

**3Q FY2021
CORPORATE
PRESENTATION**

19 JULY 2021



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AGENDA

- Business Progress Update
- Media Restructuring
- Business Segments
 - Media
 - Retail & Commercial
 - PBSA
 - Aged Care
 - Digital & Others
- Capital Management
- Summary



BUSINESS PROGRESS UPDATE

Media:

Restructuring process of media assets ongoing with EGM in Aug - Sep 2021

- Media continued to face secular decline in ad sector with newspaper print ad revenue decreasing 17.6% y-o-y for 9M FY21
- Total circulation copies remained flat y-o-y despite digital circulation growing 17.8% y-o-y for 9M FY21

Non-Media:

Improved operating performance across all segments since Feb 2021

Transforming to be an integrated asset and investment manager focused on defensive, high-yielding asset classes

Expanding asset management capabilities to grow PBSA and Aged Care segments; and scaling up through asset-light model to increase management fee income

BUSINESS PROGRESS UPDATE

- **Retail & Commercial:**

- **SPH REIT:** Gross revenue for YTD 3Q FY2021 up 22.2% y-o-y and 3Q FY2021 DPU of 1.38 cents up 11.3% q-o-q from 2Q FY2021
- **The Seletar Mall:** Occupancy at 100%, with positive rental reversions of 3% for expiring leases
- **The Woodleigh Residences:** Achieved >S\$2,100 average psf in recent sales; bringing project average psf to S\$1,950

- **PBSA:**

- **Steady operational performance**, achieved 73.7% of target revenue as at 16 July 2021 for Academic Year (AY) 21/22
 - AY21/22 surpassed AY20/21 sales trend and on track to achieve >90% portfolio occupancy
 - Supported by strong demand from UK and international students in 2021
 - Driving higher portfolio yield with ongoing Asset Enhancement Initiatives (AEI) and June's restructuring exercise to bring remaining assets under single UK holding structure
- **Expanding asset management capabilities**
 - On track for remaining 15 assets to be managed in-house by 12 Oct 2021
 - Setting up a private fund to develop pipeline of development projects

BUSINESS PROGRESS UPDATE

- **Aged Care**

- On track to establish Aged Care as a key business pillar
 - Orange Valley (OV) appointed as the operator of a government-built nursing home at Bidadari
 - Actively pursuing more sites as part of asset-light strategy
 - Reviewing potential deals in Japan, Canada, Australia and UK
- Improving operational performance for Singapore and Japan assets
 - Bed Occupancy Rate for OV assets improved to 86% in May 2021 from 84% in Feb 2021
 - Underlying portfolio occupancy for Japan assets remained at high 90+%

- **Digital & Others**

- Digital investments continue to show results over the past quarter
 - sgCarMart's 3Q FY2021 revenue grew 18% y-o-y due to better sales performance
 - Capital recycling from M1 with planned S\$580m transfer of network assets to Keppel DC REIT and M1 SPV
 - Data centre development on track, with strong pre-lease interest from Cloud Service Providers
- Potential IPO and significant valuation gains for Digital Portfolio since Feb 2021
 - Carousell exploring a merger with a SPAC for ~US\$1.5bn IPO; potential opportunity for SPH to divest its 2% stake
 - Recognised remeasurement gains on iFast (S\$240m) and Coupang (S\$100m) in 3Q FY2021

