of their SPH shares at a premium of 39.9% to the last traded price before the Strategic Review was announced."

Transaction Rationale

The Strategic Review was announced on 30 March 2021 with a view to unlock and maximise shareholder value.

The first step in the Strategic Review was the proposed restructuring of SPH's media business. On 6 May 2021, SPH announced that it would transfer relevant subsidiaries, employees, News Centre and Print Centre along with their respective leaseholds, as well as all related intellectual property and information technology assets ("Media Restructuring") to a wholly-owned subsidiary, SPH Media Holdings Pte Ltd ("SPH Media").

Under the Media Restructuring process, SPH Media would be transferred to a public company limited by guarantee ("CLG") for a nominal sum. Following the Media Restructuring, SPH would no longer be subject to any funding requirements related to the media business.

In addition, the restrictions under the Newspaper and Printing Presses Act² ("Newspaper Act"), including the 5% shareholder cap restriction and issue of management shares, would be lifted. This increases the range of options available to SPH post media restructuring.

The Board carried out a comprehensive review of the various strategic options, including maintaining the status quo, monetisation of certain assets, a partial sale or privatisation of SPH post media restructuring.

With an objective to maximise value and minimise disruption for shareholders, the Board concluded that the privatisation of the entire company would be the preferred solution. It derives a better valuation outcome for all shareholders where a control premium is paid for the entire company. Also, it avoids a situation where prime SPH assets are cherry-picked,

leaving SPH with its existing debt and the risk of being unable to monetise its remaining assets.

A thorough and orderly two-stage process was conducted to solicit and evaluate proposals from a number of potentially interested parties. The process was overseen by a Steering Committee consisting of Board members, in consultation with Credit Suisse and Allen & Gledhill LLP, SPH's financial and legal advisors, respectively.

The final closed bids were evaluated based on price, terms and conditions, financing certainty, regulatory approvals, transaction structure and execution risk. At the end of the process, the final proposal from Keppel to privatise SPH was selected after careful evaluation, based on the various criteria.

The Scheme represents an opportunity for shareholders to realise their stake at a significant premium to SPH's share price prior to the announcement of the Strategic Review. Shareholders will also receive any final dividend that may be declared by the Board for Financial Year 2021 (the "Potential Final Dividend")³.

The receipt of SPH REIT Units and Keppel REIT Units would allow shareholders to participate in the recovery upside of the retail and commercial sectors at attractive dividend yields.

Key Terms of the Scheme

The Scheme is subject to approval by SPH and Keppel shareholders. In addition, it is also subject to other conditions, including regulatory approvals, and no Material Adverse Effect⁴ occurring.

Upon the Scheme being effective, SPH will be delisted and be a wholly-owned subsidiary of Keppel. Keppel will hold a remaining stake in SPH REIT and Keppel REIT of approximately 20% each.

The Scheme is contingent on the successful completion of the Media Restructuring announced on 6 May 2021. The transfer of the media assets to the CLG is subject to SPH shareholders' approval at an EGM expected to be convened in August or September 2021. Should the Media Restructuring be approved at the EGM, the completion of the Media Restructuring, including conversion of the management shares to ordinary shares, is expected to occur by December 2021.

It is expected that the privatisation by Keppel will be concluded soon after completion of the Media Restructuring.

SPH will appoint an independent financial adviser for the Independent Directors. They will make their final recommendation to shareholders on the Scheme.

In the event that shareholders wish to deal in SPH shares, they should seek their own professional advice and consult with their own stockbrokers.

SPH also intends to seek consent from Noteholders through a consent solicitation process in relation to certain terms and conditions of the Notes⁵ and the trust deed constituting the Notes. It will run a formal consent solicitation exercise and details of the same will be provided in due course. The consent of Noteholders is not a condition for the Scheme.

Credit Suisse (Singapore) Limited and Allen & Gledhill LLP are acting as the exclusive financial advisor and legal advisor respectively to SPH for the Strategic Review and the proposed transaction.

About the Offeror

The Offeror, Keppel Pegasus Pte Ltd, is a company incorporated in Singapore on 23 July 2021 and is a wholly-owned subsidiary of Keppel Corporation Limited (“Keppel”). Keppel is one of Singapore's flagship multinational companies with a global footprint in more than 20 countries. Keppel provides solutions for sustainable urbanisation, focusing on four key areas comprising energy and environment, urban development, connectivity and asset management. With sustainability at the core of its strategy, Keppel harnesses the strengths and expertise of its business units to develop, operate and maintain real assets, which meet the world's diverse urbanisation needs.

