

CIRCULAR DATED 24 NOVEMBER 2021

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the contents herein or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Keppel Corporation Limited (the "Company"), you should immediately inform the purchaser, the transferee or the bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or the transferee, that this Circular (together with the Notice of EGM (as defined herein) and accompanying Proxy Form (as defined herein)) may be accessed on the SGXNet and the Company's website at <https://www.keppcorp.com/en/investors/agm-egm/>.

The Singapore Exchange Securities Trading Limited (the "SGX-ST") takes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

This Circular has been made available on the SGXNet and the Company's website at <https://www.keppcorp.com/en/investors/agm-egm/>. In line with the provisions of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, a printed copy of this Circular will not be despatched to Shareholders (as defined herein). For Shareholders' convenience, printed copies of the Notice of EGM and Proxy Form will be despatched to Shareholders.



**CIRCULAR TO SHAREHOLDERS
IN RELATION TO**

**THE PROPOSED ACQUISITION BY KEPPEL PEGASUS PTE. LTD., A WHOLLY-OWNED
SUBSIDIARY OF THE COMPANY, OF ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN
THE CAPITAL OF SINGAPORE PRESS HOLDINGS LIMITED (EXCLUDING TREASURY SHARES)
BY WAY OF A SCHEME OF ARRANGEMENT**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	: Monday, 6 December 2021 at 10.30 a.m.
Last date and time to pre-register online to attend the EGM (as defined herein)	: Monday, 6 December 2021 at 10.30 a.m.
Date and time of EGM	: Thursday, 9 December 2021 at 10.30 a.m.
Place of EGM	: The EGM will be convened and held by way of electronic means. Please refer to paragraphs 12 and 13 of this Circular for further details.

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CORPORATE INFORMATION

Directors of Keppel Corporation Limited (the “ Company ”)	:	<p>Mr. Danny Teoh (<i>Chairman / Independent Director</i>)</p> <p>Mr. Loh Chin Hua (<i>Chief Executive Officer and Executive Director</i>)</p> <p>Mr. Till Vestring (<i>Independent Director / Lead Independent Director</i>)</p> <p>Ms. Veronica Eng (<i>Independent Director</i>)</p> <p>Mr. Jean-François Manzoni (<i>Independent Director</i>)</p> <p>Mr. Teo Siong Seng (<i>Non-Executive and Non-Independent Director</i>)</p> <p>Mr. Tham Sai Choy (<i>Independent Director</i>)</p> <p>Mrs. Penny Goh (<i>Independent Director</i>)</p> <p>Mr. Shirish Apte (<i>Independent Director</i>)</p>
Registered Office of the Company	:	<p>1 HarbourFront Avenue #18-01 Keppel Bay Tower Singapore 098632</p>
Financial Adviser to the Company and the Offeror in respect of the Proposed Transaction and the Scheme	:	<p>J.P. Morgan (S.E.A.) Limited 88 Market Street CapitaSpring Level 26 Singapore 048948</p>
Legal Adviser to the Company and the Offeror in respect of the Proposed Transaction and the Scheme	:	<p>WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982</p>
Share Registrar of the Company	:	<p>Boardroom Corporate & Advisory Services Pte Ltd 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623</p>

OVERVIEW

The following is a summary of main points only, and is qualified in its entirety by and should be read in conjunction with the full text of this Circular. Please refer to the Definitions section of this Circular for the interpretation of words and expressions used in this Overview.

INTRODUCTION

The Proposed Transaction and the DIS

On 2 August 2021, Keppel Pegasus Pte. Ltd. (the "**Offeror**"), a wholly-owned subsidiary of Keppel Corporation Limited (the "**Company**"), and Singapore Press Holdings Limited ("**SPH**") jointly announced that the Company and the Offeror are proposing to undertake a scheme of arrangement (the "**Scheme**") pursuant to Section 210 of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**") involving:

- (a) a proposed distribution *in specie* ("**DIS**") by SPH of such number of issued units in SPH REIT ("**SPH REIT Units**") which will result in the shareholders of SPH as at the Record Date (as defined below) (the "**Eligible Shareholders**" and each, an "**Eligible Shareholder**") receiving 0.782 SPH REIT Units per SPH Share (as defined below); and
- (b) upon the DIS taking effect, a proposed acquisition (the "**Proposed Transaction**") by the Offeror of all the issued and paid-up ordinary shares in the capital of SPH (the "**SPH Shares**" and each, a "**SPH Share**") (excluding the treasury shares) as at the Record Date (as defined below) from the Eligible Shareholders.

The Offeror and SPH (collectively, the "**Parties**" and each, a "**Party**") have on 2 August 2021 entered into an implementation agreement setting out the terms and conditions on which the Parties will implement the Scheme.

The Cuscaden Proposal

On 29 October 2021, Cuscaden Peak Pte. Ltd. ("**Cuscaden Peak**") announced (the "**Cuscaden Peak Announcement**") that it has on 28 October 2021, submitted to the board of directors of SPH, a proposal to acquire all the SPH Shares (excluding the treasury shares) (the "**Cuscaden Proposal**"). The Cuscaden Proposal contemplates that the acquisition of all the SPH Shares (excluding the treasury shares) by Cuscaden Peak will be effected by a scheme of arrangement pursuant to Section 210 of the Companies Act or such other method as may be determined by Cuscaden Peak in compliance with the Code at a proposed consideration of S\$2.10 in cash for each SPH Share.

Revision of terms of the Proposed Transaction

Following the Cuscaden Proposal, on 9 November 2021 (the "**Revision Announcement Date**"), the Offeror and SPH jointly announced (the "**Joint Revision Announcement**") that they have entered into the Supplemental Letter to amend the terms of the implementation agreement and revise the terms of the Scheme (the "**Revised Offer**"). The Supplemental Letter provides for, *inter alia*, an increase in the Cash Consideration offered by the Offeror to Eligible Shareholders under the Scheme and the waiver by the Offeror of a Scheme Condition.

The increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

Notwithstanding the Cuscaden Proposal, the Parties have agreed to continue with the implementation of the Scheme after taking into consideration the factors set out in paragraph 1.5 of the Joint Revision Announcement and SPH has undertaken to call for the Scheme Meeting in accordance with the terms set out in paragraph 4.4 of the Letter to Shareholders.

The Cuscaden Scheme

On 15 November 2021, SPH and Cuscaden Peak jointly announced (the “**Cuscaden Joint Announcement**”) that they had entered into an implementation agreement in relation to the proposed acquisition by Cuscaden Peak of all the SPH Shares (excluding the treasury shares) by way of a scheme of arrangement at a proposed consideration of either S\$2.360 fully in cash for each SPH Share, or S\$1.602 in cash and 0.782 SPH REIT Units for each SPH Share (the “**Cuscaden Scheme**”).

About the Revised Offer

The Revised Offer is a compelling offer. Following the Cuscaden Joint Announcement, the Company issued a media release (the “**Keppel Media Release**”) on 16 November 2021 in response to media queries on the Company’s position following the entry by SPH and Cuscaden Peak into an implementation agreement in relation to the Cuscaden Scheme, which sets out, among others, the reasons supporting the Company’s belief that the Revised Offer is a compelling offer.

Please refer to paragraph 1.5 of the Letter to Shareholders for more information.

Scheme Conditions

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of certain conditions precedent (the “**Scheme Conditions**” and each, a “**Scheme Condition**”) set out in the Implementation Agreement which include, *inter alia*, approval by shareholders of SPH for the Scheme at the Scheme Meeting, completion of the Media Business Restructuring, and regulatory approvals such as approval from the MAS for a change in control of the SPH REIT Manager and clearance from FIRB under the FATA¹.

Please refer to paragraph 4.2 of the Letter to Shareholders and **Appendix A** to this Circular for further details of the Scheme Conditions and the status of the Scheme Conditions as at the Latest Practicable Date.

Scheme Consideration

Pursuant to the Implementation Agreement, following the Scheme becoming effective in accordance with its terms, each Eligible Shareholder shall be entitled to receive, for each SPH Share:

- (a) from the Offeror (the “**Offeror Consideration**”):
 - (i) a sum of S\$0.868 in cash (the “**Cash Consideration**” and the aggregate of such Cash Consideration received by the Eligible Shareholders, the “**Total Cash Consideration**”); and

¹ The Company is considered both a “foreign person” and a “foreign government investor” and accordingly requires approval from FIRB pursuant to the FATA for the Proposed Transaction because: (a) the Proposed Transaction would result in the Company, through its wholly-owned subsidiary, the Offeror, indirectly acquiring the SPH REIT Units currently indirectly held by SPH (amounting to approximately 20% of the total number of SPH REIT Units after the DIS has been effected) (“**Indirect SPH REIT Unit Acquisition**”); (b) SPH REIT holds interests in two separate commercial properties in Australia (being Figtree Grove Shopping Centre and Westfield Grove Shopping Centre as further described in paragraph 3.1 of the Letter to Shareholders) through a number of intermediate Australian unit trusts; and (c) consequently, the Indirect SPH REIT Unit Acquisition amounts to an acquisition of “an interest in Australian land” and acquisitions of both “direct interests in Australian entities” (being interests of 10% or more) and “substantial interests in Australian entities” (being interests of 20% or more) for purposes of the FATA, each of which requires prior approval from FIRB.

- (ii) 0.596 units in Keppel REIT (“**K-REIT Units**”) which the Offeror will transfer or procure to be transferred to the Eligible Shareholders (the aggregate of such K-REIT Units received by the Eligible Shareholders, the “**Consideration Units**”); and

(b) from SPH, 0.782 issued units in SPH REIT by way of the DIS,

(collectively, the “**Scheme Consideration**”),

assuming that the maximum number of SPH Shares at the Record Date that shall be acquired by the Offeror in connection with the Scheme shall not exceed 1,617,010,890 SPH Shares.

Delisting

Upon the Scheme becoming effective and binding in accordance with its terms, SPH will become a wholly-owned subsidiary of the Offeror and will, subject to the approval of the SGX-ST, be delisted from the Mainboard of the SGX-ST.

Please refer to the Joint Announcement and the Joint Revision Announcement for more information on the Scheme Consideration and other terms of the Scheme. SPH will provide its shareholders with further information in connection with the Scheme and the DIS in the Composite Document to be despatched by SPH in due course.

INFORMATION ON SPH

SPH is a company incorporated in Singapore on 4 August 1984 and was listed on the Mainboard of the SGX-ST on 20 December 1984.

The SPH Group 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. The SPH Group also owns other digital products, online classifieds, radio stations and outdoor media.

Under the retail and commercial segment, SPH owns approximately 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 a 70% interest in and operates The Seletar Mall, and holds a 50% 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, SPH is also an owner, manager and developer of a portfolio of PBSA valued at over S\$1.4 billion as at 31 August 2021². This comprises 7,721 beds³ across 18 cities in the UK (including London, Glasgow, Oxford, Durham, and others) and Germany (Bremen). SPH currently operates two distinctive brands, namely Student Castle and Capitol Students.

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

2 Based on information regarding SPH’s PBSA portfolio, as set out in **Appendix B** to this Circular and in the SPH Update Announcement. The valuation amount of the PBSA properties in the UK was presented in British pound sterling and the valuation amount of the PBSA property in Germany was presented in Euros in the announcement titled “Notice of Valuation of Real Assets” released by SPH on the SGXNet on 5 October 2021.

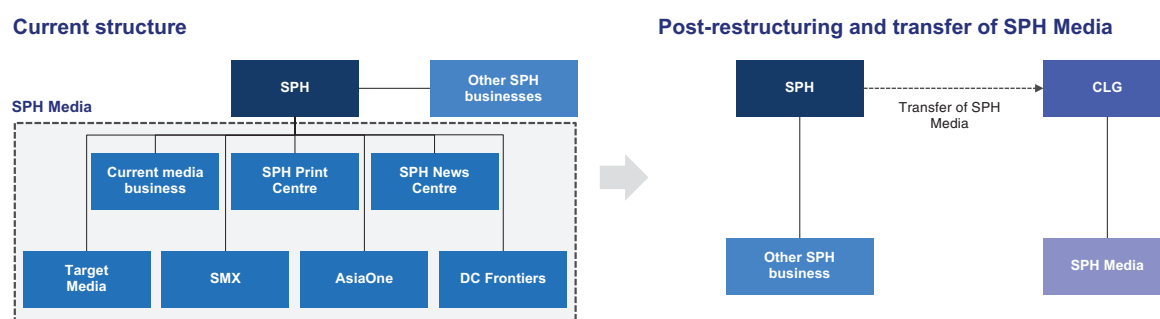
3 Based on information regarding SPH’s PBSA portfolio, as set out in **Appendix B** to this Circular and in the SPH Update Announcement, after completion of the two new development sites in Edinburgh, UK which were acquired on 29 September 2021, the PBSA portfolio will be enlarged to 8,366 beds.

Media Business Restructuring

On 6 May 2021, SPH announced that SPH and SPH Media Holdings Pte. Ltd. (the “**Media HoldCo**”), a wholly-owned subsidiary of SPH, had entered into a business restructuring deed to provide for, *inter alia*, the transfer of the media business of SPH to the Media HoldCo and its subsidiaries (together with the other transactions contemplated under the business restructuring deed, the “**Media Business Restructuring**”).

On 17 August 2021, SPH despatched the Media Business Restructuring Circular to its shareholders. As set out in paragraph 1.1 of the Media Business Restructuring Circular, upon the completion of the Media Business Restructuring, the business of SPH will comprise (a) the retail and commercial business segment; (b) the PBSA business segment and (c) the aged care business segment, each as described above.

A diagram⁴ providing an overview of the Media Business Restructuring and the structure of the SPH Group before and following the completion of the Media Business Restructuring is set out below:



On 10 September 2021, the shareholders of SPH approved the Media Business Restructuring (including the Conversion) at an extraordinary general meeting of SPH, which satisfied one of the conditions precedent to the completion of the Media Business Restructuring. As stated in the Joint Revision Announcement, the Media Business Restructuring is scheduled to be completed on or around 1 December 2021.

Please refer to the Media Business Restructuring Circular for further details of the Media Business Restructuring.

The completion of the Media Business Restructuring is a Scheme Condition. As such, the Proposed Transaction will not include the acquisition of the media business of SPH, which is intended to be transferred to the Media HoldCo and its subsidiaries pursuant to the Media Business Restructuring as well as the SPH REIT Units to be distributed to Eligible Shareholders pursuant to the DIS.

⁴ Extracted from the analyst briefing slides titled “Restructuring and Transfer of the Media Business” released by SPH on the SGXNet on 6 May 2021. Please refer to the aforementioned analyst briefing slides for an overview of the transaction steps contemplated in respect of the Media Business Restructuring.

RATIONALE FOR AND BENEFITS OF THE PROPOSED TRANSACTION

The Proposed Transaction presents a unique opportunity for the Company to acquire a portfolio of businesses strategically aligned to the Company's focus areas under Vision 2030, the Company's long-term strategy to guide its growth and transformation. Under Vision 2030, the Company has committed to refocus its portfolio from a conglomerate of diverse parts to be an integrated business, providing end-to-end solutions for sustainable urbanisation, with an asset management arm to fund the Group's growth and provide a platform for capital recycling. In this regard, the Company will focus on four key business areas, namely energy and environment, urban development, connectivity and asset management. The Proposed Transaction is expected to accelerate the Company's Vision 2030 growth strategy for the reasons provided in paragraph 5.1 of the Letter to Shareholders, a summary of which is set out below:

- (a) The Proposed Transaction provides the Company with an opportunity to acquire a quality platform that is strongly aligned and complementary to the Company's business model and capabilities. SPH's portfolio presents a natural fit to three out of the Company's four focus areas of asset management, urban development and connectivity. Through this acquisition, the Company will gain scale and capabilities across the three areas.

In particular, the asset management business will gain scale with potential assets under management ("AUM") growth of 27% from S\$37 billion⁵ to S\$47 billion. It will also harness operating synergies through managing SPH REIT within the larger Keppel asset management platform. Given the Company's track record of creating and enhancing value in AUM, the Company is potentially able to unlock the potential value embedded within SPH's portfolio.

- (b) The acquisition of SPH's PBSA business will provide the Company with an immediate and sizeable foothold within the highly resilient and fast growth PBSA sector in the UK and Germany. The Company will also gain access to the integrated platform capabilities to develop, manage and operate PBSA assets in-house, providing the foundation for the Company (through Keppel Capital) to grow its presence within the education sector, an identified area of growth for Keppel Capital.

Additionally, SPH would enrich the Company's senior living solutions with the addition of nursing homes. It would provide visible operating synergies alongside the Company's current senior living business, and diversifies the Company's existing Watermark senior living business in the United States of America through access to Singapore and Japan markets, providing the Company with increasing international presence within the sector.

The acquisition of a stake in SPH REIT and full ownership of the SPH REIT Manager provides the Company with a natural platform to recycle its retail assets (including i12 Katong). Furthermore, the Company, through the quality portfolio of retail assets under SPH REIT, can tap into the recovery and growth of the Singapore retail market. With quality assets on hand, coupled with the Company's experience in asset management, SPH REIT provides a compelling organic recovery play that investors would be interested in.

⁵ The total AUM of Keppel Capital as at 31 December 2020 is S\$37 billion.

- (c) Further, the SPH portfolio, whose income is largely recurring based, is projected to immediately be earnings accretive on a pro forma basis and enhance the Company's quality of earnings through an 18% growth in recurring income on a pro forma basis; the pro forma contribution of recurring income by the SPH portfolio to the Company's PATMI will increase from 51% to 56%⁶.

Pro forma net gearing post-transaction is expected to remain below 1x⁷.

The Company's net gearing is expected to decline further over time, following the Company's continuing asset monetisation programme. Since the Company's asset monetisation programme was launched in September 2020, the Company has announced about S\$2.4 billion in asset monetisation, received about S\$1.6 billion of this in cash, and further announced that it is on track to exceed the target of S\$5 billion by the end of 2023. There will be sufficient capacity for the Company to pursue other growth opportunities in line with Vision 2030 in areas such as renewables and decarbonisation solutions, and to also continue rewarding Shareholders.

FUTURE INTENTIONS FOR SPH

Post-completion of the Proposed Transaction and the Scheme, the Company's management team intends to integrate and streamline the business operations and portfolios of the SPH Group with those of the Group, such as aligning internal financial systems, operating procedures, and compliance processes. To ensure successful integration of SPH into the enlarged Group, the Company will also reorganise the way the SPH Group's assets and businesses are held and managed. The Group currently organises the holding and management of its assets (similar to those held by the SPH Group) across its asset management, urban development and connectivity business segments. The reorganisation will likely result in a change in the holding structure for the SPH Group's assets and businesses, with a view to the enlarged Group operating efficiently and seamlessly going forward. Human resource requirements in the enlarged Group will be reviewed as part of the integration process. The reorganisation will also allow the Company to extract the synergies of the enlarged portfolio and expand the various businesses of the SPH Group which are aligned to the Company's Vision 2030. As part of the Company's capital recycling plans, the Company may also explore potential monetisation of non-core assets and investments.

The Offeror's current intention for changes to the existing business of SPH and re-deployment of the fixed assets of the Company are set out above and in paragraph 5.1 of the Letter to Shareholders on the rationale for and benefits of the Proposed Transaction. Save as disclosed in the foregoing, the Offeror has no current intention to (a) introduce any major changes to the existing business of SPH; (b) re-deploy the fixed assets of SPH; or (c) discontinue the employment of existing employees of the SPH Group, other than in the ordinary course of business. The Offeror retains the flexibility at any time to consider any

6 (1) Recurring income excludes gain arising from the change in interest in Keppel REIT held by the Group and finance costs to be incurred due to the Total Cash Consideration used to fund the Proposed Transaction. (2) Based on (a) the KCL 1H2021 Results, (b) the SPH 1H2021 Results, (c) the SPH REIT 1H2021 Results, (d) information obtained during the course of due diligence, and taking into account (i) the financial effects of the Media Business Restructuring (but excluding restructuring adjustments such as the effect of the assumption of certain liabilities, costs and expenses on PATMI arising from the Media Business Restructuring) and (ii) the DIS on SPH based on the SPH 1H2021 Results. (3) This statement on growth in recurring income contribution is not intended as a profit forecast and should not be construed as such. This statement should not be interpreted to mean that its value in any future financial period will necessarily be greater than those for the relevant preceding financial period. (4) In computing the financial impact of the Proposed Transaction on pro forma recurring income contribution, financial statements with different half year ends were used (being 30 June 2021 for the Group and 28 February 2021 for the SPH Group).