MEDIA RESTRUCTURING



THE STRAITS TIMES
THE BUSINESS TIMES



MEDIA RESTRUCTURING UPDATE

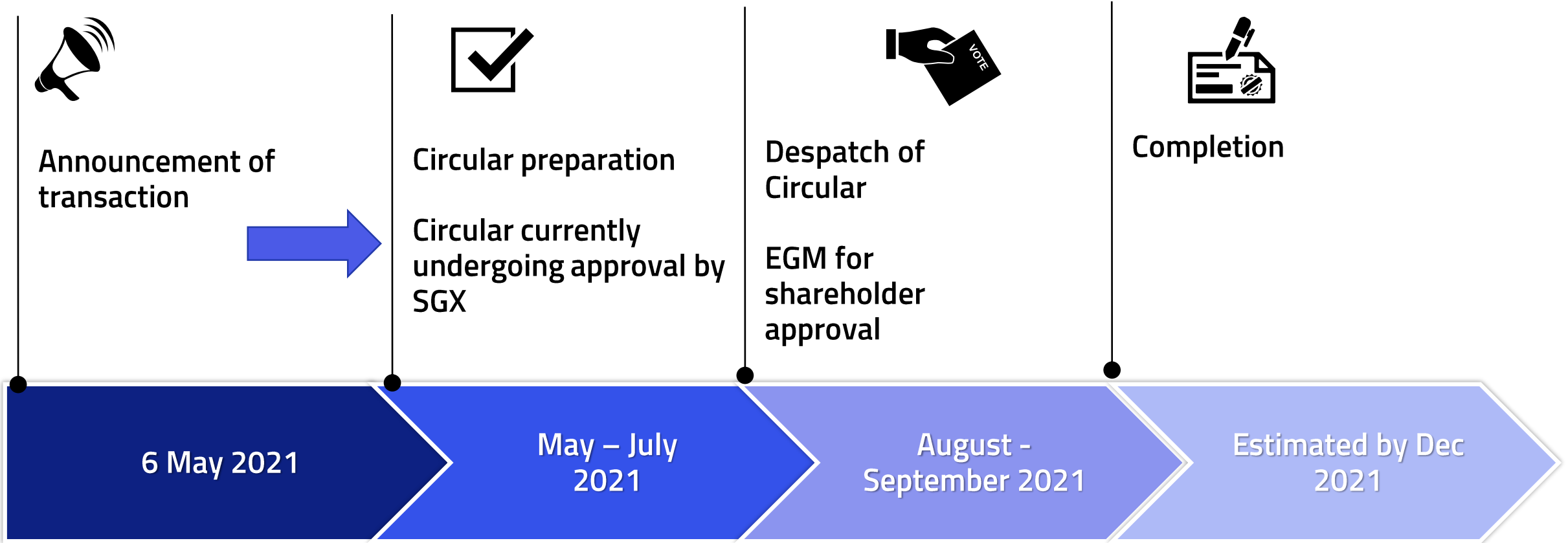


EGM to seek shareholder approval for the restructuring of the media business

- Circular has been submitted to SGX for approval
- Working with SIAS to engage retail investors on shareholder resolutions and transaction rationale
- EGM expected in Aug-Sep 2021
- Upon securing shareholder approval at the EGM, restructuring to commence from Sep with completion estimated by Dec 2021



INDICATIVE TIMELINE



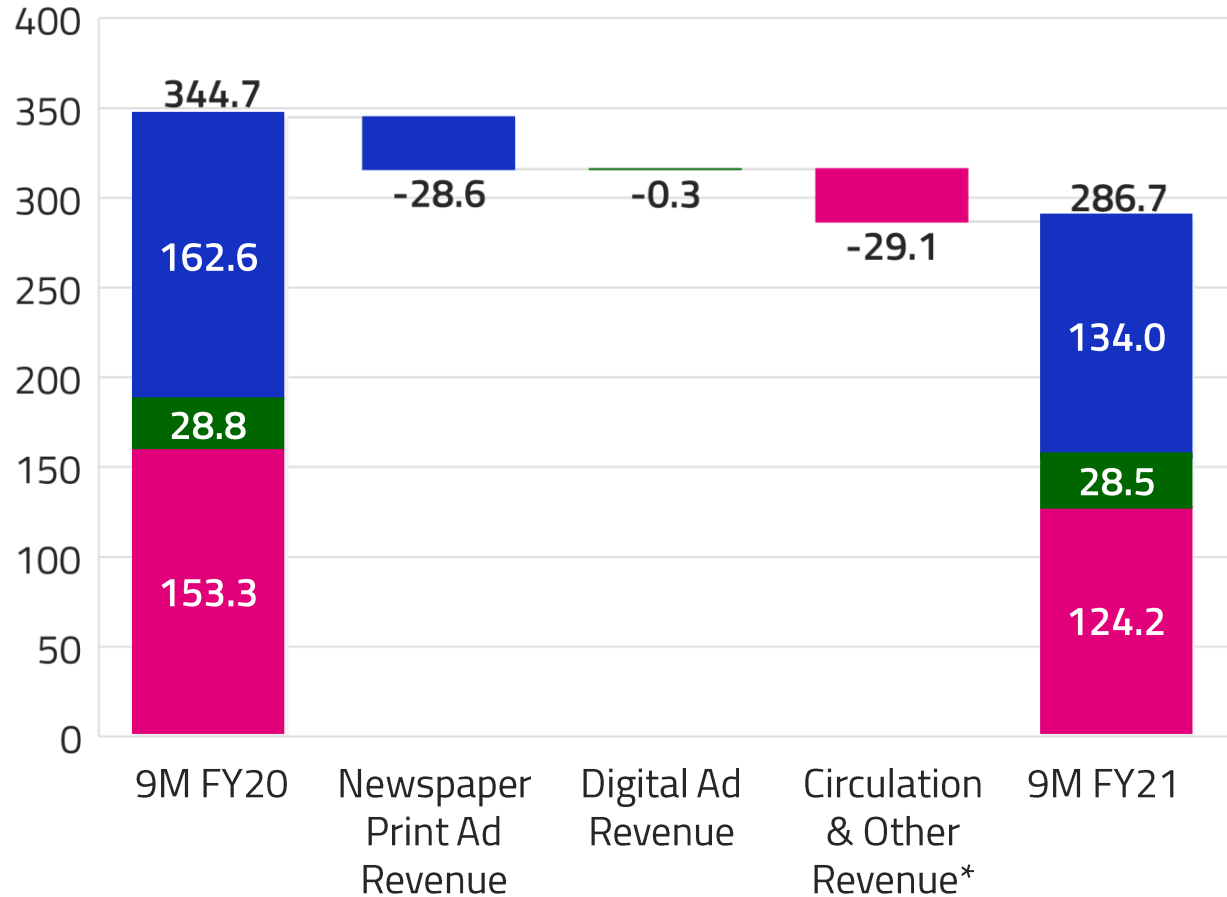
The above indicative timeline is subject to change and details will be announced as and when confirmed