¹ The value of the SPH REIT Units is determined based on the closing price of the SPH REIT Units on 30 July 2021, being the last full trading day (the “Last Trading Day”) immediately prior to the date of this media release, being S\$0.915 per SPH REIT Unit. The value of the Keppel REIT Units is determined based on the closing price of the Keppel REIT Units on the Last Trading Day, being S\$1.200 per Keppel REIT Unit.

² Shareholders should note that under the Newspaper and Printing Presses Act, Chapter 206 of Singapore no person shall, without the approval of the Minister:

- (i) become a substantial shareholder of SPH; or
- (ii) enter into any agreement or arrangement (whether oral or in writing, express or implied) to act together with any other person with respect to the acquisition, holding or the exercise of rights in relation to, in aggregate more than 5% of the Shares.

³ This is not in any way indicative of any dividend that SPH may declare in the future and should not in any way be construed as a dividend forecast. There is no guarantee that SPH will declare a final dividend for the financial year ending 31 August 2021.

⁴ Generally, this refers to a diminution in the consolidated net asset value of the SPH group by more than S\$540,299,000, being 15% of the consolidated net asset value of the SPH group, but excluding any diminution arising from certain events such as the Media Restructuring, the DIS and any Potential Final Dividend declared by SPH.

⁵ “Notes” refers to the S\$500 million 3.20% senior unsecured notes issued by SPH that are due 2030.

--- Ends ---

Issued by Singapore Press Holdings Ltd

Co. Regn. No. 198402868E

For more information, please contact:

Ms Lee Su Shyan

Head

Corporate Communications & CSR

Singapore Press Holdings

DID: 6319 1216

Mobile: 9767 6201

Email: sushyan@sph.com.sg

Mr Tok Chong Yap

Tulchan Communications LLP

Tel: 6222 3765

Mobile: 9787 5111

Email: sph@tulchangroup.com

The directors of SPH (including any who may have delegated detailed supervision of the preparation of this media release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this media release which relate to SPH (excluding information relating to the Offeror, Keppel, Keppel REIT, SPH REIT or any opinion expressed by the Offeror or Keppel (save for SPH's unitholding interest in SPH REIT) are fair and accurate and that, where appropriate, no material facts which relate to SPH have been omitted from this media release, and the directors of SPH jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror or Keppel, the sole responsibility of the directors of SPH has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this media release. The directors of SPH do not accept any responsibility for any information relating to the Offeror, Keppel, Keppel REIT, SPH REIT or any opinion expressed by the Offeror or Keppel (save for SPH's unitholding interest in SPH REIT).

About Singapore Press Holdings Ltd

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms. SPH has several business segments. The first is the media business, engaged in the publishing of newspapers, magazines and books in both print and digital editions. It also owns other digital products, online classifieds, radio stations and outdoor media.

On the retail and commercial front, SPH owns 65% in SPH REIT whose portfolio comprises three properties in Singapore, namely Paragon, The Clementi Mall and The Rail Mall. In Australia, SPH REIT holds an 85% stake in Figtree Grove Shopping Centre and a 50% stake in Westfield Marion Shopping Centre. SPH also owns and operates The Seletar Mall^a and holds a 50 per cent stake in

two joint venture companies which are developing an integrated development consisting of The Woodleigh Residences and The Woodleigh Mall.

Under the Purpose-Built Student Accommodation (“PBSA”) segment, the Company is an owner, manager and developer of a portfolio of PBSA in the United Kingdom and Germany, and currently operates two distinctive brands, Student Castle and Capitol Students.

The Company is also in the aged care sector in Singapore and Japan, and owns Orange Valley, one of Singapore’s largest private nursing homes.

^a SPH owns a 70 per cent. interest in The Seletar Mall.

For more information, please visit www.sph.com.sg.

Facebook: facebook.com/officialsph/

Instagram: @singaporepressholdings

LinkedIn: linkedin.com/company/singapore-press-holdings/

YouTube: Singapore Press Holdings