7 In projecting the pro forma net gearing of the Company post-transaction, the net gearing of the Company as at 30 June 2021 was used, assuming that the Proposed Transaction had been effected on 30 June 2021.

options and opportunities which may present themselves and which it may regard to be in the interests of SPH and/or the SPH Group.

ILLUSTRATIVE FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

The illustrative pro forma financial effects of the Proposed Transaction on the Company are as follows:

- (a) a decrease in the NTA per share of the Company from S\$5.02 to S\$4.87; and
- (b) a decrease in the loss per share of the Company from 27.8 Singapore cents to 23.9 Singapore cents.

The above is based on (i) the audited consolidated financial statements of the Company for the financial year ended 31 December 2020, being the most recently completed financial year for which audited financial statements of the Company are available as at the Latest Practicable Date, (ii) the SPH Group's audited consolidated financial statements for the financial year ended 31 August 2021 (the "**SPH FY2021 Results**"), being the most recently completed financial year for which audited financial statements of SPH are available as at the Latest Practicable Date and (iii) the pro forma financial effects of the DIS on selected financial measures of the SPH Group set out in **Appendix B** to this Circular which had been provided by SPH to the Company and which is set out in the SPH Update Announcement (which takes into account certain key assumptions set out in **Appendix B** to this Circular and the SPH Update Announcement including, *inter alia*, that the Media Business Restructuring is completed prior to the DIS and that the DIS will be effected at the market value of SPH REIT as at 31 August 2021 of S\$2.5 billion). The above figures are also subject to certain assumptions set out in paragraph 8 of the Letter to Shareholders.

Please refer to paragraph 8 of the Letter to Shareholders for further details relating to the illustrative financial effects of the Proposed Transaction on the Company (including the notes relating to the computation of the illustrative pro forma financial effects of the Proposed Transaction on the Company as set out above).

SOURCES OF FUNDS FOR THE PROPOSED TRANSACTION AND THE SCHEME

The Company arrived at the aggregate Offeror Consideration as well as the Scheme Consideration after having taken into account, among others, the prevailing and historical market prices of SPH Shares, relevant precedent privatisation transactions, the valuation of assets of SPH as disclosed in the SPH FY2020 Results and SPH FY2021 Results, review of the SPH FY2020 Results and the SPH FY2021 Results, the pro forma financial impact of the DIS and the Media Business Restructuring on SPH, the strengthening global economic conditions as a result of many countries progressively lifting the restrictions imposed due to COVID-19 and the expected synergies between the Company and SPH.

The Company will finance the acquisition of the SPH Shares with the (a) payment of the Total Cash Consideration to the Eligible Shareholders from various sources including internal cash, bank borrowings, perpetual securities and/or bonds, factoring in market conditions and the intention to keep net gearing below 1x; and (b) transfer, or procurement of the transfer, of the Consideration Units the Company is currently interested in, to the Eligible Shareholders.

Please refer to paragraph 7 of the Letter to Shareholders for further details relating to the method of financing for the Proposed Transaction and the Scheme.

APPROVAL SOUGHT AT THE EXTRAORDINARY GENERAL MEETING

Ordinary Resolution: The Proposed Transaction

The Proposed Transaction constitutes a “major transaction” under Rule 1014 of the Listing Manual and accordingly, is subject to the approval of the shareholders of the Company (the “Shareholders”) under Rule 1014(2) of the Listing Manual.

In light of the above, the Company is seeking approval from the Shareholders for the Proposed Transaction at an extraordinary general meeting of the Shareholders (the “EGM”), by way of an Ordinary Resolution. **Shareholders should note that the Ordinary Resolution in respect of the Proposed Transaction is conditional upon the Scheme becoming effective in accordance with its terms.**

Please refer to paragraph 6 of the Letter to Shareholders for further details relating to the Proposed Transaction as a “major transaction”.

RELEVANT DIRECTORS’ RECOMMENDATION

The Relevant Directors have considered the relevant factors, including the terms of the Proposed Transaction and the rationale for, and benefits of, the Proposed Transaction as set out in paragraph 5.1 of the Letter to Shareholders, and recommend that the Shareholders **VOTE IN FAVOUR** of the Ordinary Resolution in respect of the Proposed Transaction.

Shareholders, in deciding whether to vote in favour of the Ordinary Resolution set out in the Notice of EGM in **Appendix C** to this Circular, should read carefully the terms, rationale and pro forma financial effects of the Proposed Transaction. In giving the above recommendation, the Relevant Directors have not had regard to any general or specific investment objectives, financial situations, tax positions or particular needs or constraints of any individual Shareholder or any specific group of Shareholders. As different Shareholders have different investment profiles and objectives, the Relevant Directors recommend that any Shareholder who may require specific advice in relation to his/her/its investment portfolio should consult his/her/its stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser.

INDICATIVE TIMETABLE

Key Event	Date and Time
Last date and time for pre-registration ⁽¹⁾	• Monday, 6 December 2021 at 10.30 a.m.
Last date and time for lodgement of Proxy Forms ⁽²⁾	• Monday, 6 December 2021 at 10.30 a.m.
Last date and time for submission of questions ⁽³⁾	• Monday, 6 December 2021 at 10.30 a.m.
Date and time of the EGM for the Shareholders	• Thursday, 9 December 2021 at 10.30 a.m.
Place of EGM for the Shareholders	• To be convened and held by way of electronic means
Expected date of the extraordinary general meeting for the shareholders of SPH to approve the DIS	• To be announced
Expected date of the Scheme Meeting	• To be announced
Expected date of Court hearing of the application to sanction the Scheme ⁽⁴⁾	• To be announced
Expected last date of trading of the SPH Shares on the SGX-ST	• To be announced
Expected date of trading suspension of SPH Shares	• To be announced
Expected Record Date ⁽⁵⁾	• To be announced
Expected Relevant Date ⁽⁶⁾	• To be announced
Expected Effective Date of the Scheme ⁽⁷⁾	• To be announced
Expected date for the payment of the Total Cash Consideration and the transfer of the Consideration Units to the Eligible Shareholders	• To be announced
Expected date for the delisting of SPH	• To be announced

Notes:

- (1) The EGM will be conducted by way of electronic means and all Shareholders (including CPF/SRS Investors) who wish to follow the proceedings of the EGM through the live audio-visual webcast/live audio-only stream must pre-register online at <https://www.kepcorp.com/en/egm-dec2021> (the “Pre-registration Page”) no later than 10.30 a.m. on 6 December 2021 (being 72 hours before the time appointed for the holding of the EGM) for verification purposes. Please refer to paragraph 13 of the letter from the Directors to the Shareholders as set out on page 55 of this Circular (the “Letter to Shareholders”) and the notice of the EGM as set out in **Appendix C** to this Circular (the “Notice of EGM”), for more details.
- (2) Shareholders (including CPF/SRS Investors) will only be able to vote at the EGM by appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf. Shareholders are requested to submit the accompanying proxy form for the EGM (the “Proxy Form”) in accordance with the instructions contained therein no later than 10.30 a.m. on 6 December 2021 (being 72 hours before the time appointed for the holding of the EGM). Please refer to paragraph 13 of the Letter to Shareholders, the Notice of EGM and the Proxy Form for more details.
- (3) All Shareholders (including CPF/SRS Investors) may submit questions relating to the business of the EGM in advance of, or live at, the EGM. All Shareholders (including CPF/SRS Investors) can submit questions relating to the business of the EGM in advance of the EGM, up till 10.30 a.m. on 6 December 2021 (being 72 hours before the time appointed for the holding of the EGM) on the Pre-registration Page, via email to investor.relations@kepcorp.com or by post addressed to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623. Shareholders (including CPF/SRS Investors) who have pre-registered for the EGM may also ask the Chairman of the EGM questions relating to the business of the EGM live at the EGM. Please refer to paragraph 13 of the Letter to Shareholders and the Notice of EGM for more details.

- (4) The date of the Court hearing of the application to approve the Scheme will depend on the date that is allocated by the Court.
- (5) **"Record Date"** refers to the date and time to be announced (before the Effective Date) by SPH on which the Transfer Books and the Register of Members of SPH will be closed in order to determine the entitlements of the Eligible Shareholders in respect of the Scheme and the DIS.
- (6) **"Relevant Date"** refers to the date falling on the Business Day immediately preceding the Effective Date.
- (7) The Scheme will come into effect on the date on which a copy of the order of the Court pursuant to Section 210 of the Companies Act sanctioning the Scheme has been lodged with the ACRA pursuant to Section 210(5) of the Companies Act.

All dates and times referred to above are Singapore dates and times. Please note that the timetable for the events which are scheduled to take place after the EGM is indicative only and may be subject to change, and assumes that (a) Shareholders approve the Ordinary Resolution at the EGM and (b) shareholders of SPH approve the DIS and the Scheme at the extraordinary general meeting for shareholders of SPH to approve the DIS and the Scheme Meeting respectively.

SPH will provide its shareholders with further information in connection with the Scheme and the DIS in the Composite Document to be despatched by SPH in due course. Following the despatch of the Composite Document by SPH, the Company will issue an announcement to update Shareholders on the timetable in respect of the key events relating to the Scheme and the DIS (including the exact date of the extraordinary general meeting for the shareholders of SPH to approve the DIS and the exact date of the Scheme Meeting).

Please refer to the Composite Document to be despatched by SPH and any future announcement(s) released by SPH, the Offeror and/or the Company for the exact dates of the key events relating to the Scheme and the DIS.

DEFINITIONS

The following definitions shall apply throughout this Circular unless the context otherwise requires or unless otherwise stated:

"ACRA"	:	The Accounting and Corporate Regulatory Authority of Singapore
"Alternative Scheme Meeting"	:	Shall have the meaning ascribed to it in paragraph 4.4(d) of the Letter to Shareholders
"AUM"	:	Assets under management
"BRD"	:	The business restructuring deed dated 6 May 2021 entered into between SPH and the Media HoldCo, as amended, modified or supplemented from time to time
"Break Fee"	:	Shall have the meaning ascribed to it in paragraph 4.7 of the Letter to Shareholders
"Business Day"	:	A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks in Singapore are open for business
"Cash Consideration"	:	S\$0.868 for each SPH Share in cash
"CDP"	:	The Central Depository (Pte) Limited
"Chapter 10 Announcement"	:	Shall have the meaning ascribed to it in paragraph 1.1 of the Letter to Shareholders
"Circular"	:	This circular to Shareholders dated 24 November 2021
"Code"	:	The Singapore Code on Take-overs and Mergers
"Companies Act"	:	The Companies Act (Chapter 50 of Singapore)
"Company"	:	Keppel Corporation Limited
"Competing Offer"	:	Shall have the meaning ascribed to it in paragraph 4.6 of the Letter to Shareholders
"Competing Offer Announcement"	:	Shall have the meaning ascribed to it in paragraph 4.4(b) of the Letter to Shareholders
"Composite Document"	:	The document setting out details of the Scheme and the DIS to be sent to shareholders of SPH containing, among other things, an explanatory statement for the Scheme, the opinion of the IFA, notices of the Scheme Meeting and the SPH EGM, appropriate forms of proxy for the SPH EGM and for the Scheme Meeting and such other information as may be required for disclosure or inclusion therein by the Court or under the Code, the Companies Act and/or the Listing Manual

"Consideration Units"	:	The aggregate of the K-REIT Units to be received by the Eligible Shareholders from the Offeror as part of the Scheme Consideration (and each of them, a "Consideration Unit")
"Conversion"	:	The conversion of each Management Share into one SPH Share
"Court"	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
"COVID-19"	:	Coronavirus Disease 2019
"CPF"	:	The Central Provident Fund
"CPF/SRS Investors"	:	Investors who have purchased shares in the Company using their CPF savings under the CPF Investment Scheme or their SRS contributions pursuant to the SRS (and each of them, a "CPF/SRS Investor")
"Current SPH Group Companies"	:	SPH, all of its subsidiaries, joint ventures, trusts and Associated Companies (as defined in the Implementation Agreement) taken as a whole, as set out in the group structure chart appended to the Implementation Agreement, and includes any and all Divested Media Entities (as defined in the Implementation Agreement) and the Media Business
"Current SPH Share Capital"	:	The issued and paid-up share capital of SPH (excluding treasury shares) as at the Latest Practicable Date, comprising 1,591,535,037 SPH Shares and 16,361,769 Management Shares ⁸
"Cuscaden Joint Announcement"	:	Shall have the meaning ascribed to it in paragraph 1.4 of the Letter to Shareholders
"Cuscaden Peak"	:	Cuscaden Peak Pte. Ltd., a company formed by a consortium comprising Tiga Stars Pte. Ltd. (a subsidiary of Hotel Properties Limited), Adenium Pte. Ltd. (a wholly-owned subsidiary of CLA Real Estate Holdings Pte Ltd) and Mapletree Fortress Pte. Ltd. (an indirect, wholly-owned subsidiary of Mapletree Investments Pte Ltd)
"Cuscaden Peak Announcement"	:	Shall have the meaning ascribed to it in paragraph 1.2 of the Letter to Shareholders
"Cuscaden Proposal"	:	Shall have the meaning ascribed to it in paragraph 1.2 of the Letter to Shareholders
"Cuscaden Scheme"	:	Shall have the meaning ascribed to it in paragraph 1.4 of the Letter to Shareholders

⁸ Based on information regarding the share capital of SPH, as set out in **Appendix B** to this Circular and in the SPH Update Announcement.

"Cut-Off Date"	:	Shall have the meaning ascribed to it in paragraph 4.5(a)(i) of the Letter to Shareholders
"Directors"	:	The directors of the Company (and each of them, a "Director")
"DIS"	:	Shall have the meaning ascribed to it in paragraph 1.1(a) of the Letter to Shareholders
"Effective Date"	:	The date on which the Scheme, if approved and sanctioned by the Court, becomes effective in accordance with its terms
"EGM"	:	The extraordinary general meeting of the Shareholders to be held on Thursday, 9 December 2021 at 10.30 a.m., notice of which is set out in Appendix C to this Circular
"Eligible Shareholders"	:	All shareholders of SPH as at the Record Date (and each of them, an "Eligible Shareholder")
"Encumbrances"	:	Any mortgage, assignment, debenture, lien, hypothecation, charge, pledge, adverse claim, title retention, easement, hire purchase, right to acquire, security agreement, security interest, option, power of sale, any right of pre-emption, first offer, first refusal or tag-along or drag-along or any third party right or interest or an agreement, arrangement or obligation to create any of the foregoing
"EPS"	:	Earnings per share
"FATA"	:	Australian Foreign Acquisitions and Takeovers Act 1975
"Final FY2021 Dividend"	:	A cash dividend per SPH Share of S\$0.03. As agreed between the Offeror and SPH in the Implementation Agreement, the Final FY2021 Dividend is an amount not exceeding a pay-out ratio of 75%, determined based on the operating profits of the Current SPH Group Companies for the financial year ended 31 August 2021, including the share of results from associates and joint ventures and net income from investments and excluding revaluation gains, gains on divestments of properties and any loss or impairment in relation to the Media Business Restructuring and any non-controlling interests, provided that the Final FY2021 Dividend shall not be lower than S\$0.02 or exceed S\$0.03 per SPH Share
"Financial Adviser"	:	Shall have the meaning ascribed to it in paragraph 15 of the Letter to Shareholders
"FIRB"	:	Foreign Investment Review Board
"Group"	:	The Company and its subsidiaries

"IFA"	:	The independent financial adviser appointed to advise the SPH Independent Directors, on the Scheme
"Illustrative Consideration Unit Price"	:	The implied value of S\$1.150 per Consideration Unit, being the closing price of the Consideration Units on the Revision Announcement Date
"Implementation Agreement"	:	The implementation agreement dated 2 August 2021 entered into between the Parties (as amended or supplemented from time to time, including by the Supplemental Letter), setting out the terms and conditions on which the Parties will implement the Scheme
"Investors"	:	Investors holding shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act) (and each of them, an "Investor")
"Joint Announcement"	:	The joint announcement by SPH and the Offeror dated 2 August 2021 in relation to, <i>inter alia</i> , the proposed Scheme
"Joint Announcement Date"	:	Shall have the meaning ascribed to it in paragraph 1.1 of the Letter to Shareholders
"Joint Revision Announcement"	:	Shall have the meaning ascribed to it in paragraph 1.3 of the Letter to Shareholders
"K-REIT Units"	:	Issued units in Keppel REIT (and each of them, a "K-REIT Unit")
"KCL 1H2021 Results"	:	The condensed consolidated interim financial statements and dividend announcement of the Group for the half year ended 30 June 2021
"Keppel Capital"	:	Keppel Capital Holdings Pte Ltd
"Keppel Media Release"	:	Shall have the meaning ascribed to it in paragraph 1.5 of the Letter to Shareholders
"Keppel REIT"	:	Keppel REIT, a REIT constituted in the Republic of Singapore pursuant to a trust deed dated 28 November 2005, as amended, modified or supplemented from time to time
"Keppel REIT Manager"	:	Keppel REIT Management Limited
"Latest Practicable Date"	:	17 November 2021, being the latest practicable date prior to the finalisation of this Circular
"Letter to Shareholders"	:	The letter from the Directors to the Shareholders as set out on pages 23 to 56 of this Circular
"Listing Manual"	:	The listing manual of the SGX-ST, as amended or modified from time to time

"Management Shares"	:	Management shares in the capital of SPH
"MAS"	:	Monetary Authority of Singapore
"Media Business"	:	The media business of SPH to be transferred to the Media HoldCo and its subsidiaries
"Media Business Restructuring"	:	The proposed restructuring comprising (a) the transfer of the Media HoldCo for nominal consideration of S\$1 to SPH Media Trust, (b) the transfer of the Media Business to the Media HoldCo and its subsidiaries, and (c) SPH making the other aspects of the SPH Contribution (as defined in the Media Business Restructuring Circular) to assist with the operation and maintenance of the restructured Media Business following the closing of the Media Business Restructuring
"Media Business Restructuring Circular"	:	The circular to the shareholders of SPH in connection with the Media Business Restructuring despatched by SPH on 17 August 2021
"Media HoldCo"	:	SPH Media Holdings Pte. Ltd.
"Media OpCo"	:	SPH Media Limited
"Mr. Teo"	:	Shall have the meaning ascribed to it in paragraph 9.2(c) of the Letter to Shareholders
"NAV"	:	Net asset value
"NTA"	:	Net tangible assets
"Notice of EGM"	:	The notice of EGM, as set out in Appendix C to this Circular
"Offeror"	:	Keppel Pegasus Pte. Ltd.
"Offeror Consideration"	:	In respect of each SPH Share, the aggregate of (a) the Cash Consideration and (b) 0.596 K-REIT Units which the Offeror will transfer or procure to be transferred to the Eligible Shareholders, as part of the Scheme Consideration
"Ordinary Resolution"	:	A resolution proposed and passed as such by a majority being 50% or more of the total votes cast for and against such resolution at a general meeting of the Shareholders convened in accordance with the constitution of the Company
"Outstanding SPH Share Awards"	:	6,132,456 outstanding awards granted under the SPH Performance Share Plan 2016 ⁹
"Parties"	:	The Offeror and SPH (and each of them, a "Party")

9 Based on information regarding the share capital of SPH, as set out in **Appendix B** this Circular and in the SPH Update Announcement.