MEDIA



MEDIA REVENUE LIKELY TO CONTINUE ON DOWNWARD TREND

Media Operating Revenue



Secular decline in print advertisement revenue continues

- Media operating revenue down 16.8% y-o-y led by Newspaper print ad decline of 17.6% y-o-y
- Certain ad sectors affected by Covid-19 such as consumer and travel yet to show significant rebound

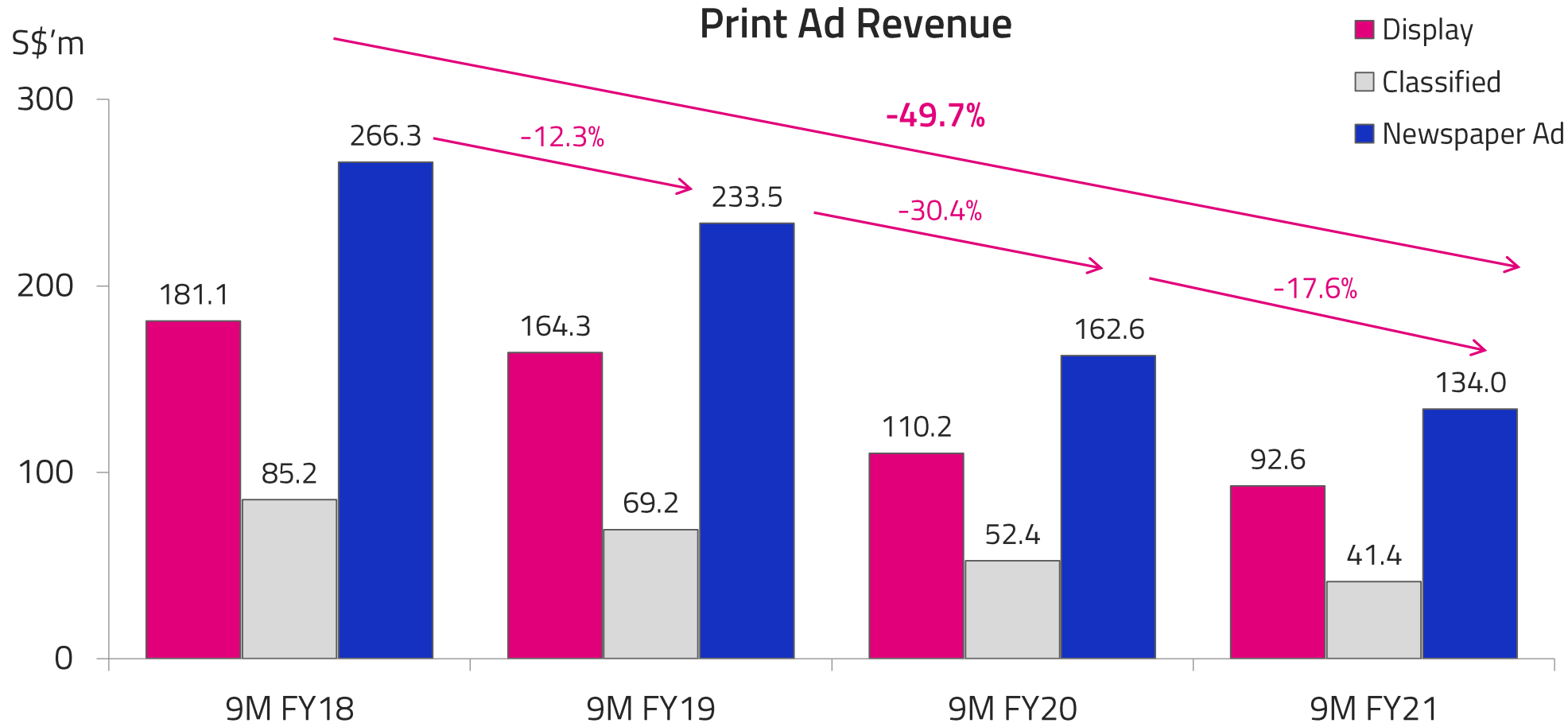
Challenging to cut overheads further

- Any further reduction in costs will adversely impact IT capabilities and affect retention of editorial talent
- IT opex and IT capex levels need to be maintained as part of ongoing digitalisation efforts

* Includes revenue from Buzz (divested in July 2020) and Other Sales

PRINT AD REVENUE DECLINED 17.6% Y-O-Y

Underlying secular decline continues to impact Newspaper Print Ad revenue even as overall economy recovers from the worst of Covid-19

