BRIEFING TO MEDIA AND ANALYSTS ON THE PROPOSED MERGER OF M1 AND STARHUB, 24 NOVEMBER 2026

Address by Mr Loh Chin Hua, CEO of Keppel Ltd.

Good morning, journalists and analysts.

Thank you for attending this briefing at short notice. You would have seen our announcement this morning, I will now highlight a few key points.

Following the termination of our divestment of M1 to Simba earlier this year, we continued to explore opportunities for consolidation, which we believe is much needed for Singapore's telco sector.

Today, we are pleased to share that Keppel has entered into definitive agreements to merge M1 with StarHub in an all-share transaction. This landmark merger will create a larger, more efficient telco player with a robust financial standing and greater capacity to improve customer experience and invest in future growth.

The proposed transaction values 100% of M1 at an implied enterprise value of S$1.36 billion based on a pro forma value of S$1.50 per share, including the estimated net present value of synergies of S$1.1 billion from the combination. As part of the combined entity, there will also be further upside from potential revenue expansion.

For our 83.9% effective interests in M1, Keppel will receive as consideration, approximately 546.5 million new StarHub shares. This will give us an approximate 23% effective interest[i] in a larger combined entity that is more competitive and better placed to scale.

Recent examples of consolidation in the telco industry in Southeast Asia have resulted in revenue uplifts for the combined entities. An all-share transaction helps the combined entity to preserve cash to support its integration and growth and allows Keppel to benefit from its upside potential.

To illustrate, StarHub's share price was $3.95 as at 3 July 2015 when there were three telcos in the market, compared to $1.01 today in a more competitive environment with four telcos. As a substantial shareholder, we will work with StarHub to realise synergies from the merger and build a much higher value company, allowing Keppel to participate in its upside potential. Remaining invested for at least 12 months from completion would allow Keppel to crystalise synergies and extract greater value from our stake in the combined entity.

Importantly, the proposed transaction provides a clear path to unlock capital from a non-core business. Post merger, our stake in the combined entity will remain in Keppel's Non-Core Portfolio for Divestment.

At deal completion, Keppel will deconsolidate M1, including an estimated net debt of $324 million[ii], of which 10–15% will be included in our special dividend calculation for the year.

After the 12-month lock-up period, we plan to crystalise value in the combined entity by encashing our shares in a measured and orderly manner, subject to market conditions. The cash unlocked will also add to our pool for special dividends.

Let me now address the financial impact. Had the proposed transaction been completed on 30 June 2026, it would have resulted in a pro forma, non-cash accounting loss of S$375 million[iii], based on StarHub's volume-weighted average share price of $1.01 as at 23 November 2026.

The actual financial impact will depend on our carrying value of M1 at the date of completion, StarHub's share price after the deal is completed, and any post completion adjustments.

As we monetise our stake in the combined entity, we will release substantial capital to fund growth, reduce debt and reward Keppel's shareholders.

We have highlighted in the media release, that even after including the pro forma loss from this proposed transaction, Keppel would have realised non-core monetisation gains of approximately S$4.1 billion[iv] since the start of our asset monetisation programme in October 2020.

Looking ahead, there are several conditions precedent to the completion of the Proposed Merger, including obtaining the relevant regulatory approvals and both Keppel and StarHub seeking their respective shareholder approvals at extraordinary shareholder meetings to be held next year. We hope to complete the proposed transaction in 1H 2027.

To conclude, this is a two-stage divestment. First, we deconsolidate $324 million[ii] in debt which is added to the monetisation for calculation of special dividends. The second stage is when we divest the 23% stake[i] in the combined entity. The final divestment price of the shares is what will determine the actual loss or gain from this transaction. With the synergies and potential revenue uplift and the share action of what we have seen in other markets where consolidation has taken place, we are sanguine that the combined entity will deliver the potential upside.

I will now open the floor to questions.

---

[i] On completion of the proposed merger, StarHub will be issuing approximately 651.7 million new shares to M1's shareholders, representing approximately 27.4% of the enlarged StarHub. If the stake in the enlarged StarHub is distributed by M1's shareholders to their respective shareholders, Keppel will be entitled to receive approximately a 23% stake in the enlarged StarHub.

[ii] This is based on a target net debt of $380 million, which includes certain spectrum payables.

[iii] This is an estimated figure as transaction costs related to the proposed combination have not been included and the actual gain/loss on completion will depend on the last traded price of StarHub shares on the first market day immediately following the date of completion, the carrying value of Keppel's effective interest in M1 Group at the date of completion and post-completion adjustments if any.

[iv] This represents the approximate divestment gains/losses and revaluation gains/losses versus carrying values from the date of announcements to completion of the divestments. It includes S$3.4b of gains from the divestment of Keppel Offshore & Marine and a pro forma loss on divestment of S$375m (assuming a share price of StarHub of S$1.01) from the Proposed Transaction. The actual gain/loss on completion will depend on the last traded price of StarHub shares on the first market day immediately following the date of completion, the carrying value of Keppel's effective interest in M1 Telco at the date of completion, and post-completion adjustments if any.