"PATMI"	:	Profit after tax and non-controlling interests
"PIL"	:	Shall have the meaning ascribed to it in paragraph 11 of the Letter to Shareholders
"PBSA"	:	Purpose-Built Student Accommodation
"Pre-registration Page"	:	https://www.kepcorp.com/en/egm-dec2021
"Proposed Transaction"	:	Shall have the meaning ascribed to it in paragraph 1.1(b) of the Letter to Shareholders
"Proxy Form"	:	The accompanying proxy form for the EGM as set out in this Circular
"Record Date"	:	The date and time to be announced (before the Effective Date) by SPH on which the Transfer Books and the Register of Members of SPH will be closed in order to determine the entitlements of the shareholders of SPH in respect of the Scheme and the DIS
"REIT"	:	Real estate investment trust
"Relevant Date"	:	The date falling on the Business Day immediately preceding the Effective Date
"Relevant Directors"	:	All the Directors, save for Mr. Teo who abstained from giving a recommendation to Shareholders for the reasons set out in paragraph 11 of the Letter to Shareholders
"Relevant SPH Group Companies"	:	SPH, all of its subsidiaries, joint ventures, trusts and Associated Companies (as defined in the Implementation Agreement), taken as a whole, as set out in the group structure chart appended to the Implementation Agreement, and excludes any and all Divested Media Entities (as defined in the Implementation Agreement) and the Media Business
"Relevant SPH Shares"	:	Shall have the meaning ascribed to it in paragraph 3.4 of the Letter to Shareholders
"Relevant Statement"	:	The unaudited consolidated management balance sheet prepared using the same accounting policies and methods of computation with those applied in the preparation of the Management Accounts (as defined in the Implementation Agreement), setting out the consolidated (a) net asset value of the Relevant SPH Group Companies, attributable to the shareholders of SPH, (b) Net Debt (as defined in the Implementation Agreement) of the Relevant SPH Group Companies (excluding SPH REIT) and (c) Media Business NAV (as defined in the Implementation Agreement), in each case, at the Relevant Statement Date

"Relevant Statement Date"	:	The end of the calendar month in which the Media Business Restructuring is completed
"Revised Offer"	:	Shall have the meaning ascribed to it in paragraph 1.3 of the Letter to Shareholders
"Revision Announcement Date"	:	Shall have the meaning ascribed to it in paragraph 1.3 of the Letter to Shareholders
"Scheme"	:	The scheme of arrangement under Section 210 of the Companies Act, in relation to the proposed acquisition of all the issued and paid-up ordinary shares in the capital of SPH by the Offeror (excluding treasury shares)
"Scheme Conditions"	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) for the Scheme to be implemented and which are reproduced in Appendix A to this Circular (and each of them, a "Scheme Condition")
"Scheme Consideration"	:	Shall have the meaning ascribed to it in paragraph 4.3 of the Letter to Shareholders
"Scheme Court Order"	:	The order of the Court pursuant to Section 210 of the Companies Act sanctioning the Scheme
"Scheme Meeting"	:	The meeting of the shareholders of SPH to be convened at the direction of the Court for the purpose of considering and, if thought fit, approving the Scheme (and shall include any adjournment of the meeting)
"SFA"	:	The Securities and Futures Act (Chapter 289 of Singapore)
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"SGXNet"	:	Singapore Exchange Network
"Share Registrar"	:	Boardroom Corporate & Advisory Services Pte Ltd
"Shareholders"	:	The shareholders of the Company, including persons whose/which shares in the Company are deposited with CDP or who have purchased shares in the Company on the SGX-ST (and each of them, a "Shareholder")
"SIC"	:	Securities Industry Council of Singapore
"Specified Date"	:	Shall have the meaning ascribed to it in paragraph 4.4(a) of the Letter to Shareholders
"Specified Event"	:	Shall have the meaning ascribed to it in paragraph 4.4(a) of the Letter to Shareholders
"Specified Later Date"	:	Shall have the meaning ascribed to it in paragraph 4.4(b) of the Letter to Shareholders

"SPH"	:	Singapore Press Holdings Limited
"SPH EGM"	:	The extraordinary general meeting to be held by SPH to seek the approval of its shareholders for the DIS
"SPH Independent Directors"	:	The directors of SPH who are considered independent for the purposes of the Scheme
"SPH 1H2021 Results"	:	The SPH Group's unaudited consolidated financial statements for the half year ended 28 February 2021
"SPH FY2020 Results"	:	The SPH Group's audited consolidated financial statements for the financial year ended 31 August 2020
"SPH FY2021 Results"	:	The SPH Group's audited consolidated financial statements for the financial year ended 31 August 2021
"SPH Group"	:	The group of companies comprising SPH, its subsidiaries and its associated companies
"SPH Media Trust"	:	SPH Media Trust, a not for profit company limited by guarantee incorporated in Singapore on 19 July 2021, where the profits are reinvested into its business and not distributed to its shareholders
"SPH REIT"	:	SPH REIT, a REIT constituted in the Republic of Singapore pursuant to a trust deed dated 9 July 2013, as amended, modified or supplemented from time to time
"SPH REIT 1H2021 Results"	:	SPH REIT's unaudited consolidated financial statements for the half year ended 28 February 2021
"SPH REIT Manager"	:	SPH REIT Management Pte. Ltd.
"SPH REIT Units"	:	Issued units in SPH REIT (and each of them, a "SPH REIT Unit")
"SPH Shares"	:	Shall have the meaning ascribed to it in paragraph 1.1(b) of the Letter to Shareholders
"SPH Update Announcement"	:	The announcement titled <i>"Announcement by Singapore Press Holdings Limited – Update Announcement"</i> released by SPH on the SGXNet on 24 November 2021 disseminating to its shareholders certain information provided by SPH to the Company in connection with the preparation of this Circular, as set out in Appendix B to this Circular and updating its shareholders that as a result of a delay arising solely from a Specified Event, the Scheme Meeting will be held after the Specified Date
"SRS"	:	Supplementary Retirement Scheme
"Strategic Review Announcement Date"	:	Shall have the meaning ascribed to it in paragraph 4.3 of the Letter to Shareholders

"Superior Competing Offer"	:	A <i>bona fide</i> Competing Offer that the SPH Independent Directors, acting in good faith, determine is of a higher financial value and more favourable to the shareholders of SPH, taking into account all aspects of such Competing Offer (including its conditions) than the Scheme or if the Switch Option is exercised by the Offeror, such final offer made by the Offeror
"Supplemental Letter"	:	The supplemental letter dated 9 November 2021 entered into between the Parties, amending the terms of the implementation agreement dated 2 August 2021 entered into between the Parties and revising the terms of the Scheme
"Surviving Provisions"	:	Shall have the meaning ascribed to it in paragraph 4.5(b)(i) of the Letter to Shareholders
"Switch Option"	:	Shall have the meaning ascribed to it in paragraph 4.6 of the Letter to Shareholders
"S\$" and "Singapore cents"	:	Singapore dollars and cents respectively, being the lawful currency of the Republic of Singapore
"Temasek"	:	Shall have the meaning ascribed to it in paragraph 9.3 of the Letter to Shareholders
"Total Cash Consideration"	:	The aggregate of such Cash Consideration received by the Eligible Shareholders
"Total K-REIT Units"	:	The total number of K-REIT Units in issue as at the Latest Practicable Date, being 3,695,418,528 K-REIT Units
"UK"	:	United Kingdom
"VWAP"	:	Shall have the meaning ascribed to it in paragraph 4.3 of the Letter to Shareholders

All capitalised terms used and not defined in this Circular shall have the same meanings given to them in the Implementation Agreement.

A reference to "**paragraph**" is a reference to a paragraph of the Letter to Shareholders unless otherwise specified or the context otherwise requires.

The terms "**depositor**", "**depository agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 815F of the SFA.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing any one gender shall, where applicable, include the other genders where applicable. References to persons shall, where applicable, include corporations.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Code, the Companies Act, the SFA or the Listing Manual and used in this Circular shall, where applicable, have the meaning ascribed to it under the Code, the Companies Act, the SFA or the Listing Manual, as the case may be, unless otherwise provided. Summaries of the provisions of any laws and regulations (including the Code, the Companies Act, the SFA and the Listing Manual) contained in this Circular are of such laws and regulations (including the Code, the Companies Act, the SFA and the Listing Manual) as at the Latest Practicable Date.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof, or discrepancies between figures included in the tables and figures in the text of this Circular, are due to rounding.

The headings in this Circular are for ease of reference only and are not to be taken into account in the interpretation or construction of this Circular or any of its contents.

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Company should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements.

LETTER TO SHAREHOLDERS



KEPPEL CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 196800351N)

Directors of Keppel Corporation Limited:

Mr. Danny Teoh	<i>(Chairman / Independent Director)</i>
Mr. Loh Chin Hua	<i>(Chief Executive Officer and Executive Director)</i>
Mr. Till Vestring	<i>(Independent Director / Lead Independent Director)</i>
Ms. Veronica Eng	<i>(Independent Director)</i>
Mr. Jean-François Manzoni	<i>(Independent Director)</i>
Mr. Teo Siong Seng	<i>(Non-Executive and Non-Independent Director)</i>
Mr. Tham Sai Choy	<i>(Independent Director)</i>
Mrs. Penny Goh	<i>(Independent Director)</i>
Mr. Shirish Apte	<i>(Independent Director)</i>

Registered Office:

1 HarbourFront Avenue
#18-01
Keppel Bay Tower
Singapore 098632

24 November 2021

To: Shareholders of Keppel Corporation Limited

Dear Sir/Madam

1. INTRODUCTION

1.1 Joint Announcement and Joint Revision Announcement

On 2 August 2021 (the "**Joint Announcement Date**"), the Offeror, a wholly-owned subsidiary of the Company, and SPH jointly announced that the Company and the Offeror are proposing to undertake a scheme of arrangement pursuant to Section 210 of the Companies Act involving:

- (a) a proposed distribution *in specie* ("**DIS**") by SPH of such number of SPH REIT Units which will result in Eligible Shareholders receiving 0.782 SPH REIT Units per SPH Share; and
- (b) upon the DIS taking effect, a proposed acquisition (the "**Proposed Transaction**") by the Offeror of all the issued and paid-up ordinary shares in the capital of SPH (the "**SPH Shares**" and each, a "**SPH Share**") (excluding the treasury shares) as at the Record Date from the Eligible Shareholders.

The Company had also released an announcement titled *"Proposed Acquisition of Shares in Singapore Press Holdings Limited By Way of a Scheme Of Arrangement"* (the **"Chapter 10 Announcement"**) on the Joint Announcement Date, in connection with the Proposed Transaction.

1.2 The Cuscaden Proposal

On 29 October 2021, Cuscaden Peak announced (the **"Cuscaden Peak Announcement"**) that it has on 28 October 2021, submitted to the board of directors of SPH, a proposal to acquire all the SPH Shares (excluding the treasury shares) (the **"Cuscaden Proposal"**). The Cuscaden Proposal contemplates that the acquisition of all the SPH Shares (excluding the treasury shares) by Cuscaden Peak will be effected by a scheme of arrangement pursuant to Section 210 of the Companies Act or such other method as may be determined by Cuscaden Peak in compliance with the Code at a proposed consideration of S\$2.10 in cash for each SPH Share.

1.3 Revision of terms of the Proposed Transaction

Following the Cuscaden Proposal, on 9 November 2021 (the **"Revision Announcement Date"**), the Offeror and SPH jointly announced (the **"Joint Revision Announcement"**), *inter alia*, that the Parties have entered into the Supplemental Letter to amend the terms of the implementation agreement entered into between the Parties and revise the terms of the Scheme (**"Revised Offer"**), including (a) that the Cash Consideration that each Eligible Shareholder shall be entitled to receive for each SPH Share pursuant to the Proposed Transaction has been increased and (b) the waiver by the Offeror of a Scheme Condition.

The Company had also released an announcement titled *"Proposed Acquisition of Shares in Singapore Press Holdings Limited By Way of a Scheme Of Arrangement – Update on Revision to the Terms of the Scheme"* on the Revision Announcement Date, in connection with the Revised Offer.

The increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

Notwithstanding the Cuscaden Proposal, the Parties have agreed to continue with the implementation of the Scheme after taking into consideration the factors set out in paragraph 1.5 of the Joint Revision Announcement and SPH has undertaken to call for the Scheme Meeting in accordance with the terms set out in paragraph 4.4 of this Letter to Shareholders.

Please refer to the Joint Announcement and the Joint Revision Announcement, copies of which are available on the SGXNet at <https://www.sgx.com/securities/company-announcements>, for further details on the Proposed Transaction and the Scheme.

1.4 The Cuscaden Scheme

On 15 November 2021, SPH and Cuscaden Peak jointly announced (the **"Cuscaden Joint Announcement"**) that they had entered into an implementation agreement in relation to the proposed acquisition by Cuscaden Peak of all the SPH Shares (excluding the treasury shares) by way of a scheme of arrangement at a proposed consideration of either S\$2.360 fully in cash for each SPH Share, or S\$1.602 in cash and 0.782 SPH REIT Units for each SPH Share (the **"Cuscaden Scheme"**).

A copy of the Cuscaden Joint Announcement is available on the website of the SGX-ST at <https://www.sgx.com/securities/company-announcements>.

1.5 About the Revised Offer

Following the Cuscaden Joint Announcement, the Company issued a media release (the “**Keppel Media Release**”) on 16 November 2021 in response to media queries on the Company’s position following the entry by SPH and Cuscaden Peak into an implementation agreement in relation to the Cuscaden Scheme.

As stated in the Keppel Media Release, the Company believes that the Revised Offer is a compelling one for the following reasons:

- (a) the increased, final Scheme Consideration of S\$2.351¹⁰ for each SPH Share represents a compelling premium of approximately 57% to the undisturbed trading price of the SPH Shares on 30 March 2021, being the date on which SPH released the announcement in respect of its undertaking of the strategic review;
- (b) the Revised Offer is firm and the Scheme Condition in relation to there having been no Material Adverse Effect has been waived:
 - (i) the following Regulatory Approvals have been obtained by the Offeror and the Company and remain in full force and effect as at the Latest Practicable Date:
 - (A) the approval from the MAS (with respect to a change in control of the SPH REIT Manager); and
 - (B) the clearance from FIRB under the FATA.

The Offeror’s offer pursuant to the Scheme is not subject to any regulatory approval from the Infocomm Media Development Authority of Singapore (with respect to SPH’s indirect interest in M1 Limited). Even if a competing offeror is able to obtain the aforementioned regulatory approvals, it would require some time; and

- (ii) as further described in paragraph 4.2(c) below, the Offeror has to agreed to waive the Scheme Condition in paragraph (xii) (in relation to there having been no Material Adverse Effect) of **Appendix A** to this Circular unconditionally and irrevocably.

In contrast, as at the Latest Practicable Date, the scheme condition in relation to there having been no material adverse effect remains a condition precedent to the completion of the Cuscaden Scheme. As stated in the Cuscaden Joint Announcement, Cuscaden Peak shall be deemed to waive such scheme condition on the date of the despatch of the composite document relating to the Cuscaden Scheme, subject to the satisfaction of the conditions provided in the Cuscaden Joint Announcement;

- (c) Eligible Shareholders will receive future cash distributions from SPH REIT and Keppel REIT if the Proposed Transaction and the Scheme is completed, in addition to receiving K-REIT Units at a 10% discount to the net asset value per K-REIT Unit as at 30 September 2021. The K-REIT Units and SPH REIT Units that Eligible Shareholders will receive after the completion of the Proposed Transaction and

10 The implied value of the Scheme Consideration of S\$2.351 per SPH Share is determined based on the closing price of the SPH REIT Units and K-REIT Units on 9 November 2021, being the Revision Announcement Date, of S\$1.020 per SPH REIT Unit and S\$1.150 per K-REIT Unit. Please refer to paragraph 4.3 of this Letter to Shareholders for more details on the Scheme Consideration.

the Scheme will have accrued distributions. In the usual and ordinary course of business, unitholders of Keppel REIT will be entitled to their second half distributions for the financial year ended 31 December 2021 in early February 2022 and unitholders of SPH REIT will be entitled to their distributions in relation to the first financial quarter for the financial year ending 31 August 2022 in mid-January 2022.

To provide an illustration of the accrued distributions, assuming that the Proposed Transaction and the Scheme had been completed on 15 January 2021, the combined accrued distributions from Keppel REIT and SPH REIT would be approximately S\$0.03 per Share¹¹;

- (d) the Offeror's offer pursuant to the Scheme provides Eligible Shareholders with the shortest time to pay-out of the Scheme Consideration by mid-January 2022 if the Proposed Transaction and the Scheme is completed.

As provided in paragraph 4.4(e) of this Letter to Shareholders, SPH shall not take any action to hold any scheme meeting to be held pursuant to any Competing Offer to be implemented by way of a scheme of arrangement within eight (8) weeks of the date of the Scheme Meeting except in accordance with the provisions of paragraph 4.4.(e) below; and

- (e) it is beneficial to SPH for the Scheme to be approved earlier, as this reduces any further uncertainty and instability for the various stakeholders of SPH and preserves the value of SPH.

1.6 The DIS

As stated in the Joint Announcement, the DIS will be effected by way of a special dividend of such number of SPH REIT Units which will result in the Eligible Shareholders receiving 0.782 SPH REIT Units per SPH Share. The DIS will be subject to the satisfaction and/or waiver of all of the Scheme Conditions (other than the lodgement of the Scheme Court Order).

On completion of the DIS, SPH will retain an approximately 20% interest in all the SPH REIT Units. Pursuant to the terms of the Scheme, the Proposed Transaction will be completed after the completion of the DIS, following which SPH will become a wholly-owned subsidiary of the Offeror and will, subject to the approval of the SGX-ST, be delisted from the Mainboard of the SGX-ST.

1.7 The Proposed Transaction

The Proposed Transaction constitutes a "major transaction" under Rule 1014 of the Listing Manual and accordingly, is subject to the approval of the Shareholders under Rule 1014(2) of the Listing Manual.

- 1.8 In light of the above, the Company is seeking approval from the Shareholders for the Proposed Transaction at an EGM, by way of an Ordinary Resolution. **Shareholders should note that the Ordinary Resolution in respect of the Proposed Transaction is conditional upon the Scheme becoming effective in accordance with its terms.**

11 Calculated using the distribution of S\$0.0293 per K-REIT Unit which was declared by Keppel REIT Management Limited, the manager of Keppel REIT, on 25 January 2021, to unitholders whose names appear in Keppel REIT's register of unitholders as at 5.00 p.m. on 2 February 2021 and the distribution of S\$0.0120 per SPH REIT Unit which was declared by the SPH REIT Manager on 13 January 2021, to unitholders whose names appear in SPH REIT's register of unitholders as at 5.00 p.m. on 21 January 2021.

2. INFORMATION ON THE OFFEROR AND THE COMPANY

2.1 The Offeror

The Offeror is a company incorporated in Singapore on 23 July 2021 and is a direct, wholly-owned subsidiary of the Company. The Offeror is an investment holding company incorporated for the sole purpose of the acquisition of SPH. As at the Latest Practicable Date, the Offeror has a share capital of S\$1,000 comprising 1,000 ordinary shares.

As at the Latest Practicable Date, the board of directors of the Offeror comprises the following:

- (a) Chan Hon Chew (Chief Financial Officer of the Company);
- (b) Tan Hua Mui Christina (Chief Executive Officer of Keppel Capital);
- (c) Lim Lu-Yi, Louis (Chief Executive Officer of Keppel Land Limited); and
- (d) Chua Hsien Yang (Director (Group Mergers & Acquisitions) of the Company).

2.2 The Company and its Principal Activities

The Company is a company incorporated in Singapore and was listed on the Mainboard of the SGX-ST on 24 October 1980.

The principal activity of the Company is that of an investment holding and management company. The principal activities of the Group consist of:

- (a) design, construction, fabrication and repair of solutions for the offshore energy, infrastructure and marine sectors, including gas and renewables;
- (b) development, operation and maintenance of energy and environmental infrastructure;
- (c) property development and investment, as well as master development;
- (d) development, and operation of data centres, provision of logistics solutions and provision of telecommunications services, retail sales of telecommunications equipment and accessories; and
- (e) management of private funds and listed real estate investment and business trusts.