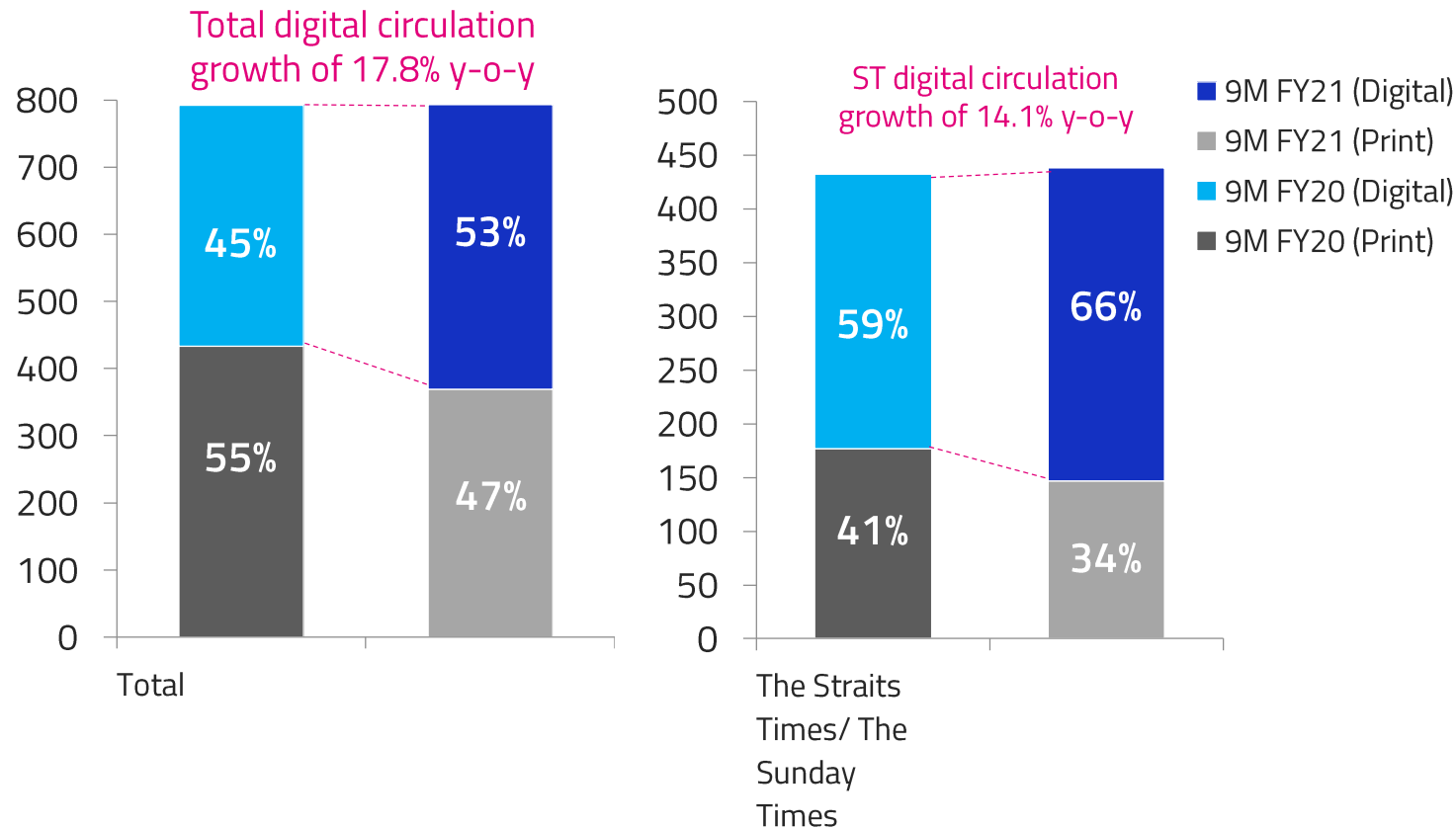


TOTAL CIRCULATION FLAT Y-O-Y DESPITE DIGITAL CIRC. GROWTH

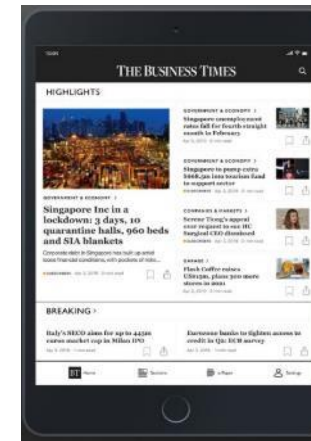
Digital circulation copies growth of 17.8% y-o-y offsets print circulation decline