The Company is one of Singapore's flagship multinational companies with a global footprint in more than 20 countries. The Company 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, the Company harnesses the strengths and expertise of its business units to develop, operate and maintain real assets, which meet the world's diverse urbanisation needs.

The Company's business model, underpinned by collaboration across business units, provides an eco-system that allows it to create and capture value from all parts of the Group, from the time of creation of an asset until after its injection into a trust or fund managed by the Group, thus enabling the Group to receive multiple income streams. The Group's asset management arm allows it to tap on third party funds to co-invest in the development of assets across its business lines, and also provides a platform for capital recycling. This expands the Company's capital base to seize opportunities without straining its balance sheet, and also creates pull through work for its business units. The Company also earns multiple streams of recurring income throughout an asset's lifecycle by providing various services including asset development, operations and maintenance, as well as asset management. As at 31 December 2020, the Group had approximately S\$32.11 billion in total assets.

2.3 Board of Directors of the Company

As at the Latest Practicable Date, the board of directors of the Company comprises the following:

- (a) Danny Teoh (Chairman / Independent Director);
- (b) Loh Chin Hua (Chief Executive Officer and Executive Director);
- (c) Till Vestring (Independent Director / Lead Independent Director);
- (d) Veronica Eng (Independent Director);
- (e) Jean-François Manzoni (Independent Director);
- (f) Teo Siong Seng (Non-Executive and Non-Independent Director);
- (g) Tham Sai Choy (Independent Director);
- (h) Penny Goh (Independent Director); and
- (i) Shirish Apte (Independent Director).

3. INFORMATION ON SPH

3.1 SPH and its Principal Activities

SPH is a company incorporated in Singapore on 4 August 1984 and was listed on the Mainboard of the SGX-ST on 20 December 1984.

The SPH Group 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. The SPH Group also owns other digital products, online classifieds, radio stations and outdoor media.

Under the retail and commercial segment, SPH owns approximately 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 a 70% interest in and operates The Seletar Mall, and holds a 50% stake in two joint venture companies which are developing an integrated development consisting of The Woodleigh Residences and The Woodleigh Mall.

Under the PBSA segment, SPH is an owner, manager and developer of a portfolio of PBSA valued at over S\$1.4 billion as at 31 August 2021¹². This comprises 7,721 beds¹³ across 18 cities in the UK (including London, Glasgow, Oxford, Durham, and others) and Germany (Bremen). SPH currently operates two distinctive brands, namely Student Castle and Capitol Students.

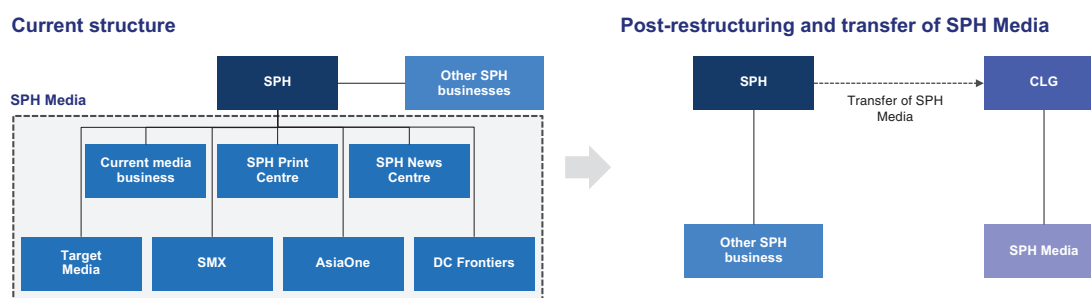
SPH is also in the aged care sector in Singapore and Japan, and owns Orange Valley, one of Singapore's largest private nursing homes.

3.2 The Media Business Restructuring

On 6 May 2021, SPH announced that SPH and the Media HoldCo, a wholly-owned subsidiary of SPH, had entered into the BRD to provide for (a) the transfer of the Media HoldCo for nominal consideration of S\$1 to SPH Media Trust, (b) the transfer of the Media Business to the Media HoldCo and its subsidiaries, and (c) SPH to make the other aspects of the SPH Contribution (as defined in the Media Business Restructuring Circular) to assist with the operation and maintenance of the restructured Media Business following the closing of the proposed restructuring in accordance with the BRD.

On 17 August 2021, SPH despatched the Media Business Restructuring Circular to its shareholders. As set out in paragraph 1.1 of the Media Business Restructuring Circular, upon the completion of the Media Business Restructuring, the business of SPH will comprise (i) the retail and commercial business segment; (ii) the PBSA business segment and (iii) the aged care business segment, each as described in paragraph 3.1 above.

A diagram¹⁴ providing an overview of the Media Business Restructuring and the structure of the SPH Group before and following the completion of the Media Business Restructuring is set out below:



The completion of the Media Business Restructuring is a Scheme Condition. On 10 September 2021, the shareholders of SPH approved the Media Business Restructuring (including the Conversion) at an extraordinary general meeting of SPH, which satisfied one of the conditions precedent to the completion of the Media Business Restructuring. As stated in the Joint Revision Announcement, the Media Business Restructuring is scheduled to be completed on or around 1 December 2021.

12 Based on information regarding SPH's PBSA portfolio, as set out in **Appendix B** to this Circular and in the SPH Update Announcement. The valuation amount of the PBSA properties in the UK was presented in British pound sterling and the valuation amount of the PBSA property in Germany was presented in Euros in the announcement titled "Notice of Valuation of Real Assets" released by SPH on the SGXNet on 5 October 2021.

13 Based on information regarding SPH's PBSA portfolio, as set out in **Appendix B** to this Circular and in the SPH Update Announcement, after completion of the two new development sites in Edinburgh, UK which were acquired on 29 September 2021, the PBSA portfolio will be enlarged to 8,366 beds.

14 Extracted from the analyst briefing slides titled "Restructuring and Transfer of the Media Business" released by SPH on the SGXNet on 6 May 2021. Please refer to the aforementioned analyst briefing slides for an overview of the transaction steps contemplated in respect of the Media Business Restructuring.

As mentioned in the Media Business Restructuring Circular, under the Media Business Restructuring, SPH shall transfer or procure the transfer of all rights, title and interests in the name "Singapore Press Holdings" and "SPH", including all trademarks and domain names relating thereto, to the Media OpCo upon the completion of the Media Business Restructuring. Post-completion of the Proposed Transaction and the Scheme, the Company's integration plans as further described in paragraph 5.2 of this Letter to Shareholders will involve the implementation of SPH's obligation to change its corporate name. Please refer to the Media Business Restructuring Circular for further details of the Media Business Restructuring (including the conditions precedent to the completion of the Media Business Restructuring), and to **Appendix A** of this Circular for a full list of the Scheme Conditions.

3.3 Board of Directors of SPH

As at the Latest Practicable Date, based on publicly available information, the board of directors of SPH comprises the following:

- (a) Lee Boon Yang (Chairman, Non-Executive and Independent Director);
- (b) Ng Yat Chung (Chief Executive Officer, Executive and Non-Independent Director);
- (c) Janet Ang Guat Har (Non-Executive and Independent Director);
- (d) Bahren Shaari (Non-Executive and Independent Director);
- (e) Andrew Lim Ming-Hui (Non-Executive and Independent Director);
- (f) Lim Ming Yan (Non-Executive and Independent Director);
- (g) Quek See Tiat (Non-Executive and Independent Director);
- (h) Tan Chin Hwee (Non-Executive and Independent Director);
- (i) Tan Yen Yen (Non-Executive and Independent Director);
- (j) Tracey Woon (Non-Executive and Independent Director); and
- (k) Yeoh Oon Jin (Non-Executive and Independent Director).

3.4 Share Capital of SPH

SPH has¹⁵:

- (a) an issued and paid-up share capital of S\$515,700,001 comprising 1,591,535,037 SPH Shares and 9,114,084 treasury shares, and S\$7,109,115 comprising 16,361,769 Management Shares; and
- (b) 6,132,456 outstanding awards granted under the SPH Performance Share Plan 2016, pursuant to which up to a maximum of 10,271,840 Shares may be issued and/or transferred to the eligible employees of the SPH Group (subject to the fulfilment of the terms and conditions set out in the SPH Performance Share Plan 2016).

¹⁵ Based on information regarding the share capital of SPH, as set out in **Appendix B** to this Circular and in the SPH Update Announcement.

As stated in the Media Business Restructuring Circular, SPH will transfer 6,868,132 SPH Shares (which are currently held as treasury shares) (the “**Relevant SPH Shares**”), to the Media HoldCo pursuant to the Media Business Restructuring.

3.5 Substantial Shareholders of SPH

As at the Latest Practicable Date, based on publicly available information, SPH does not have any substantial shareholders.

4. THE PROPOSED TRANSACTION AND THE SCHEME

4.1 The Scheme

The Parties have on 2 August 2021 entered into an implementation agreement setting out the terms and conditions on which the Parties will implement the Scheme. On 9 November 2021, the Parties entered into the Supplemental Letter to amend the terms of the implementation agreement dated 2 August 2021 and revise the terms of the Scheme. The Supplemental Letter provides for, *inter alia*, an increase in the Cash Consideration offered by the Offeror to Eligible Shareholders upon the Scheme becoming effective in accordance with its terms and the waiver by the Offeror of a Scheme Condition.

In accordance with the terms of the Scheme, subject to the satisfaction and/or waiver of all of the Scheme Conditions:

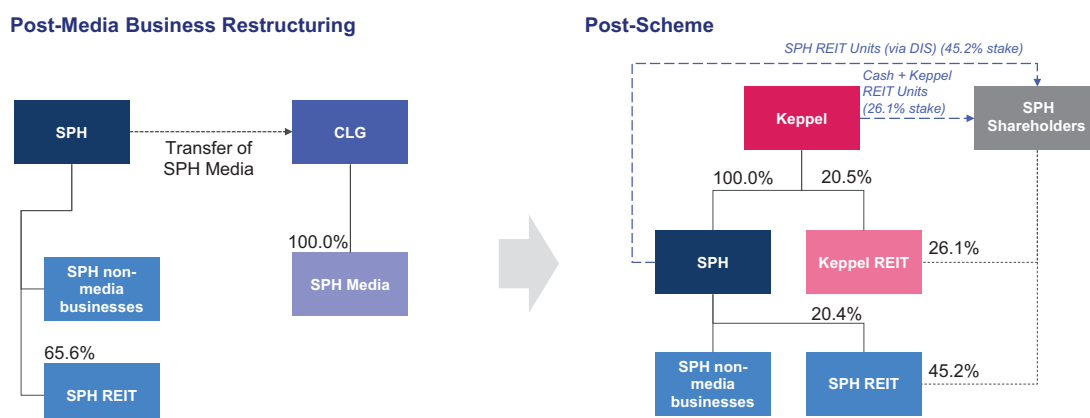
- (a) SPH will undertake a distribution *in specie* of such number of SPH REIT Units which will result in the Eligible Shareholders receiving 0.782 SPH REIT Units per SPH Share; and
- (b) upon the DIS taking effect, all the SPH Shares held by the Eligible Shareholders will be transferred to the Offeror:
 - (i) fully paid-up;
 - (ii) free from Encumbrances; and
 - (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by SPH to its shareholders on or after the Joint Announcement Date, other than the Final FY2021 Dividend and the DIS.

The Scheme and the DIS will be extended to all SPH Shares (other than treasury shares) outstanding as at the Record Date, including SPH Shares unconditionally issued or delivered pursuant to (1) the Conversion; (2) the valid conversion and/or vesting of any Outstanding SPH Share Awards granted pursuant to the SPH Performance Share Plan 2016; and (3) the transfer of the Relevant SPH Shares to the Media HoldCo pursuant to the Media Business Restructuring.

Media Business Restructuring

The completion of the Media Business Restructuring is a Scheme Condition. As such, the Proposed Transaction will not include the acquisition of the media business of SPH, which is intended to be transferred to the Media HoldCo and its subsidiaries pursuant to the Media Business Restructuring as well as the SPH REIT Units to be distributed to Eligible Shareholders pursuant to the DIS.

A diagrammatic illustration of SPH following the completion of the Media Business Restructuring and the implementation of the Proposed Transaction (which includes the DIS)¹⁶, is set out below:



Note: Ownership of SPH varies across different non-media businesses. SPH REIT ownership percentages are based on 2,799,823,438 SPH REIT Units outstanding. Keppel REIT ownership percentages are based on 3,695,418,528 Keppel REIT Units outstanding.

Please refer to the Joint Announcement and the Joint Revision Announcement for more information on the terms of the Implementation Agreement.

4.2 Scheme Conditions

(a) Scheme Conditions

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of all the Scheme Conditions set out in the Implementation Agreement and reproduced in **Appendix A** to this Circular. The status of each Scheme Condition as at the Latest Practicable Date is also set out in **Appendix A** to this Circular.

If each of the Scheme Conditions is satisfied (or, where applicable, waived) in accordance with the Implementation Agreement, the Scheme will come into effect on the date on which a copy of the Scheme Court Order is lodged with ACRA pursuant to Section 210(5) of the Companies Act.

¹⁶ Based on the diagrammatic illustration of SPH following the completion of the Media Business Restructuring and the implementation of the Proposed Transaction (including the DIS), as set out in **Appendix B** to this Circular and in the SPH Update Announcement.

(b) Benefit of Scheme Conditions

- (i) The Offeror's Benefit: the Offeror alone may waive the Scheme Conditions in paragraphs (ix)(ii) (in relation to any Prescribed Occurrence relating to any SPH Group Company or Woodleigh JV), (x) (in relation to any material breach of warranties by SPH) and (xii) (in relation to there having been no Material Adverse Effect) of **Appendix A** to this Circular. Any breach or non-fulfilment of any such Scheme Conditions may be relied upon only by the Offeror. The Offeror may at any time and from time to time at its sole and absolute discretion waive in writing any such breach or non-fulfilment.
- (ii) SPH's Benefit: SPH alone may waive the Scheme Conditions in paragraphs (ix)(i) (in relation to any Prescribed Occurrence relating to the Offeror) and (xi) (in relation to any material breach of warranties by the Offeror) of **Appendix A** to this Circular. Any breach or non-fulfilment of any such Scheme Conditions may be relied upon only by SPH. SPH may at any time and from time to time at its sole and absolute discretion waive in writing any such breach or non-fulfilment.
- (iii) Mutual Benefit: any non-fulfilment of the Scheme Condition in paragraph (viii) (in relation to there being no illegality) of **Appendix A** to this Circular is capable of being waived with the written consent of SPH and the Offeror (to the extent legally permissible).
- (iv) Other Scheme Conditions: for the avoidance of doubt, the Parties have agreed that the Scheme Conditions in paragraphs (i) (in relation to approval of the Scheme by the shareholders of SPH), (ii) (in relation to approval of the DIS by the shareholders of SPH), (iii) (in relation to approval of the Proposed Transaction and the Scheme by the Shareholders of the Company), (iv) (in relation to completion of the Media Business Restructuring), (v) (in relation to the grant of the Scheme Court Order), (vi) (in relation to the lodgement of the Scheme Court Order) and (vii) (in relation to Regulatory Approvals) of **Appendix A** to this Circular are not capable of being waived by either Party or both Parties.

(c) Waiver of a Scheme Condition

Pursuant to the terms of the Supplemental Letter, the Offeror has agreed to waive the Scheme Condition in paragraph (xii) of **Appendix A** to this Circular, in relation to there having been no occurrence of any Material Adverse Effect from the date of the Implementation Agreement up to the Relevant Date (both inclusive) unconditionally and irrevocably. As the Offeror expects to be in a position to complete the Proposed Transaction and the Scheme in mid-January 2022 given that Regulatory Approvals from MAS and FIRB had already been obtained as at the Revision Announcement Date, the Offeror decided to waive the aforementioned Scheme Condition to increase the deliverability of the Proposed Transaction and the Scheme.

"Material Adverse Effect" means any one or more fact, matter, event, circumstance, condition, effect, occurrence or change which, whether individually or in the aggregate, has or have the effect of causing a diminution in the consolidated net asset value of the Current SPH Group Companies by more than S\$540,299,000, being 15% of the consolidated net asset value of the Current SPH Group Companies (as referred to in the Management Accounts (as defined in the Implementation Agreement)) attributable to shareholders of SPH as at 28 February 2021, determined by reference to the later of the (i) latest publicly

released consolidated financial statements of the Current SPH Group Companies prior to the Relevant Date and (ii) Relevant Statement as at the Relevant Statement Date, provided that the following shall not be taken into account in determining if there has been, and shall not constitute, a Material Adverse Effect:

- (A) the FY2021 Dividend and the DIS; and
- (B) any diminution not exceeding S\$250,000,000 in the consolidated net asset value of the Current SPH Group Companies as a result of the Media Business Restructuring.

The waiver by the Offeror of the Scheme Condition as set out above shall not operate or be construed as a waiver of a breach or non-fulfilment of any other Scheme Condition.

4.3 Scheme Consideration

Pursuant to the terms of the Supplemental Letter, the Cash Consideration for each SPH Share has been increased. Assuming that the Scheme becomes effective in accordance with its terms, the total consideration to be received by an Eligible Shareholder for each SPH Share (the “**Scheme Consideration**”) and the value of such Scheme Consideration, as well as a comparison against the initial Scheme Consideration as set out in the Joint Announcement, are as follows:

Breakdown of Scheme Consideration ⁽ⁱ⁾	Initial Scheme Consideration as set out in the Joint Announcement	Final Scheme Consideration
	Value per SPH Share (\$\$)	Value per SPH Share (\$\$)
From the Offeror:		
0.596 K-REIT Units which the Offeror will transfer or procure to be transferred to the Eligible Shareholders	0.715 ⁽ⁱⁱ⁾	0.685 ^(iv)
Cash Consideration payable by the Offeror	0.668	0.868
From SPH:		
0.782 SPH REIT Units by way of the DIS	0.716 ⁽ⁱⁱⁱ⁾	0.798 ^(v)
Total Consideration	2.099	2.351

Notes:

- (i) Assuming that the maximum number of SPH Shares at the Record Date that shall be acquired by the Offeror in connection with the Proposed Transaction and the Scheme shall not exceed 1,617,010,890 SPH Shares based on the following:
 - (A) 1,607,896,806 SPH Shares comprising 1,591,535,037 SPH Shares in issue as at the Latest Practicable Date and 16,361,769 SPH Shares arising from the Conversion;
 - (B) 6,868,132 Relevant SPH Shares to be transferred to the Media HoldCo pursuant to the Media Business Restructuring; and
 - (C) 2,245,952 SPH Shares that may be vested under the SPH Performance Share Plan 2016. Any SPH Shares to be vested under the SPH Performance Share Plan 2016 in excess of the 2,245,952 SPH Shares will be cash settled up to a cap of S\$4.0 million.

- (II) The value of the K-REIT Units is determined based on the closing price of the K-REIT Units on 30 July 2021, being the last full trading day immediately prior to the date of the Joint Announcement, being S\$1.200 per K-REIT Unit.
- (III) 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 immediately prior to the date of the Joint Announcement, being S\$0.915 per SPH REIT Unit.
- (IV) The value of the K-REIT Units is determined based on the closing price of the K-REIT Units on the Revision Announcement Date, being S\$1.150 per K-REIT Unit.
- (V) The value of the SPH REIT Units is determined based on the closing price of the SPH REIT Units on the Revision Announcement Date, being S\$1.020 per SPH REIT Unit.

The increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

Benchmarking the Scheme Consideration

The implied premium of the Scheme Consideration over the relevant closing prices and volume weighted average price ("VWAP") of the SPH Shares are as follows:

Implied Premium of the Scheme Consideration over the relevant closing price and VWAP as at 30 March 2021

	Share Price (S\$)	Premium of Scheme Consideration to Share Price (%)
Closing price on 30 March 2021, being the date on which SPH released the announcement in respect of the undertaking of the strategic review (the "Strategic Review Announcement Date")	1.500	56.7
VWAP of the SPH Shares for the 1-month period up to and including the Strategic Review Announcement Date	1.375	71.0

Implied Premium of the Scheme Consideration over the relevant closing price and VWAP as at the Revision Announcement Date

	Share Price (S\$)	Premium of Scheme Consideration to Share Price (%)
Closing price on 9 November 2021, being the Revision Announcement Date	2.160	8.8
VWAP of the SPH Shares for the 1-month period up to and including the Revision Announcement Date	2.079	13.1
VWAP of the SPH Shares for the 3-month period up to and including the Revision Announcement Date	1.978	18.9

	Share Price (S\$)	Premium of Scheme Consideration to Share Price (%)
VWAP of the SPH Shares for the 6-month period up to and including the Revision Announcement Date	1.840	27.8
Highest price achieved in the 52-week period up to and including the Revision Announcement Date	2.160	8.8
Lowest price achieved in the 52-week period up to and including the Revision Announcement Date	1.010	132.8

Implied Premium of the Scheme Consideration over NAV and NTA per SPH Share as at 31 August 2021¹⁷

	NAV per SPH Share/ NTA per SPH Share (S\$)	Price-to-NAV/Price- to-NTA implied by the Scheme Consideration (x)
NAV per SPH Share as at 31 August 2021	2.18	1.08
NTA per SPH Share as at 31 August 2021	2.11	1.12

(a) Cash Consideration

The initial Cash Consideration of S\$0.668 as set out in the Joint Announcement and the Chapter 10 Announcement was determined after having taken into account, among others, the DIS and the entitlement of the Eligible Shareholders to receive K-REIT Units, which are liquid securities traded on the SGX-ST.

In increasing the Cash Consideration to S\$0.868, the Offeror took into consideration:

- (i) the fact that global economic conditions have strengthened as many countries have progressively lifted the restrictions imposed as a result of COVID-19;
- (ii) the improvement in the underlying portfolio performance of SPH as disclosed in the SPH FY2021 Results, which were released by SPH on 5 October 2021, after the Joint Announcement Date; and
- (iii) better clarity on the synergies between the Company's and SPH's portfolios.

The increase in the Cash Consideration is expected to increase the Company's pro forma net gearing post-transaction marginally by 0.03x¹⁸.

¹⁷ Based on the pro forma figures assuming the completion of the Media Business Restructuring but not of the DIS, as set out in **Appendix B** to this Circular and in the SPH Update Announcement.

¹⁸ In projecting the pro forma net gearing of the Company post-transaction, the net gearing of the Company as at 30 June 2021 was used, assuming that the Proposed Transaction had been effected on 30 June 2021.

If any dividends, rights or other distributions are declared, paid or made by SPH to its shareholders on or after the Joint Announcement Date and before the Effective Date (other than the Final FY2021 Dividend and the DIS), the Offeror reserves the right to reduce the Cash Consideration by the amount of such dividends, rights or other distributions. Accordingly, the Cash Consideration will not be reduced by the amount of the Final FY2021 Dividend.

The aggregate Cash Consideration that is payable by the Offeror to any Eligible Shareholder in respect of the SPH Shares held by such Eligible Shareholder as at the Record Date will be rounded down to the nearest whole cent.

(b) K-REIT Units

Each K-REIT Unit shall be transferred to the Eligible Shareholders:

- (i) fully paid-up;
- (ii) free from Encumbrances; and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the date of its transfer (and not as at the Joint Announcement Date) and thereafter attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared or to be declared by the Keppel REIT Manager on or after the date of its transfer (and not on or after the Joint Announcement Date).

The aggregate number of K-REIT Units which each Eligible Shareholder shall be entitled to receive pursuant to the Scheme, based on the number of SPH Shares held by such Eligible Shareholder as at the Record Date, shall be rounded down to the nearest whole number and fractional entitlements shall be disregarded.

(c) SPH REIT Units

The aggregate number of SPH REIT Units that is distributable by SPH pursuant to the DIS to any Eligible Shareholder in respect of the SPH Shares held by such Eligible Shareholder as at the Record Date will be rounded down to the nearest whole number and fractional entitlements shall be disregarded.

For more information on the Scheme Consideration and other terms of the Scheme, please refer to the Joint Announcement and the Joint Revision Announcement.

4.4 Agreement to hold Scheme Meeting

The Parties have agreed that:

- (a) subject to paragraph 4.4(b) below, SPH shall ensure that the Scheme Meeting is held as soon as practicable in early December 2021 and in any case, by no later than 8 December 2021 (the “**Specified Date**”), provided that the Scheme Meeting may be held at a later date if it cannot be held on the Specified Date as a result of a delay arising solely from (each of the following, a “**Specified Event**”) pending requisite approvals from regulators such as the SIC and the SGX-ST or from pending finalisation of the IFA’s opinion;

- (b) in the event of an announcement by any person of a general offer for all of the SPH Shares (the “**Competing Offer Announcement**”), whether or not the Scheme Meeting has been convened, SPH shall be entitled to hold the Scheme Meeting on, or adjourn the Scheme Meeting to, a date falling no later than 21 days after the date of the Competing Offer Announcement (the “**Specified Later Date**”) in order to obtain an opinion from the IFA (and recommendation from the SPH Independent Directors) on such general offer, provided that the Scheme Meeting may be held on or adjourned to a later date if it cannot be held on the Specified Later Date as a result of a delay arising solely from a Specified Event;
- (c) SPH is not precluded from entering into a legally binding agreement with any person who proposes to undertake or to give effect to a Competing Offer by way of a scheme of arrangement, including but not limited to Cuscaden Peak, provided always that such agreement shall be entered into no later than 16 November 2021;
- (d) the Scheme Meeting shall be held prior to any scheme meeting to be held pursuant to any Competing Offer to be implemented by way of a scheme of arrangement (an “**Alternative Scheme Meeting**”);
- (e) SPH shall not take any action to hold an Alternative Scheme Meeting within eight (8) weeks from the date of the Scheme Meeting, provided that SPH’s obligations under this paragraph 4.4(e) shall be deemed to have been waived by the Offeror in the event that:
 - (i) the Shareholders do not approve the Proposed Transaction at the EGM;
 - (ii) the shareholders of SPH do not approve the DIS at the SPH EGM or the Scheme at the Scheme Meeting; or
 - (iii) the Offeror exercises the Switch Option; and
- (f) if the Shareholders do not approve the Proposed Transaction at the EGM, the Scheme Meeting may be adjourned beyond the Specified Date.

EGM to be held by the Company

The Offeror has also undertaken to SPH to use reasonable endeavours to procure, *inter alia*, that the Company shall convene the EGM to be held no later than one (1) Business Day prior to the date of the Scheme Meeting.

4.5 Termination of the Implementation Agreement

(a) Right to Terminate

- (i) If any of the Scheme Conditions set out in paragraphs (i) (in relation to approval of the Scheme by the shareholders of SPH), (ii) (in relation to approval of the DIS by the shareholders of SPH), (iii) (in relation to the approval of the Proposed Transaction and the Scheme by the Shareholders of the Company), (iv) (in relation to completion of the Media Business Restructuring), (v) (in relation to the grant of the Scheme Court Order), (vi) (in relation to the lodgement of the Scheme Court Order) or (vii) (in relation to Regulatory Approvals) of **Appendix A** to this Circular is not satisfied, or if the Scheme has not become effective in accordance with its terms on or before 5.00 p.m. on the date falling six (6) months from the Joint Announcement Date or such other date as may be agreed in writing between

the Parties (the “**Cut-Off Date**”), either Party may immediately terminate the Implementation Agreement by notice in writing to the other Party.

- (ii) If the Scheme Condition set out in paragraph (viii) (in relation to there being no illegality) of **Appendix A** to this Circular is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, either Party may immediately terminate the Implementation Agreement by notice in writing to the other Party.
- (iii) If any of the Scheme Conditions set out in paragraph (ix)(ii) (in relation to any Prescribed Occurrences relating to any SPH Group Company or Woodleigh JV), (x) (in relation to any material breach of warranties by SPH) or (xii) (in relation to there having been no Material Adverse Effect) of **Appendix A** to this Circular is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, the Offeror may terminate the Implementation Agreement by notice in writing to SPH.
- (iv) If any of the Scheme Conditions set out in paragraphs (ix)(i) (in relation to any Prescribed Occurrences relating to the Offeror) or (xi) (in relation to any material breach of warranties by the Offeror) of **Appendix A** to this Circular is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, SPH may terminate the Implementation Agreement by notice in writing to the Offeror.

For the avoidance of doubt, the Offeror and/or SPH (as the case may be) may only invoke the non-satisfaction of any of the Scheme Conditions to terminate the Implementation Agreement if it has first consulted the SIC and the SIC gives its approval for, or states that it has no objection to, such termination.

(b) Effect of Termination

In the event of termination of the Implementation Agreement by either Party:

- (i) the Implementation Agreement shall cease to have any further force or effect (save for certain surviving provisions such as those relating to confidentiality, cost and expenses and governing law (the “**Surviving Provisions**”)); and
- (ii) neither Party shall have any further liability or obligation to the other Party (save for the Surviving Provisions).

(c) Consultation with Other Party

In the event either Party intends to consult the SIC in relation to the termination of the Implementation Agreement for any reason whatsoever, it shall give prior written notice of such intention to the other Party and each Party shall be entitled to make its representations and submissions to the SIC.

(d) Remedies

Notwithstanding any other provision of the Implementation Agreement, the Offeror acknowledges and agrees that the only remedies it has under the Implementation Agreement against SPH for any breach or non-compliance by SPH

of the Implementation Agreement shall be the right to seek specific performance or other equitable remedies (which excludes, for the avoidance of doubt, any monetary relief), the right to the payment of the Break Fee (as defined below) and the right of termination of the Implementation Agreement.

4.6 Switch Option

Pursuant to the terms of the Implementation Agreement, subject to prior consultation with the SIC, in the event a Competing Offer (as defined below) is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to proceed with the Proposed Transaction by way of an Offer¹⁹ (in lieu of proceeding with the Proposed Transaction by way of the Scheme) (the “**Switch Option**”), at any time prior to the date on which the Scheme Meeting is to be held.

The Implementation Agreement provides that in such event, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including the same or a higher consideration than the Scheme Consideration and conditional upon a level of acceptances to be determined with SIC’s consent.

However, given that the Offeror has indicated in the Joint Revision Announcement and in paragraph 4.3 above that the Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration, the Offeror will not be allowed to increase the Scheme Consideration in the event it exercises the Switch Option.

If the Offeror exercises the Switch Option, the Parties have agreed that the Implementation Agreement (other than the Surviving Provisions) will terminate with effect from the date of announcement by or on behalf of the Offeror of the Offer, and neither Party shall have any claim against the other Party under the Implementation Agreement, save for any claim arising from any antecedent breach of the provisions of the Implementation Agreement or any breach of any obligation contained under the Surviving Provisions.

“**Competing Offer**” means any offer, proposal or expression of interest by any person other than the Offeror involving:²⁰

- (a) a sale, transfer or other disposal of any direct or indirect interest in some or all of the SPH Shares (excluding treasury shares) exceeding 50% of all SPH Shares (excluding treasury shares), whether in a single transaction or series of related transactions;
- (b) an allotment or issuance of securities (or convertible securities in respect of such securities) in any SPH Group Company (other than SPH) exceeding 50% of all such securities, as the case may be, immediately after such allotment or issuance, whether in a single transaction or series of related transactions;

19 “**Offer**” means a voluntary conditional cash offer or a pre-conditional voluntary cash offer made for or on behalf of the Offeror to acquire all the SPH Shares (excluding the treasury shares) on such terms and conditions to be set out in the offer document issued for or on behalf of the Offeror.

20 For the purposes of the definition of “**Competing Offer**”, “**SPH Group**” means SPH, its subsidiaries and its subsidiary trusts as set out in the group structure chart appended to the Implementation Agreement, excluding the Divested Media Entities (as defined in the Implementation Agreement) and the Media Business (as defined in the Implementation Agreement) and “**SPH Group Company**” means any one of them.

- (c) an acquisition of all or any substantial part of the business, assets, revenues and/or undertakings of SPH;
- (d) an offer (whether partial or otherwise) for the SPH Shares (excluding treasury shares), which may result in any person other than the Offeror holding in excess of 50% of the SPH Shares (excluding treasury shares);
- (e) a scheme of arrangement involving any SPH Group Company or the merger of any SPH Group Company with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure, stapling or otherwise) provided that, in the case of any SPH Group Company (other than SPH), such scheme of arrangement or merger is material to the SPH Group (taken as a whole);
- (f) any agreement or other arrangement having an effect similar to any of the above; or
- (g) a transaction or series of related transactions which would, or is reasonably likely to, preclude, restrict or frustrate the Proposed Transaction and/or the Scheme.

4.7 Break Fee

SPH has agreed to pay S\$34,000,000, being an amount approximately equal to 1% of the aggregate Scheme Consideration, based on the last traded prices of the SPH REIT Units and the K-REIT Units on 30 July 2021, being the last trading day prior to the date of the Implementation Agreement, to the Offeror if there is a Superior Competing Offer and the Superior Competing Offer becomes or is declared effective or unconditional (in all respects) and/or is completed (or the equivalent in respect of any of the foregoing) (the “**Break Fee**”).

4.8 Delisting

Upon the Scheme becoming effective and binding in accordance with its terms, SPH will become a wholly-owned subsidiary of the Offeror and will, subject to the approval of the SGX-ST, be delisted from the Mainboard of the SGX-ST.

5. **RATIONALE FOR AND BENEFITS OF THE PROPOSED TRANSACTION AND FUTURE INTENTIONS FOR SPH**

5.1 Rationale for and benefits of the Proposed Transaction

The Proposed Transaction presents a unique opportunity for the Company to acquire a portfolio of businesses strategically aligned to the Company’s focus areas under Vision 2030, the Company’s long-term strategy to guide its growth and transformation. Under Vision 2030, the Company has committed to refocus its portfolio from a conglomerate of diverse parts to be an integrated business providing end-to-end solutions for sustainable urbanisation, with an asset management arm to fund the Group’s growth and provide a platform for capital recycling. In this regard, the Company will focus on four key business areas, namely energy and environment, urban development, connectivity and asset management. The Proposed Transaction is expected to accelerate the Company’s Vision 2030 growth strategy for the reasons provided below.

(a) The Company is uniquely positioned to enhance and unlock value of SPH's portfolio

The Proposed Transaction provides the Company with an opportunity to acquire a quality platform that is strongly aligned and complementary to the Company's business model and capabilities. SPH's portfolio presents a natural fit to three out of the Company's four focus areas of asset management, urban development and connectivity. Through this acquisition, the Company will gain scale and capabilities across the three areas.

In particular, the asset management business will gain scale with potential AUM growth of 27% from S\$37 billion²¹ to S\$47 billion. It will also harness operating synergies through managing SPH REIT within the larger Keppel asset management platform, as well as enter and expand into the PBSA and senior living sectors respectively. Given the Company's track record of creating and enhancing value in AUM, the Company is potentially able to unlock the potential value embedded within SPH's portfolio.

The Proposed Transaction also enables the Company to consolidate ownership in its existing partnerships with SPH in M1 and the Genting Lane data centre, enabling the Company to maximise synergies in these strategic assets.

Through value unlocking and harnessing synergies within the SPH platform, the overall Group will be boosted, accelerating its growth trajectory further.

(b) Expand into secular growth sectors (PBSA and senior living) and benefit from recovery in retail

The acquisition of SPH's PBSA business will provide the Company with an immediate and sizeable foothold within the highly resilient and fast growth PBSA sector in the UK and Germany, which are underpinned by rising domestic and international higher education demand. As a result, the UK PBSA portfolio has demonstrated rapid occupancy recovery in the current academic year with positive trajectory expected in the near term.

SPH's PBSA business segment, which operates under its owned flagship Capitol Students and Student Castle brands, is a leading PBSA owner and operator with a diversified portfolio comprising 7,721 beds²² across 18 cities in the UK (including London, Glasgow, Oxford, Durham and others) and Germany (Bremen). Portfolio occupancy is strong and supported by 15 university partnerships in place²³, where nomination agreements for beds have been entered into, thus providing stable income.

On top of the immediate scale achieved through the acquisition of the PBSA property portfolio, the Company also gains access to the integrated platform capabilities to develop, manage and operate PBSA assets in-house, providing the foundation for the Company (through Keppel Capital) to grow its presence within the education sector, an identified area of growth for Keppel Capital.

21 The total AUM of Keppel Capital as at 31 December 2020 is S\$37 billion.

22 Based on information regarding SPH's PBSA portfolio, as set out in **Appendix B** to this Circular and in the SPH Update Announcement, after completion of the two new development sites in Edinburgh, UK which were acquired on 29 September 2021, the PBSA portfolio will be enlarged to 8,366 beds.

23 Based on the Results Presentation titled "1H FY2021 Financial Results" released by SPH on the SGXNet on 30 March 2021.

Additionally, SPH would enrich the Company's senior living solutions with the addition of nursing homes. It would provide visible operating synergies alongside the Company's current senior living business, and diversifies the Company's existing Watermark senior living business in the United States of America through access to Singapore and Japan markets, providing the Company with increasing international presence within the sector.

The acquisition of a stake in SPH REIT and full ownership of the SPH REIT Manager provides the Company with a natural platform to recycle its retail assets (including i12 Katong). Furthermore, the Company, through the quality portfolio of retail assets under SPH REIT, can tap into the recovery and growth of the Singapore retail market, which has seen a rebound to near pre-pandemic levels, evident from the recovery of SPH REIT's distribution in recent quarters to near pre-COVID-19 levels. With quality assets on hand, coupled with the Company's experience in asset management, SPH REIT provides a compelling organic recovery play that investors would be interested in.

(c) Builds scale in asset management platform

SPH would accelerate the Company's transition into an asset-light business model by driving growth and diversification in its Keppel Capital asset management platform. The Company's pro forma AUM may potentially grow by 27% from S\$37 billion²⁴ to S\$47 billion, with expanded sector coverage into emerging PBSA and senior living sectors, as well as the recovering retail sector.

The enlarged sponsor pipeline through the Proposed Transaction also enhances growth prospects for Keppel Capital's fund ecosystem, offering visible asset recycling opportunities into Keppel Capital's stable of private funds and/or REITs/business trusts. The combination of unlocking embedded value of recycled assets, third-party AUM creation and fund management fee growth will scale up Keppel Capital's platform in an asset-light manner.

Additionally, the Proposed Transaction presents the Company with an opportunity to acquire a strategic stake in SPH REIT and full ownership in the SPH REIT Manager. The Company will hold approximately 20% stakes in both Keppel REIT and SPH REIT post-transaction and is fully committed to support the growth of both REITs.

The Company will enjoy synergies in managing SPH REIT as part of the Company's larger asset management platform with higher AUM. On top of accretive fee-related and investment income, the inclusion of SPH REIT provides the Company with a retail-focused platform to facilitate greater certainty for future capital recycling of retail assets, further driving third party funds growth and increasing recurring fee-related income.

In the longer run, the Company could also explore opportunities to create further value for investors by growing the REIT's AUM and achieving benefits of scale through asset injections and other strategic initiatives. Further opportunities exist to unlock value in the attractive PBSA business through a potential future REIT listing or creation of private fund vehicle, further increasing AUM and driving fund management fee growth. The Company would be supportive of any strategic initiatives by Keppel REIT and SPH REIT that would benefit unitholders, including any initiative which would create a stronger, larger and integrated platform.