- Digital circulation driven by robust performance > 20% from ZB, SM and WB

Daily Average Newspaper Circulation '000

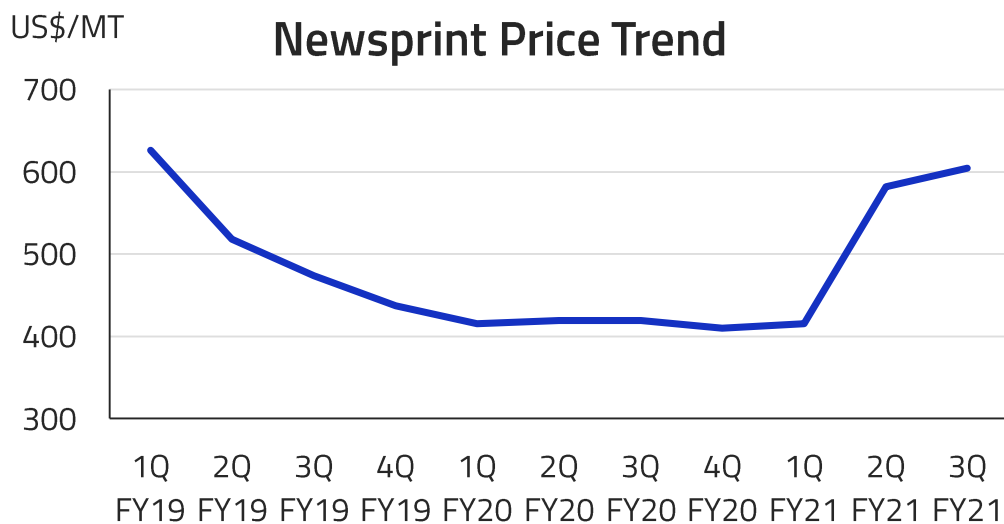
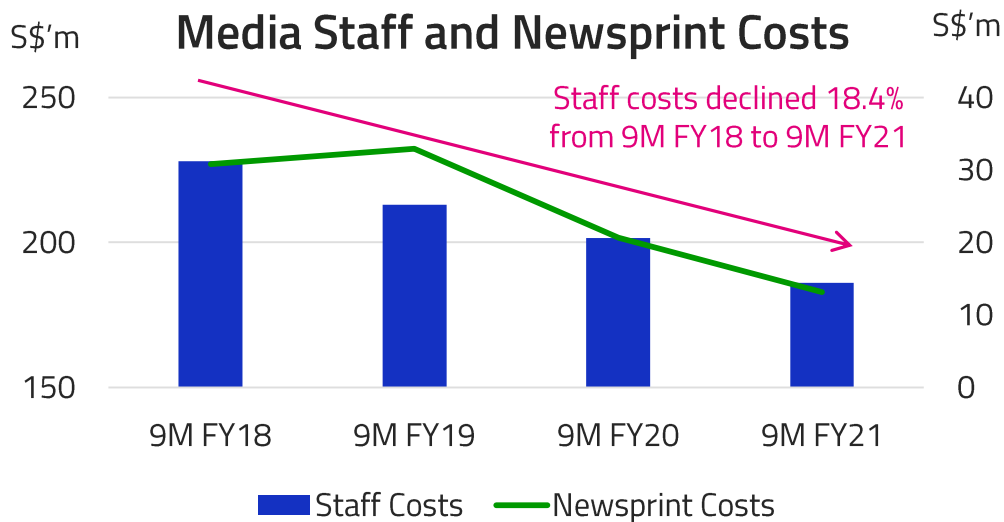