24 The total AUM of Keppel Capital as at 31 December 2020 is S\$37 billion.

(d) Harnessing synergies and value upside through multiple levers

The Company has a strong track record of creating value and monetising assets. The Proposed Transaction offers multiple levers to create value upside for the Company through the following:

- (i) Capital recycling: Recycling of certain assets, including the potential securitisation of the PBSA and senior living portfolios, and other liquid investments provide gains from sales, with proceeds for potential redeployment to higher return investments identified by the Company.
- (ii) Fund manager fees: The scaling up of the Keppel Capital platform through asset recycling-driven AUM growth and future platform fees, e.g. from securitised PBSA and senior living portfolios, will generate increased fund management fees and drive up the platform valuation without relying on the Company's balance sheet. There is potential for future third-party AUM and fee creation through additional asset recycling into REITs and private funds under Keppel Capital.
- (iii) Organic growth and synergies: With exposure to the recovering PBSA and retail sectors coupled with the Company's expertise in asset management, net operating income contribution from the SPH assets is expected to improve post-transaction, driving organic recurring income growth.

The Company will also harness operating synergies through consolidating control in strategic businesses such as M1 and the Genting Lane data centre development.

- (iv) Development pipeline: The Woodleigh integrated development, which is expected to be completed in the near to medium term will provide upside in development proceeds to the Company upon completion and sale. The gain on sales proceeds collected can then be redeployed into new investments to further drive returns and increase shareholder value for the Company.
- (v) Existing investments: Private holdings within the SPH portfolio, whose value can be crystallised for future redeployment into other growth initiatives.

(e) Improves quality of earnings

The SPH portfolio, whose income is largely recurring based, is projected to immediately be earnings accretive on a pro forma basis and enhance the Company's quality of earnings through an 18% growth in recurring income on a pro forma basis; the pro forma contribution of recurring income by the SPH portfolio to the Company's PATMI will increase from 51% to 56%²⁵. Future recurring income growth will be through AUM scale and fee-based income growth in the asset management business.

25 (1) Recurring income excludes gain arising from the change in interest in Keppel REIT held by the Group and finance costs to be incurred due to the Total Cash Consideration used to fund the Proposed Transaction. (2) Based on (a) the KCL 1H2021 Results, (b) the SPH 1H2021 Results, (c) the SPH REIT 1H2021 Results, (d) information obtained during the course of due diligence, and taking into account (i) the financial effects of the Media Business Restructuring (but excluding restructuring adjustments such as the effect of the assumption of certain liabilities, costs and expenses on PATMI arising from the Media Business Restructuring) and (ii) the DIS on SPH based on the SPH 1H2021 Results. (3) This statement on growth in recurring income contribution is not intended as a profit forecast and should not be construed as such. This statement should not be interpreted to mean that its value in any future financial period will necessarily be greater than those for the relevant preceding financial period. (4) In computing the financial impact of the Proposed Transaction on pro forma recurring income contribution, financial statements with different half year ends were used (being 30 June 2021 for the Group and 28 February 2021 for the SPH Group).

Further improvement in the Company's quality of earnings could come from the concurrent land bank sales, asset monetisations and potential exit from the offshore and marine business under Vision 2030, coupled with investing into higher return initiatives through redeployed capital.

(f) Maintains balance sheet capacity to invest in other Vision 2030 opportunities

Pro forma net gearing post-transaction expected to remain below 1x²⁶. The Total Cash Consideration could be funded using a combination of various sources, such as internal cash, bank borrowings, perpetual securities and/or bonds. Currently, the Company does not envisage that it will issue any equity securities to fund the Total Cash Consideration. Liquidity within the Group will still remain robust post-acquisition.

The Company's net gearing is expected to decline further over time, following the Company's continuing asset monetisation programme. Since the Company's asset monetisation programme was launched in September 2020, the Company has announced about S\$2.4 billion in asset monetisation, received about S\$1.6 billion of this in cash, and further announced that it is on track to exceed the target of S\$5 billion by the end of 2023. There will be sufficient capacity for the Company to pursue other growth opportunities in line with Vision 2030 in areas such as renewables and decarbonisation solutions, and to also continue rewarding shareholders.

While the Company believes that the Proposed Transaction is an attractive acquisition, the Company will remain disciplined and will not acquire the SPH Shares at any cost. In this regard, as mentioned in paragraph 4.3 above, the increased Scheme Consideration is final.

5.2 Future Intentions for SPH

Post-completion of the Proposed Transaction and the Scheme, the Company's management team intends to integrate and streamline the business operations and portfolios of the SPH Group with those of the Group, such as aligning internal financial systems, operating procedures, and compliance processes. To ensure successful integration of SPH into the enlarged Group, the Company will also reorganise the way the SPH Group's assets and businesses are held and managed. The Group currently organises the holding and management of its assets (similar to those held by the SPH Group) across its asset management, urban development and connectivity business segments. The reorganisation will likely result in a change in the holding structure for the SPH Group's assets and businesses, with a view to the enlarged Group operating efficiently and seamlessly going forward. Human resource requirements in the enlarged Group will be reviewed as part of the integration process. The reorganisation will also allow the Company to extract the synergies of the enlarged portfolio and expand the various businesses of the SPH Group which are aligned to the Company's Vision 2030. As part of the Company's capital recycling plans, the Company may also explore potential monetisation of non-core assets and investments.

²⁶ In projecting the pro forma net gearing of the Company post-transaction, the net gearing of the Company as at 30 June 2021 was used, assuming that the Proposed Transaction had been effected on 30 June 2021.

The Offeror's current intention for changes to the existing business of SPH and re-deployment of the fixed assets of the Company are set out above and in paragraph 5.1 of this Letter to Shareholders on the rationale for and benefits of the Proposed Transaction. Save as disclosed in the foregoing, the Offeror has no current intention to (a) introduce any major changes to the existing business of SPH; (b) re-deploy the fixed assets of SPH; or (c) discontinue the employment of existing employees of the SPH Group, other than in the ordinary course of business. The Offeror retains the flexibility at any time to consider any options and opportunities which may present themselves and which it may regard to be in the interests of SPH and/or the SPH Group.

6. CHAPTER 10 OF THE LISTING MANUAL

Chapter 10 of the Listing Manual governs the continuing listing obligations of issuers in respect of acquisitions and disposals. Such transactions are classified into the following categories:

- (a) non-discloseable transactions;
- (b) discloseable transactions;
- (c) major transactions; and
- (d) very substantial acquisitions or reverse takeovers.

A transaction by the Offeror may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison, as set out in Rule 1006 of the Listing Manual:

- (i) the NAV of the assets to be disposed of, compared with the Group's NAV;
- (ii) the net profits attributable to the assets acquired or disposed of, compared with the Group's net profits;
- (iii) the aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares;
- (iv) the number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue; and
- (v) the aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.

Where any of the relative figures computed on the bases set out above exceeds 5% but does not exceed 20%, the transaction is classified as a "discloseable transaction" under Chapter 10 of the Listing Manual. Where any of the relative figures computed on the bases set out above exceeds 20% but is less than 100%, the transaction is classified as a "major transaction" under Chapter 10 of the Listing Manual.

The relative figures for the Proposed Transaction computed on the bases set out in Rule 1006 are set out below.

6.1 Acquisition of the SPH Shares pursuant to the Proposed Transaction

Rule 1006	Bases	Relative Figures (%)
(a)	The NAV of the assets to be disposed of, compared with the Group's NAV.	N.A. ^(I)
(b)	The net profits attributable to the SPH Shares, compared with the Group's net profits ^(II) .	15.1
(c)	The aggregate value of the consideration given for the SPH Shares ^(III) , compared with the Company's market capitalisation based on the total number of issued shares (excluding treasury shares) ^(IV) .	25.8
(d)	The number of equity securities issued by the Company as consideration for the Proposed Transaction, compared with the number of equity securities previously in issue.	N.A. ^(V)
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	N.A. ^(VI)

Notes:

- (I) Rule 1006(a) of the Listing Manual does not apply to an acquisition of assets.
- (II) Under Rule 1002(3)(b) of the Listing Manual, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. The net profits attributable to the SPH Shares amount to approximately S\$78 million and was based on (a) the net profits of the SPH Group as reported in the SPH 1H2021 Results; (b) the SPH REIT 1H2021 Results and (c) information obtained during the course of due diligence, and taking into account (i) the financial effects of the Media Business Restructuring (but excluding restructuring adjustments such as the effect of the assumption of certain liabilities, costs and expenses on PATMI arising from the Media Business Restructuring) and (ii) the DIS on SPH based on the SPH 1H2021 Results. As part of the due diligence process, the Company had discussions with the management of SPH on the net profits attributable to the SPH Shares. Based on the KCL 1H2021 Results, the Group's net profits amount to S\$516 million.
- (III) The aggregate value of the consideration given for the SPH Shares was computed based on the aggregate Offeror Consideration, being the sum of the Total Cash Consideration and the implied value of the Consideration Units²⁷. Assuming that the total number of SPH Shares is 1,617,010,890²⁸, the aggregate value of the consideration given for the SPH Shares would amount to approximately S\$2,512 million comprising the Total Cash Consideration of approximately S\$1,404 million and the implied value of the Consideration Units of approximately S\$1,108 million.
- (IV) The Company's market capitalisation was approximately S\$9,724 million, calculated based on the total number of shares (excluding treasury shares) multiplied by the weighted average price of S\$5.344 per share on 9 November 2021, being the Revision Announcement Date.
- (V) The Proposed Transaction does not involve any issue of equity securities by the Company as consideration.
- (VI) Rule 1006(e) of the Listing Manual only applies to a disposal of mineral, oil or gas assets by a mineral, oil and gas company.

27 Calculated based on the Illustrative Consideration Unit Price of S\$1.150 per Consideration Unit. The Illustrative Consideration Unit Price was determined based on the closing price per Consideration Unit with reference to 9 November 2021 being the Revision Announcement Date.

28 Being the maximum number of SPH Shares as at the Record Date that shall be acquired by the Offeror in connection with the Proposed Transaction and the Scheme, pursuant to the terms of the Implementation Agreement.

As the relative figure computed under Rule 1006(c) exceeds 20% but is less than 100%, pursuant to Rule 1014 of the Listing Manual, the acquisition of the SPH Shares pursuant to the Proposed Transaction constitutes a “major transaction” and is therefore subject to the approval of the Shareholders in an EGM.

6.2 Disposal of the Consideration Units pursuant to the Proposed Transaction

Rule 1006	Bases	Relative Figures (%)
(a)	The NAV of the Consideration Units, compared with the Group’s NAV ⁽ⁱ⁾ .	9.4
(b)	The net profits attributable to the Consideration Units, compared with the Group’s net profits ⁽ⁱⁱ⁾ .	5.1
(c)	The aggregate value of the consideration received for the Consideration Units ⁽ⁱⁱⁱ⁾ , compared with the Company’s market capitalisation based on the total number of issued shares (excluding treasury shares) ^(iv) .	11.4
(d)	The number of equity securities issued by the Company as consideration for the Proposed Transaction, compared with the number of equity securities previously in issue.	N.A. ^(v)
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves.	N.A. ^(vi)

Notes:

- (i) Under Rule 1002(3)(a) of the Listing Manual, “net assets” means total assets less total liabilities. Based on the KCL 1H2021 Results, the carrying value of the Consideration Units (being 963,738,490 K-REIT Units out of a total of 3,676,395,817 K-REIT Units in issue as at the Joint Announcement Date) amounts to approximately S\$1,084 million. Based on the KCL 1H2021 Results, the Group’s NAV amounts to S\$11,529 million.
- (ii) Under Rule 1002(3)(b) of the Listing Manual, “net profits” means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Based on the net profits attributable to the Group for the half year ended 30 June 2021 from the Group’s interest in Keppel REIT, the net profits attributable to the Consideration Units (being 963,738,490 K-REIT Units out of a total of 3,676,395,817 K-REIT Units in issue as at the Joint Announcement Date) amount to approximately S\$26 million. Based on the KCL 1H2021 Results, the Group’s net profits amount to S\$516 million.
- (iii) The aggregate value of the consideration received for the Consideration Units was computed based on the Illustrative Consideration Unit Price²⁹. Assuming that the total number of SPH Shares is 1,617,010,890³⁰, the aggregate value of the consideration received for the Consideration Units would amount to approximately S\$1,108 million.
- (iv) The Company’s market capitalisation was approximately S\$9,724 million, calculated based on the total number of shares (excluding treasury shares) multiplied by the weighted average price of S\$5.344 per share on 9 November 2021, being the Revision Announcement Date.
- (v) The Proposed Transaction does not involve any issue of equity securities by the Company as consideration.
- (vi) Rule 1006(e) of the Listing Manual only applies to a disposal of mineral, oil or gas assets by a mineral, oil and gas company.

29 Calculated based on the Illustrative Consideration Unit Price of S\$1.150 per Consideration Unit. The Illustrative Consideration Unit Price was determined based on the closing price per Consideration Unit with reference to 9 November 2021, being the Revision Announcement Date.

30 Being the maximum number of SPH Shares as at the Record Date that shall be acquired by the Offeror in connection with the Proposed Transaction and the Scheme, pursuant to the terms of the Implementation Agreement.

As the relative figures computed under Rules 1006(a), 1006(b) and 1006(c) exceed 5% but do not exceed 20%, pursuant to Rule 1010 of the Listing Manual, the disposal of the Consideration Units pursuant to the Proposed Transaction constitutes a “discloseable transaction” and in and of itself is not subject to Shareholders’ approval in an EGM. However, as stated in paragraph 6.1 above, the Proposed Transaction is subject to Shareholders’ approval in an EGM for the reasons set out therein.

7. FINANCIAL INFORMATION OF THE PROPOSED TRANSACTION

7.1 Acquisition of the SPH Shares pursuant to the Proposed Transaction

As stated in **Appendix B** to this Circular and the SPH Update Announcement, the illustrative NAV and NTA values of the SPH Group, based on the SPH FY2021 Results and taking into account certain key assumptions set out in **Appendix B** to this Circular and the SPH Update Announcement, are:

- (a) approximately S\$3,519.3 million and S\$3,400.4 million respectively after the completion of the Media Business Restructuring; and
- (b) approximately S\$2,354.1 million and S\$2,235.2 million respectively after the completion of the Media Business Restructuring and assuming that the DIS had been completed on 31 August 2021.

Please refer to **Appendix B** to this Circular and the SPH Update Announcement for more details.

Based on the last closing price of S\$2.160 per SPH Share as of 9 November 2021 (being the Revision Announcement Date) and assuming that the total number of SPH Shares is 1,617,010,890³¹:

- (i) the latest available open market value of the SPH Shares on the Revision Announcement Date is approximately S\$3,493 million; and
- (ii) the indicative open market value of the SPH Shares on the Revision Announcement Date, assuming that the DIS had been completed on the Revision Announcement Date, is approximately S\$2,203 million³².

The Company arrived at the aggregate Offeror Consideration as well as the Scheme Consideration after having taken into account, among others, the prevailing and historical market prices of SPH Shares, relevant precedent privatisation transactions, the valuation of assets of SPH as disclosed in the SPH FY2020 Results and SPH FY2021 Results, review of the SPH FY2020 Results and the SPH FY2021 Results, the pro forma financial impact of the DIS and the Media Business Restructuring on SPH, the strengthening global economic conditions as a result of many countries progressively lifting the restrictions imposed due to COVID-19 and the expected synergies between the Company and SPH.

31 Being the maximum number of SPH Shares as at the Record Date that shall be acquired by the Offeror in connection with the Proposed Transaction and the Scheme, pursuant to the terms of the Implementation Agreement.

32 The indicative open market value of the SPH Shares on the Revision Announcement Date, assuming that the DIS had been completed on the Revision Announcement Date, is computed based on: (a) the last closing price of S\$2.160 per SPH Share as of the Revision Announcement Date and subtracting (b) S\$0.798 (which represents the open market value of the SPH REIT Units to be distributed to the shareholders of SPH pursuant to the DIS for each SPH Share on the Revision Announcement Date, calculated based on (i) 0.782 SPH REIT Units, being the number of SPH REIT Units to be received by a shareholder of SPH for each SPH Share pursuant to the DIS and (ii) the closing price of the SPH REIT Units on 9 November 2021 (being the Revision Announcement Date) of S\$1.020 per SPH REIT Unit), and assuming that the total number of SPH Shares is 1,617,010,890.

The aggregate Offeror Consideration represents:

- (A) a premium of approximately 7% and 12% respectively over the illustrative NAV and NTA values of the SPH Group after the completion of the Media Business Restructuring and assuming that the DIS had been completed on 31 August 2021; and
- (B) a premium of approximately 14.0% over the indicative open market value of the SPH Shares on the Revision Announcement Date, assuming that the DIS had been completed on the Revision Announcement Date³³.

The Company will finance the acquisition of the SPH Shares with the (1) payment of the Total Cash Consideration to the Eligible Shareholders from various sources including internal cash, bank borrowings, perpetual securities and/or bonds, factoring in market conditions and the intention to keep net gearing below 1x; and (2) transfer, or procurement of the transfer, of the Consideration Units the Company is currently interested in, to the Eligible Shareholders. Currently, the Company does not envisage that it will issue any equity securities to fund the Total Cash Consideration.

7.2 Disposal of the Consideration Units pursuant to the Proposed Transaction

Based on the last closing price of S\$1.150 per K-REIT Unit as of the Revision Announcement Date, the latest available open market value of the Consideration Units on the Revision Announcement Date is approximately S\$1,108 million.

The value attributable to the Consideration Units to partially satisfy the Offeror Consideration is approximately S\$1,108 million³⁴, and the excess over the carrying value of the Consideration Units is approximately S\$24 million³⁵. The amount of gain on disposal of the Consideration Units is approximately S\$24 million³⁶.

8. ILLUSTRATIVE FINANCIAL EFFECTS

For illustrative purposes only, the financial effects of the Proposed Transaction on the (a) NTA per share of the Company and (b) EPS of the Company, based on (i) the audited consolidated financial statements of the Company for the financial year ended 31 December 2020, being the most recently completed financial year for which audited financial statements of the Company are available as at the Latest Practicable Date, (ii) the SPH FY2021 Results (the financial year ended 31 August 2021 being the most recently completed financial year for which audited financial statements of SPH are available as at the Latest Practicable Date) and (iii) pro forma financial effects of the DIS on selected financial measures of the SPH Group set out in **Appendix B** to this Circular which had been provided by SPH to the Company and which is set out in the SPH Update Announcement (which takes into account certain key assumptions set out in **Appendix B** to this Circular and the SPH Update Announcement including, *inter alia*, that the Media Business Restructuring is completed prior to the DIS and that the DIS will be effected at the market value of SPH REIT as at 31 August 2021 of S\$2.5 billion), are set out in paragraphs (a) and (b) below.

33 The indicative open market value of the SPH Shares on the Revision Announcement Date, assuming that the DIS had been completed on the Revision Announcement Date, is computed based on: (a) the last closing price of S\$2.160 per SPH Share as of the Revision Announcement Date and subtracting (b) S\$0.798 (which represents the open market value of the SPH REIT Units to be distributed to the shareholders of SPH pursuant to the DIS for each SPH Share on the Revision Announcement Date, calculated based on (i) 0.782 SPH REIT Units, being the number of SPH REIT Units to be received by a shareholder of SPH for each SPH Share pursuant to the DIS and (ii) the closing price of the SPH REIT Units on 9 November 2021 (being the Revision Announcement Date) of S\$1.020 per SPH REIT Unit), and assuming that the total number of SPH Shares is 1,617,010,890.

34 Being the implied value of the Consideration Units, computed based on the Illustrative Consideration Unit Price and assuming 963,738,490 Consideration Units.

35 Computed based on carrying value as at 30 June 2021.

36 Computed based on carrying value as at 30 June 2021.

In this regard, the said illustrative financial effects have been prepared by the Company on the following assumptions:

- (1) 963,738,490 K-REIT Units are transferred as Consideration Units to partially satisfy the Offeror Consideration³⁷;
- (2) SPH retained a 20% interest in the issued and outstanding SPH REIT Units following the DIS;
- (3) the potential impact of purchase price allocation under Singapore Financial Reporting Standard (International) 3 *Business Combinations* has not been taken into account; and
- (4) transaction costs for the Proposed Transaction have not been included.