News Tablets subscriptions up 70.1% y-o-y



- BT tablets: 0.9k subs, 78% are new
- ST tablets: 22k subs, 54% are new
- Chinese tablets: 21k subs, 77% are new
- BH tablets: 2.8k subs, 88% are new

LITTLE SCOPE FOR FURTHER COST CUTS WITHOUT IMPAIRING QUALITY OF PRODUCTS



Management has put in significant effort to reduce costs over the years while maintaining IT investment for digitalisation efforts

- Challenging to reduce staff costs further
 - Need to bridge capabilities and resource gap in the newsrooms
 - Beefing up customer servicing and call centre team to drive circulation revenue
- IT investments needed to enhance digital offerings and for cybersecurity
- Production costs on the rise after falling
 - Pagination has been reduced over the years
 - But newsprint prices are on the rise due to shrinking supply as mills close due to Covid-19
 - Production overheads also rising as oil prices recover

Note: All figures exclude the financial effects of the Media restructuring proposal

RETAIL & COMMERCIAL

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RETAIL & COMMERCIAL: SUBURBAN MALLS REMAIN RESILIENT

Tenant sales for suburban malls in Singapore and Australia recovering to pre-Covid-19 levels seen in 2019

- Supported by close proximity to dominant catchment areas
- Full occupancy at The Clementi Mall, The Rail Mall and The Seletar Mall reflects strong resilience
- Paragon's tenant sales impacted by tourist arrivals due to border restriction and by local consumption due to Phase 2 Heightened Alert restrictions, mitigated by footfall from resilient medical office tower
- Limited cases in South Australia and shoppers' confidence was restored; continue to monitor the situation in New South Wales with the ongoing stay-at-home rules

SPH REIT: RECOVERY IN PERFORMANCE ACROSS ALL ASSETS

Marking a gradual recovery with improvements to Revenue and Distribution

- Gross revenue for YTD 3Q FY2021 increased 22.2% y-o-y led by recovery across all assets supported by:
 - Additional quarter of financial contribution from Westfield Marion relative to the same period last year
 - Decrease in rent reliefs to Singapore and Australia eligible tenants
- 3Q FY2021 DPU of 1.38 cents represents 11.3% increase vs 2Q FY2021

Diversified and resilient portfolio of assets in strategic locations with dominant catchments

- Portfolio occupancy rate of 98.4% for 3Q FY2021 driven by the resilience of the suburban malls with full occupancy at The Clementi Mall and The Rail Mall
- WALE of 5.4 years by NLA and 3.0 years by GRI

Proactive and prudent capital management to enhance Unitholders' returns and support strong balance sheet