(a) NTA per share (Full Year 2020)

The pro forma financial effects on the consolidated NTA per share of the Company as at 31 December 2020, assuming the Proposed Transaction had been effected on 31 December 2020, are as follows:

	Before the Proposed Transaction	After the Proposed Transaction
NTA (S\$ million)	9,120	8,847 ⁽ⁱ⁾
Number of issued shares of the Company (excluding treasury shares) ('000)	1,817,506	1,817,506
NTA per share (S\$)	5.02	4.87 ⁽ⁱ⁾

Note:

- (i) In computing the financial impact of the Proposed Transaction on pro forma NTA, financial statements for different financial year ends and different financial years were used (being the financial year ended 31 December 2020 for the Group and the financial year ended 31 August 2021 for the SPH Group).

(b) EPS (Full Year 2020)

The pro forma financial effects on the consolidated EPS of the Company as at 31 December 2020, assuming the Proposed Transaction had been effected on 1 January 2020, are as follows:

	Before the Proposed Transaction	After the Proposed Transaction
Net loss attributable to shareholders (S\$ million)	506	435 ^{(i), (ii), (iii)}
Weighted average number of issued shares of the Company (excluding treasury shares) ('000)	1,818,398	1,818,398
Loss per share (Singapore cents)	27.8	23.9 ^{(i), (ii), (iii)}

37 The illustrative financial effects in paragraph 8 have been prepared taking into account the implied value of the Consideration Units, computed based on the Illustrative Consideration Unit Price and assuming that 963,738,490 K-REIT Units are transferred as Consideration Units to partially satisfy the Offeror Consideration.

Notes:

- (I) Excludes one-off effects due to gains arising from the change in interest in Keppel REIT held by the Group. If the gain had been included, the net loss would be approximately S\$431 million, and loss per share would be approximately 23.7 Singapore cents.
- (II) Excludes restructuring adjustments which include the effect of the assumption of certain liabilities, costs and expenses arising from the Media Business Restructuring.
- (III) In computing the financial impact of the Proposed Transaction on pro forma net loss and loss per share, financial statements for different financial year ends and different financial years were used (being the financial year ended 31 December 2020 for the Group and the financial year ended 31 August 2021 for the SPH Group).

9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER

- 9.1 Based on the Register of Directors' Shareholdings of the Company as at the Latest Practicable Date, the interests of the directors of the Company in shares of the Company are as follows:

Name of Director	Direct Interest		Deemed Interest	
	No. of Shares	% ^(I)	No. of Shares	% ^(I)
Danny Teoh	104,825	0.006	–	–
Loh Chin Hua ^(II)	2,135,826	0.117	38,500	0.002
Teo Siong Seng ^(III)	7,000	n.m. ^(IV)	21,483	0.001
Till Vestring	96,000	0.005	–	–
Veronica Eng	47,000	0.003	–	–
Jean-François Manzoni	116,000	0.006	–	–
Tham Sai Choy	162,570	0.009	–	–
Penny Goh (nee Lee Yoke Sim Penny)	37,000	0.002	–	–
Shirish Apte	–	–	–	–

Notes:

- (I) All references to percentage shareholding of the issued share capital of the Company in this paragraph are based on the total number of issued shares in the Company of 1,819,604,968 shares (excluding 952,799 treasury shares) as at the Latest Practicable Date.
- (II) Loh Chin Hua is deemed interested in the 38,500 shares in the Company held in an account jointly owned by him and his spouse. The figures in the table above excludes the contingent share awards granted to Loh Chin Hua under the Company's Performance Share Plan which are capable of vesting into a maximum of 4,702,500 shares in the Company and the contingent share awards granted to Loh Chin Hua under the Company's Restricted Share Plan which are capable of vesting into a maximum of 274,543 shares in the Company.
- (III) Teo Siong Seng is deemed to have an interest in the 21,483 shares in the Company held in the name of the Estate of Teo Woon Tiong, as he is one of the joint executors of the Estate.
- (IV) n.m. means not meaningful.

- 9.2 As at the Latest Practicable Date, none of the directors of the Company has any interest, direct or indirect, in the Proposed Transaction, other than through their respective shareholdings in the Company as set out in paragraph 9.1 above, save as disclosed below:

- (a) Danny Teoh has a direct interest in 8,911 K-REIT Units, representing less than 0.01% of the Total K-REIT Units;

- (b) Loh Chin Hua has a direct interest in 7,000 K-REIT Units, representing less than 0.01% of the Total K-REIT Units, and a deemed interest in 556,160 K-REIT Units³⁸, representing less than 0.02% of the Total K-REIT Units. Loh Chin Hua's spouse, Trina Loh Soh Yong, is a director of SPH REIT Management Pte. Ltd., the manager of SPH REIT;
 - (c) Teo Siong Seng ("**Mr. Teo**") has a deemed interest in 6,014 K-REIT Units³⁹, representing less than 0.01% of the Total K-REIT Units; and
 - (d) Penny Goh (nee Lee Yoke Sim Penny) has a direct interest in 20,000 SPH Shares, representing less than 0.01% of the Current SPH Share Capital, and 256,108 K-REIT Units, representing less than 0.01% of the Total K-REIT Units. She is the Chairman and a director of Keppel REIT Management Limited, the manager of Keppel REIT.
- 9.3 Based on the Register of Substantial Shareholders' Shareholdings of the Company as at the Latest Practicable Date, the sole substantial shareholder and controlling shareholder of the Company, Temasek Holdings (Private) Limited ("**Temasek**"), has a direct interest in 371,408,292 issued shares in the Company, representing approximately 20.41% of the total number of issued shares in the Company (excluding treasury shares) and a deemed interest in 8,904,934 issued shares in the Company, representing approximately 0.49% of the total number of issued shares in the Company (excluding treasury shares)⁴⁰.
- 9.4 As at the Latest Practicable Date, based on publicly available information, Temasek does not have any interest, direct or indirect, in the Proposed Transaction, other than through its shareholding in the Company as set out in paragraph 9.3 above, save as disclosed below:
- (a) a deemed interest in 2,834,379 Management Shares, representing approximately 17.32% of the total number of Management Shares and approximately 0.18% of the Current SPH Share Capital⁴¹; and
 - (b) a deemed interest in 1,728,384,752 K-REIT Units, representing approximately 46.77% of the Total K-REIT Units⁴².

38 Loh Chin Hua is deemed interested in the 556,160 K-REIT Units held in an account jointly owned by him and his spouse.

39 Mr. Teo is deemed interested in the 6,014 K-REIT Units held in the name of the Estate of Teo Woon Tiong, as he is one of the joint executors of the Estate.

40 Temasek is deemed interested in 8,904,934 issued shares in the Company in which its subsidiaries and associated companies have an aggregate interest.

41 Temasek holds a deemed interest in 2,834,379 Management Shares, through (a) Fullerton (Private) Limited, which holds 658,260 Management Shares; and (b) Singapore Telecommunications Limited, which holds 2,176,119 Management Shares. This represents approximately 17.32% of the total number of Management Shares as at the Latest Practicable Date, being 16,361,769 Management Shares, and approximately 0.18% of the Current SPH Share Capital, being 1,607,896,806 shares.

42 Temasek holds a deemed interest in 1,728,384,752 K-REIT Units, through (a) the Company; (b) Fullerton Fund Management Company Ltd; (c) DBS Group Holdings Ltd; and (d) SeaTown Holdings Pte. Ltd.

10. NO DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed to the board of the Company as part of the Proposed Transaction or the Scheme, and no director's service contract is proposed to be entered into by the Company with any person in connection with the Proposed Transaction or the Scheme.

11. RELEVANT DIRECTORS' RECOMMENDATION

The Relevant Directors have considered the relevant factors, including the terms of the Proposed Transaction and the rationale for, and benefits of, the Proposed Transaction as set out in paragraph 5.1 of this Letter to Shareholders, and recommend that the Shareholders **VOTE IN FAVOUR** of the Ordinary Resolution in respect of the Proposed Transaction.

Mr. Teo is the Executive Chairman and Managing Director of Pacific International Lines (Private) Limited ("PIL"), which is majority owned by Heliconia Capital Management Pte. Ltd., a wholly-owned subsidiary of Temasek. Two of the consortium members of Cuscaden Peak (namely, Adenium Pte. Ltd. and Mapletree Fortress Pte. Ltd.) are subsidiaries of independently managed portfolio companies of Temasek. Whilst Mr. Teo has no involvement in any aspect of the Cuscaden Scheme, to avoid any perception of conflict due to Temasek's indirect interest in PIL, Mr. Teo has abstained from making any recommendation as to how Shareholders should vote in respect of the Ordinary Resolution in relation to the Proposed Transaction.

Shareholders, in deciding whether to vote in favour of the Ordinary Resolution set out in the Notice of EGM in **Appendix C** to this Circular, should read carefully the terms, rationale and pro forma financial effects of the Proposed Transaction. In giving the above recommendation, the Relevant Directors have not had regard to any general or specific investment objectives, financial situations, tax positions or particular needs or constraints of any individual Shareholder or any specific group of Shareholders. As different Shareholders have different investment profiles and objectives, the Relevant Directors recommend that any Shareholder who may require specific advice in relation to his/her/its investment portfolio should consult his/her/its stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser.

12. EXTRAORDINARY GENERAL MEETING

12.1 Details of the Extraordinary General Meeting

The EGM, notice of which is set out in **Appendix C** to this Circular, will be held by electronic means on 9 December 2021 at 10.30 a.m. for the purpose of considering and, if thought fit, passing, the Ordinary Resolution set out in the Notice of EGM.

In line with the provisions of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, no printed copies of this Circular will be despatched to Shareholders.

For Shareholders' convenience, printed copies of the Notice of EGM and the Proxy Form will be despatched to Shareholders. An electronic copy of this Circular (including the Notice of EGM and the Proxy Form) is available on the Company's website at <https://www.kepcorp.com/en/investors/agm-egm/>, and on the SGXNet.

12.2 Irrevocable Undertakings

As at the Latest Practicable Date, the Company has not received any irrevocable commitment or undertaking from any Shareholder to vote and/or procure the voting of their shares in the Company in favour of the Ordinary Resolution in respect of the Proposed Transaction.

12.3 Abstention from Voting

As the Proposed Transaction does not constitute an “interested person transaction” under Chapter 9 of the Listing Manual, no Shareholder is required to abstain from voting on the Ordinary Resolution in respect of the Proposed Transaction pursuant to Chapter 9 of the Listing Manual.

13. ACTION TO BE TAKEN BY SHAREHOLDERS

13.1 No Attendance in Person

The EGM will be conducted by way of electronic means and there will be no personal attendance at the EGM.

13.2 Alternative Arrangements

Alternative arrangements have been put in place to allow Shareholders to participate in the EGM by:

- (a) observing and/or listening to the EGM proceedings via the live audio-visual webcast or live audio-only stream;
- (b) submitting questions in advance of and/or live at the EGM; and/or
- (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM. In this regard, Shareholders are to note that they will not be able to vote online at the EGM and will only be able to vote at the EGM by appointing the Chairman of the EGM as proxy to vote on their behalf.

Shareholders should refer to the Notice of EGM in **Appendix C** to this Circular and the Company's announcement dated 24 November 2021 and titled “Electronic Despatch of Circular and Alternative Arrangements Relating to Extraordinary General Meeting to be Held on 9 December 2021”, copies of which are available on the SGXNet, for further details, including the steps to be taken by Shareholders who wish to participate in the EGM.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Relevant Directors' recommendation in paragraph 11 of the Letter to Shareholders remains the sole responsibility of the Relevant Directors. Save for the foregoing, the Directors individually and collectively accept full responsibility for the accuracy of information in this Circular (excluding information relating to SPH, SPH REIT and Keppel REIT (save for the Company's unitholding interest in Keppel REIT)) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transaction and the Group which are relevant to the Proposed Transaction, and the Directors are not aware of any facts, the omission of which would make any statement

in this Circular misleading (excluding information relating to SPH, SPH REIT and Keppel REIT (save for the Company's unitholding interest in Keppel REIT)).

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including without limitation, any information relating to SPH, SPH REIT or Keppel REIT (save for the Company's unitholding interest in Keppel REIT)), the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from such sources and/or reproduced in this Circular in its proper form and context.

15. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

J.P. Morgan (S.E.A.) Limited (the "**Financial Adviser**") is the sole financial adviser to the Company and the Offeror in respect of the Proposed Transaction and the Scheme.

To the best of the Financial Adviser's knowledge and belief, this Circular (excluding information relating to SPH, SPH REIT and Keppel REIT, and information set out in paragraphs 6, 8 to 11 and 14) constitutes full and true disclosure of all material facts about the Proposed Transaction and the Group which are relevant to the Proposed Transaction, and the Financial Adviser is not aware of any facts the omission of which would make any statement in this Circular (excluding information relating to SPH, SPH REIT and Keppel REIT, and information set out in paragraphs 6, 8 to 11 and 14) misleading.

16. CONSENT BY THE FINANCIAL ADVISER

The Financial Adviser has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Implementation Agreement and the written consent of the Financial Adviser referred to in paragraph 16 above will be made available for inspection during normal business hours at the registered office of the Company at 1 HarbourFront Avenue #18-01 Keppel Bay Tower Singapore 098632⁴³ from the date of this Circular up to and including the Effective Date.

Yours faithfully

For and on behalf of the Board of Directors of
Keppel Corporation Limited

Danny Teoh
Chairman

24 November 2021

⁴³ Prior appointment will be required. Please contact the Company's Investor Relations at +65 6413 6436 or investor.relations@keppcorp.com.

APPENDIX A

SCHEME CONDITIONS

The table below sets out the Scheme Conditions (pursuant to Clause 3.1 of the Implementation Agreement) and the status of each Scheme Condition as at the Latest Practicable Date. All capitalised terms used in this **Appendix A** shall have the same meanings given to them in the Implementation Agreement or as defined in this Circular.

No.	Scheme Condition	Status
(i)	<u>Approval by shareholders of SPH for the Scheme:</u> the approval of the Scheme by a majority in number representing three-fourths in value of the shareholders of SPH present and voting at the Scheme Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act;	To be sought at the Scheme Meeting
(ii)	<u>Approval by shareholders of SPH for the DIS:</u> the approval by the shareholders of SPH at the extraordinary general meeting to be convened by SPH for the DIS by SPH of the Relevant SPH REIT Units to each Eligible Shareholder as part of the Scheme Consideration;	To be sought at the extraordinary general meeting to be held by SPH
(iii)	<u>Approval by Shareholders of the Company for the Scheme:</u> the approval by the Shareholders of the Company at the EGM for the Proposed Transaction and the Scheme;	To be sought at the EGM to be held by the Company
(iv)	<u>Completion of the Media Business Restructuring:</u> the completion of the Media Business Restructuring (including the Conversion on or prior to the Record Date) on or prior to the Record Date;	The Media Business Restructuring is scheduled to be completed on or around 1 December 2021
(v)	<u>Court Order:</u> the grant of the Scheme Court Order by the Court and such court order having become final;	Scheme Court Order is targeted to be obtained on or around December 2021
(vi)	<u>ACRA Lodgement:</u> the lodgement of the Scheme Court Order with ACRA in accordance with Section 210(5) of the Companies Act;	Scheme Court Order is targeted to be lodged with ACRA on or around 3 January 2022
(vii)	<u>Regulatory Approvals:</u> (i) all the Regulatory Approvals as set out in Schedule 2 of the Implementation Agreement (reproduced at (1) to (5) of this paragraph (vii) of this Appendix A below) having been obtained or granted and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted, up to the Relevant Date, and (ii) where relevant, all applicable waiting periods in relation to the Regulatory Approvals having expired or been terminated;	See status as set out in (1) to (5) of this paragraph (vii) of this Appendix A below

No.	Scheme Condition	Status
	<p>(1) confirmation from the SIC that:</p> <p>(A) Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code do not apply to the Scheme;</p> <p>(B) the SIC has no objections to the Scheme Conditions;</p> <p>(C) the declaration, making and payment of the DIS and the FY2021 Dividend if any, will not be a breach by SPH of Note 3 to Rule 5 of the Code;</p> <p>(D) with respect to Keppel REIT, Rule 11.3 of the Code be waived, and the Keppel REIT Manager be permitted to elect to receive a portion of its fees (which may include base management fees, performance management fees, acquisition fees and divestment fees) in Keppel REIT Units if any such fees are due to be paid during the offer period in respect of the Scheme; and</p> <p>(E) the SIC has no objections to the Break Fee;</p>	Satisfied
	(2) approval-in-principle from the SGX-ST of the Composite Document and for the proposed delisting of SPH from the SGX-ST after the Scheme becomes effective and binding in accordance with its terms;	Pending
	(3) approval-in-principle from the SGX-ST of this Circular;	Satisfied ⁴⁴
	(4) approval from the MAS necessary for a change in control of the SPH REIT Manager arising from the Scheme; and	Satisfied
	(5) clearance from FIRB under the FATA;	Satisfied
(viii)	No Illegality: between the date of the Implementation Agreement and up to the Relevant Date, no order, injunction, judgment or decree issued by any Governmental Authority or other legal restraints or prohibition preventing the consummation of the Acquisition or implementation of the Scheme shall be in effect;	To be determined on the Relevant Date

⁴⁴ The Company had obtained the approval-in-principle of the SGX-ST of this Circular on 24 November 2021, after the Latest Practicable Date.

No.	Scheme Condition	Status
(ix)	No Prescribed Occurrence: between the date of the Implementation Agreement and up to the Relevant Date, no Prescribed Occurrence in relation to (i) the Offeror (as set out in Part 1 of Schedule 4 of the Implementation Agreement); or (ii) any SPH Group Company or Woodleigh JV (as set out in Part 2 of Schedule 4 of the Implementation Agreement), in each case, occurring other than as required or contemplated by the Implementation Agreement or the Scheme;	To be determined on the Relevant Date
(x)	SPH Warranties: there having been no material breach by SPH of its Warranties given under Clause 7.2 and Part 2 of Schedule 3 of the Implementation Agreement as at the date of the Implementation Agreement and as at the Relevant Date as though made on and as at each such date, except to the extent any Warranty given by it expressly relates to an earlier date (in which case as at such earlier date), in each such case, which has resulted in a Material Adverse Effect and not been substantially remedied as of the Relevant Date and is material in the context of the Scheme;	To be determined on the Relevant Date
(xi)	Offeror Warranties: there having been no material breach by the Offeror of its Warranties given under Clause 7.1 and Part 1 of Schedule 3 of the Implementation Agreement as at the date of the Implementation Agreement and as at the Relevant Date as though made on and as at each such date, except to the extent any Warranty given by it expressly relates to an earlier date (in which case as at such earlier date), in each such case, which has not been substantially remedied as of the Relevant Date and is material in the context of the Scheme; and	To be determined on the Relevant Date
(xii)	Material Adverse Effect: there having been no occurrence of any Material Adverse Effect from the date of the Implementation Agreement up to the Relevant Date (both inclusive).	Waived by the Offeror ⁴⁵

⁴⁵ As stated in paragraph 4.2(c) of the Letter to Shareholders, the Offeror has waived this Scheme Condition unconditionally and irrevocably.

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APPENDIX B

INFORMATION PROVIDED BY SPH

The following information and computations set out in italics in this **Appendix B** had been provided by SPH to the Company and is set out in the SPH Update Announcement. The Company will update Shareholders by way of announcement should there be any information in the Letter to Shareholders that needs to be updated as a result of any material changes to the information and computations herein by SPH.

Part 1: Share Capital of SPH

As at 17 November 2021, SPH has:

- (a) *an issued and paid-up share capital of S\$515,700,001 comprising 1,591,535,037 SPH Shares and 9,114,084 treasury shares, and S\$7,109,115 comprising 16,361,769 Management Shares; and*
- (b) *6,132,456 outstanding awards granted under the SPH Performance Share Plan 2016, pursuant to which up to a maximum of 10,271,840 Shares may be issued and/or transferred to the eligible employees of the SPH Group (subject to the fulfilment of the terms and conditions set out in the SPH Performance Share Plan 2016).*

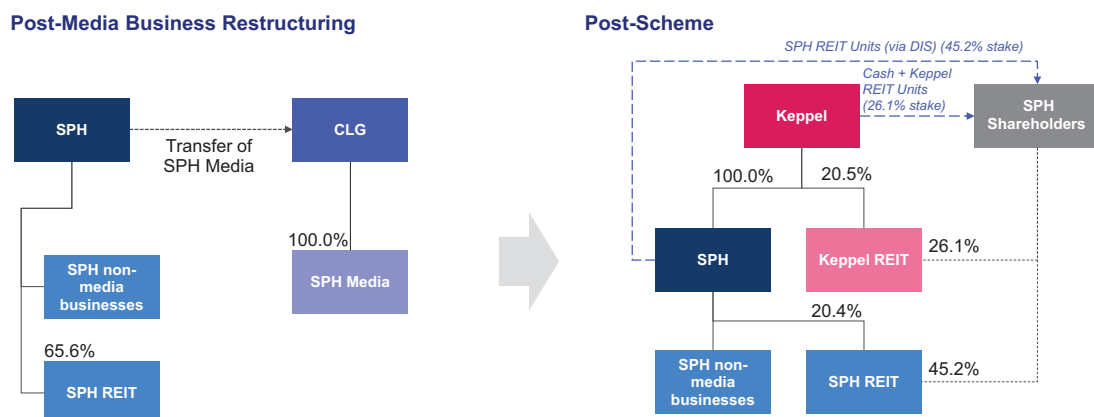
Part 2: Information regarding SPH's PBSA portfolio

Under the PBSA segment, SPH is also an owner, manager and developer of a portfolio of PBSA valued at over S\$1.4 billion as at 31 August 2021.

After completion of the two new development sites in Edinburgh, United Kingdom which were acquired on 29 September 2021, the PBSA portfolio will be enlarged to 8,366 beds.

Part 3: Diagrammatic Illustration of SPH following the completion of the Media Business Restructuring and the implementation of the Proposed Transaction (including the DIS)

A diagrammatic illustration of SPH following the completion of the Media Business Restructuring and the implementation of the Proposed Transaction (which includes the DIS), is set out below:



Note: Ownership of SPH varies across different non-media businesses. SPH REIT ownership percentages are based on 2,799,823,438 SPH REIT Units outstanding. Keppel REIT ownership percentages are based on 3,695,418,528 Keppel REIT Units outstanding.

Part 4: Pro forma financial effects of the DIS on selected financial measures of the SPH Group

The pro forma financial effects of the DIS on selected financial measures of the SPH Group have been prepared based on the SPH FY2021 Results and take into account the following key assumptions:

- (a) SPH has 1,617,010,890 SPH Shares in issue, comprising (i) 1,591,512,137 SPH Shares as at 31 August 2021, (ii) 16,361,769 SPH Shares arising from the Conversion; (iii) 6,868,132 SPH Shares transferred out of treasury to the Media HoldCo pursuant to the Media Business Restructuring and (iv) 2,268,852 SPH Shares in treasury as at 31 August 2021;
- (b) the Media Business Restructuring is completed prior to the DIS;
- (c) the DIS will be effected at the market value of SPH REIT as at 31 August 2021 of S\$2.5 billion;
- (d) the incurrence of professional and transaction-related fees and expenses; and
- (e) the pro forma financial effects of the DIS on the profit and loss and EPS of the SPH Group assumes that the DIS had been completed on 1 September 2020.

For illustration purposes only, based on the foregoing key assumptions:

- (A) **Share Capital:** Based on the share capital of SPH as at 17 November 2021, the pro forma financial effects of the DIS on the share capital of SPH are set out as follows:

	Before the DIS	Immediately after the DIS
Share Capital (S\$ million)	522.8	522.8
Number of SPH Shares in issue (million)	1,617.0	1,617.0

- (B) **NAV:** Assuming that the DIS had been completed on 31 August 2021, being the end of the financial year ended 31 August 2021, the pro forma effects of the DIS on the NAV of the SPH Group are as follows:

	Before the DIS	Immediately after the DIS
NAV (S\$ million)	3,519.3	2,354.1
Number of SPH Shares in issue (excluding treasury shares) (million)	1,614.7	1,614.7
NAV per SPH Share (S\$)	2.18	1.46

- (C) **NTA:** Assuming that the DIS had been completed on 31 August 2021, being the end of the financial year ended 31 August 2021, the pro forma effects of the DIS on the NTA of the SPH Group are as follows:

	Before the DIS	Immediately after the DIS
NTA (S\$ million)	3,400.4	2,235.2
Number of SPH Shares in issue (excluding treasury shares) (million)	1,614.7	1,614.7
NTA per SPH Share (S\$)	2.11	1.38

- (D) **Net Debt to Asset Ratio:** Assuming that the DIS had been completed on 31 August 2021, being the end of the financial year ended 31 August 2021, the pro forma effects of the DIS on the net debt to asset ratio of the SPH Group are as follows:

	<i>Before the DIS</i>	<i>Immediately after the DIS</i>
Net debt-to-asset ratio ⁴⁶ (%)	30.3	28.3

- (E) **EPS:** Assuming that the DIS had been completed on 1 September 2020, being the beginning of the financial year ended 31 August 2021, the pro forma effects of the DIS on the EPS of the SPH Group are as follows:

	<i>Before the DIS</i>	<i>Immediately after the DIS</i>
Profit after tax and non-controlling interests (S\$ million)	206.0	110.1
Distribution for perpetual securities (S\$ million)	(26.9)	(18.8)
Weighted average number of SPH Shares in issue (million)	1,614.4	1,614.4
EPS (basic) (cents)	11.1	5.7

The foregoing pro forma financial effects are for illustration purposes only and do not necessarily reflect the actual financial position and future results of the SPH Group after the DIS.

⁴⁶ Based on net debt divided by total assets, with the total assets denominator adjusted for cash and cash equivalents.

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APPENDIX C



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of Keppel Corporation Limited (the "**Company**") will be convened and held by way of electronic means on Thursday, 9 December 2021 at 10.30 a.m., for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an Ordinary Resolution:

ORDINARY RESOLUTION: PROPOSED ACQUISITION BY KEPPEL PEGASUS PTE. LTD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY, OF ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF SINGAPORE PRESS HOLDINGS LIMITED (EXCLUDING TREASURY SHARES) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT (CHAPTER 50 OF SINGAPORE) (THE "SCHEME")

That subject to the Scheme becoming effective in accordance with its terms:

- (a) approval be and is hereby given for the proposed acquisition (the "**Proposed Transaction**") by Keppel Pegasus Pte. Ltd. (the "**Offeror**"), a wholly-owned subsidiary of the Company, of all the issued and paid-up ordinary shares in the capital of Singapore Press Holdings Limited ("**SPH**") (excluding the treasury shares) by way of a scheme of arrangement under Section 210 of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**") and in compliance with the Singapore Code on Take-overs and Mergers, on the terms and conditions set out in the implementation agreement (the "**Implementation Agreement**") dated 2 August 2021 (as may be supplemented or amended from time to time, including by the supplemental letter dated 9 November 2021) entered into between the Offeror and SPH, as described in the circular to the shareholders of the Company ("**Shareholders**") dated 24 November 2021 (the "**Circular**"), and the entry into the Implementation Agreement be and is hereby approved and ratified;
- (b) approval be and is hereby given for the payment of all fees and expenses relating to the Proposed Transaction; and
- (c) the directors of the Company (the "**Directors**") or any one of them be authorised and directed to do all things necessary or expedient or in the interests of the Company and the Shareholders (including executing any document) as the Directors or any one of them may deem fit, to give effect to the Proposed Transaction as contemplated in this resolution.

By Order of the Board

Caroline Chang/Kenny Lee
Company Secretaries
24 November 2021

Notes:

- (1) The Company will be conducting the EGM by way of electronic means in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
- (2) Shareholders should take note of the following alternative arrangements that have been put in place to allow Shareholders to participate in the EGM:
 - (a) **Live Audio-visual Webcast/Live Audio-only Stream:** The EGM will be conducted by way of electronic means and there will be no personal attendance at the EGM. The proceedings of the EGM will be broadcast via a live audio-visual webcast or live audio-only stream.
 - (b) **Online Pre-registration:** Shareholders as well as investors who hold shares of the Company through the Central Provident Fund ("CPF") or the Supplementary Retirement Scheme ("SRS" and such investors, "CPF/SRS Investors") who wish to follow the proceedings of the EGM through the live audio-visual webcast or live audio-only stream **must pre-register online at <https://www.kepcorp.com/en/egm-dec2021> (the "Pre-registration Page") from now until 10.30 a.m. on 6 December 2021** (being 72 hours before the time appointed for the holding of the EGM) to enable the Company to verify their status as shareholders.

Following successful verification, an email containing instructions on how to join the live broadcast of the EGM proceedings, including user ID and password details, as well as the link to access the live audio-visual webcast and a toll-free telephone number to access the live audio-only stream of the EGM proceedings will be sent to authenticated persons before the EGM (the "Confirmation Email"). **Shareholders who do not receive the Confirmation Email by 10.30 a.m. on 8 December 2021 but have pre-registered for the EGM proceedings by the deadline of 10.30 a.m. on 6 December 2021, should contact the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte Ltd (the "Share Registrar"), at +65 6536 5355 (Mondays to Fridays, excluding public holidays, from 9.00 a.m. to 5.00 p.m.) or at keppel@boardroomlimited.com immediately.**

Investors holding shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act and such investors, "Investors") (other than CPF/SRS Investors) will not be able to pre-register at the Pre-registration Page for the live broadcast of the EGM. Investors (other than CPF/SRS Investors) who wish to participate in the live broadcast of the EGM should instead contact their relevant intermediary as soon as possible in order to make the necessary arrangements to participate. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) to the Share Registrar, via email to keppel@boardroomlimited.com no later than **10.30 a.m. on 6 December 2021**.

- (c) **Submission of Questions:** All Shareholders (including CPF/SRS Investors) may submit questions relating to the business of the EGM in advance of, or live at, the EGM.

Submission of Questions in Advance

All Shareholders (including CPF/SRS Investors) can submit questions relating to the business of the EGM up till **10.30 a.m. on 6 December 2021** (being 72 hours before the time appointed for the holding of the EGM) in the following manner:

- (i) via the Pre-registration Page;
- (ii) via email to investor.relations@kepcorp.com; or
- (iii) by post addressed to the Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623.

When sending in questions, the following details should be provided for verification purposes: the Shareholder's full name, address, telephone number and email address, and the manner in which such Shareholder holds shares in the Company (e.g. if you hold shares of the Company directly, please provide your CDP account number; otherwise, please state if you hold shares of the Company through CPF or SRS).

Shareholders (including CPF/SRS Investors) are strongly encouraged to submit questions electronically by the Pre-registration Page or email.

Submission of Questions live at the EGM

All Shareholders (including CPF/SRS Investors) who have pre-registered for the EGM may also ask questions relating to the business of the EGM live at the EGM, by typing in and submitting their questions through the live chat function via the audio-and-visual webcast platform. Shareholders (including CPF/SRS Investors) will not be able to ask questions live at the EGM via the audio-only stream of the EGM proceedings.

Investors (other than CPF/SRS Investors) who wish to submit questions relating to the business of the EGM in advance of, or live at, the EGM should contact the relevant intermediary through which they hold shares in the Company as soon as possible in order for the necessary arrangements to be made.

The Company will endeavour to address all substantial and relevant questions relating to the business of the EGM received from Shareholders prior to the EGM through publication on the SGXNet and the Company's website at <https://www.kepcorp.com/en/investors/agm-egm/>, or during the EGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently, not all questions may be individually addressed.

- (d) **Voting Solely via Appointing Chairman as Proxy (Submit a Proxy Form):** Shareholders (including CPF/SRS Investors) will not be able to vote online at the EGM, and will only be able to vote at the EGM by appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf. The Chairman of the EGM, as proxy, need not be a Shareholder.

Where a Shareholder (whether an individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of the Ordinary Resolution in the accompanying proxy form for the EGM (the "**Proxy Form**"), failing which the appointment of the Chairman as proxy for such resolution will be treated as invalid.

The Proxy Form is **not** valid for use by Investors (including CPF/SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS Investors who wish to vote on the Ordinary Resolution should approach their respective CPF Agent Banks/SRS Operators as soon as possible and in any case, by **5.00 p.m. on 30 November 2021**, being seven working days before the date of the EGM to submit his/her voting instructions. An Investor (other than CPF/SRS Investors) who wishes to vote on the Ordinary Resolution should instead approach his/her/its relevant intermediary as soon as possible to specify his/her/its voting instructions.

The Proxy Form must be submitted to the Company in the following manner:

- (i) via post to the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623; or
- (ii) via email to keppel@boardroomlimited.com (e.g. enclosing a clear scanned completed and signed Proxy Form in PDF),

in either case to be received no later than **10.30 a.m. on 6 December 2021** (being 72 hours before the time appointed for the holding of the EGM).

A Shareholder who wishes to submit a Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. Proxy Forms can be downloaded from the Company's website at <https://www.kepcorp.com/en/investors/agm-egm/> or the SGXNet.

In the case of Shareholders whose shares in the Company are entered against their names in the Depository Register, the Company may reject any Proxy Form submitted if such Shareholders are not shown to have shares in the Company entered against their names in the Depository Register (as defined in Part IIIA of the Securities and Futures Act, Chapter 289 of Singapore) as at 72 hours before the time appointed for holding the EGM, as certified by the CDP to the Company.

Shareholders are strongly encouraged to submit completed Proxy Forms electronically by email. Please refer to the Proxy Form for further information.

Documents and information relating to the EGM (including this Notice of EGM, the Circular and the Proxy Form) are available on the Company's website at <https://www.kepcorp.com/en/investors/agm-egm/>, and on the SGXNet. Printed copies of the Circular will **not** be despatched to Shareholders. For Shareholders' convenience, printed copies of this Notice of EGM and the Proxy Form will be despatched to Shareholders.

Shareholders should note that the manner of conduct of the EGM may be subject to further changes at short notice. Shareholders are advised to check the Company's website at <https://www.kepcorp.com/en/investors/agm-egm/> and the SGXNet regularly for updates.

Any reference to a time of day in this Notice of EGM is made by reference to Singapore time.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM or any adjournment thereof, a Shareholder consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman as proxy for the EGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes

and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

In the case of a Shareholder who is a relevant intermediary, by submitting the consolidated list of participants set out in Note (2)(b) of this Notice of EGM, such Shareholder represents and warrants that it has obtained the prior consent of the individuals for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such individuals by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the participation of such individuals in the broadcast and proceedings of the EGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and record of questions asked, and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

PROXY FORM

Keppel Corporation

Keppel Corporation Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 196800351N)

EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. This EGM (as defined below) will be held by way of electronic means in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Notice of EGM and this proxy form will be sent to shareholders ("Shareholders") of the Company (as defined below) by electronic means via publication on the Company's website at <https://www.keppcorp.com/en/investors/egm-egm/> and the Singapore Exchange Network ("SGXNet"). Printed copies of the Notice of EGM and this proxy form will also be despatched to Shareholders.
2. Alternative arrangements relating to attendance at the EGM by way of electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman (as defined below) in advance of or live at the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman as proxy at the EGM, are set out in the Notice of EGM, the announcement by the Company dated 24 November 2021 and the Circular to Shareholders dated 24 November 2021 ("Circular"). The Circular may be accessed at the Company's website at <https://www.keppcorp.com/en/investors/egm-egm/> and the SGXNet.
3. **There will be no personal attendance at the EGM. Shareholders will also not be able to vote online on the resolution to be tabled for approval at the EGM. A Shareholder (whether individual or corporate) must appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Shareholder wishes to exercise his/her/its voting rights at the EGM. The Chairman, as proxy, need not be a Shareholder.**
4. This proxy form is not valid for use by investors holding shares in the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore) and such investors, "Investors") (including investors holding through the Central Provident Fund ("CPF") and the Supplementary Retirement Scheme ("SRS" and such investors, "CPF/SRS Investors") and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor (other than CPF/SRS Investor) who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank/SRS Operator by **5.00 p.m. on 30 November 2021**, being seven working days before the date of the EGM to submit his/her voting instructions.
5. **Personal Data Privacy:** By submitting this proxy form, the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 24 November 2021.
6. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman as a Shareholder's proxy to attend, speak and vote on his/her/its behalf at the EGM.**

I/We, _____ (Name) _____ (NRIC/Passport Number/Co Reg Number)

of _____ (Address)

being a member or members of KEPPEL CORPORATION LIMITED (the "Company") hereby appoint the Chairman of the Extraordinary General Meeting ("Chairman") as my/our proxy to attend, speak and vote on my/our behalf at the Extraordinary General Meeting of the Company ("EGM") to be held by way of electronic means on **Thursday, 9 December 2021 at 10.30 a.m.** and at any adjournment thereof in the following manner:

Resolution	For*	Against*	Abstain*
Ordinary Resolution			
Proposed acquisition by Keppel Pegasus Pte. Ltd., a wholly-owned subsidiary of the Company, of all the issued and paid-up ordinary shares in the capital of Singapore Press Holdings Limited (excluding treasury shares) by way of a scheme of arrangement under Section 210 of the Companies Act (Chapter 50 of Singapore)			

- * You may tick (✓) within the relevant box to vote for or against, or abstain from voting, in respect of all your Shares for the resolution. Alternatively, you may indicate the number of Shares that you wish to vote for or against, and/or abstain from voting, for the resolution in the relevant box. **In the absence of specific directions in respect of the resolution, the appointment of the Chairman as your proxy for the resolution will be treated as invalid.**

Dated this _____ day of _____ 2021.

Total Number of
Shares held

Signature(s) or Common Seal of Member(s)

Important: Please read the notes overleaf before completing this proxy form.

Notes:

1. A Shareholder should insert the total number of Shares held in the proxy form. If a Shareholder only has Shares entered against his/her/its name in the Depository Register (as defined in Part IIIA of the Securities and Futures Act (Chapter 289 of Singapore)), he/she/it should insert that number of Shares. If he/she/it only has Shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of Shares. However, if he/she/it has Shares entered against his/her/its name in the Depository Register and Shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of Shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, the proxy form shall be deemed to relate to all the Shares held by the Shareholder (in both the Register of Members and the Depository Register).
2. **There will be no personal attendance at the EGM. A Shareholder will also not be able to vote online on the resolution to be tabled for approval at the EGM. A Shareholder (whether individual or corporate) must appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Shareholder wishes to exercise his/her/its voting rights at the EGM. The Chairman, as proxy, need not be a Shareholder.** Where a Shareholder (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of the Ordinary Resolution in the proxy form, failing which the appointment of the Chairman as proxy for such resolution will be treated as invalid.
3. This proxy form is not valid for use by Investors (including CPF/SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS Investors who wish to vote should approach their respective CPF Agent Banks/SRS Operators as soon as possible and in any case, by **5.00 p.m. on 30 November 2021**, being seven working days before the date of the EGM to submit his/her voting instructions. An Investor (other than a CPF/SRS Investor) who wishes to vote should instead approach his/her/its relevant intermediary as soon as possible to specify voting instructions.

fold along this line (1)

Affix
Postage
Stamp

Keppel Corporation Limited
c/o Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

fold along this line (2)

4. The proxy form must be submitted to the Company in the following manner:
 - (a) via post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623; or
 - (b) via email to keppel@boardroomlimited.com (e.g. enclosing a clear scanned completed and signed proxy form in PDF),in either case to be received no later than **10.30 a.m. on 6 December 2021** (being 72 hours before the time appointed for the holding of the EGM).

A Shareholder who wishes to submit the proxy form must first complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Shareholders are strongly encouraged to submit completed proxy forms electronically by email.
5. The proxy form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where a proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which the proxy form may be treated as invalid.
6. The Company shall be entitled to reject the proxy form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of Shareholders whose Shares are entered against their names in the Depository Register, the Company shall be entitled to reject any proxy form lodged if such Shareholders are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.
7. Any reference to a time of day is made by reference to Singapore time.