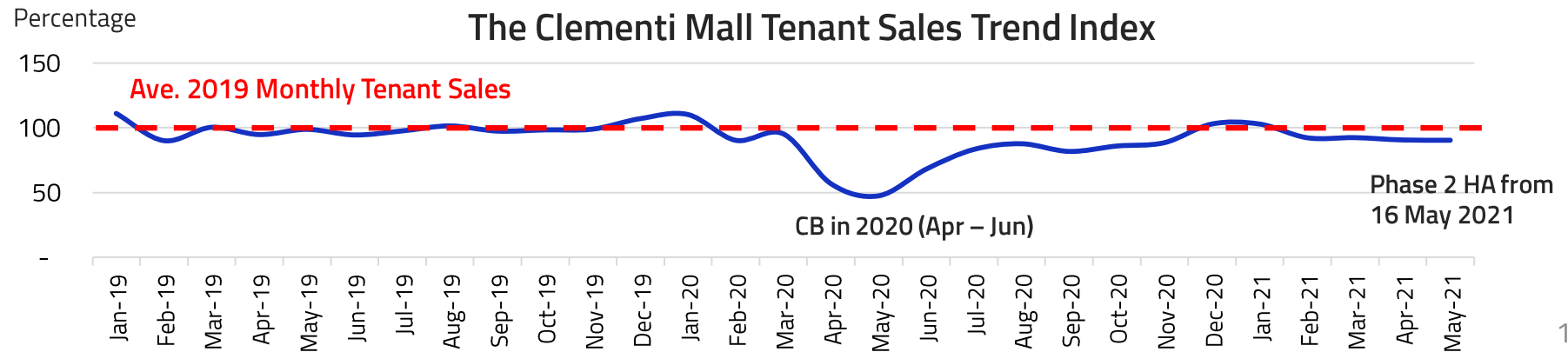
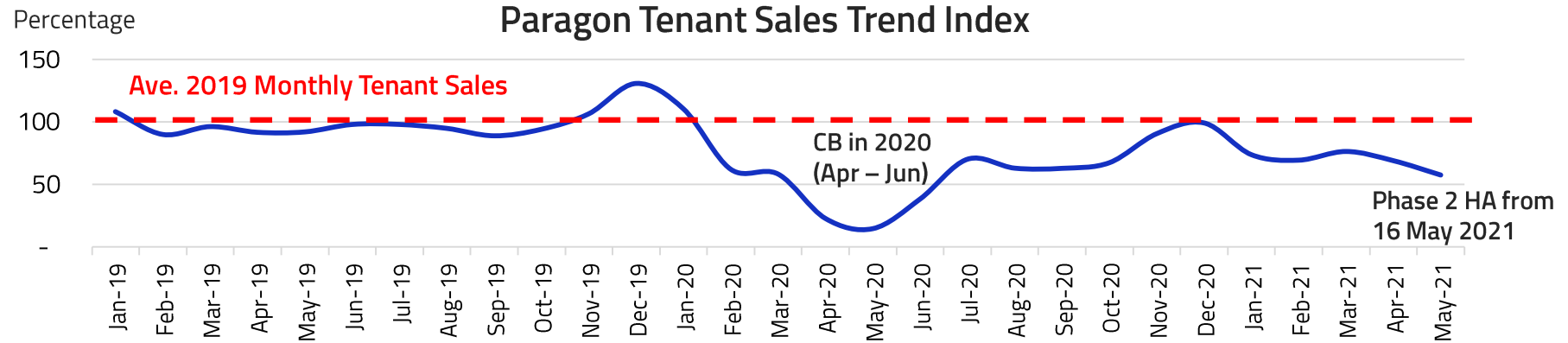
- Weighted average term to maturity of 2.9 years well staggered over the next five years
- Ample debt headroom with additional revolving credit facility lines of S\$225 million available

SPH REIT: GRADUAL RECOVERY FROM COVID-19 FOR SINGAPORE RETAIL ASSETS



Footfall and tenant sales stable and improving steadily in Phase 2 & 3, impacted by Phase 2 Heightened Alert (16 May-13 June)

- Gross revenue for YTD 3Q FY2021 up 16.3% y-o-y with decrease in rental relief granted to eligible tenants
- Continued focus on safeguarding health and safety for all stakeholders

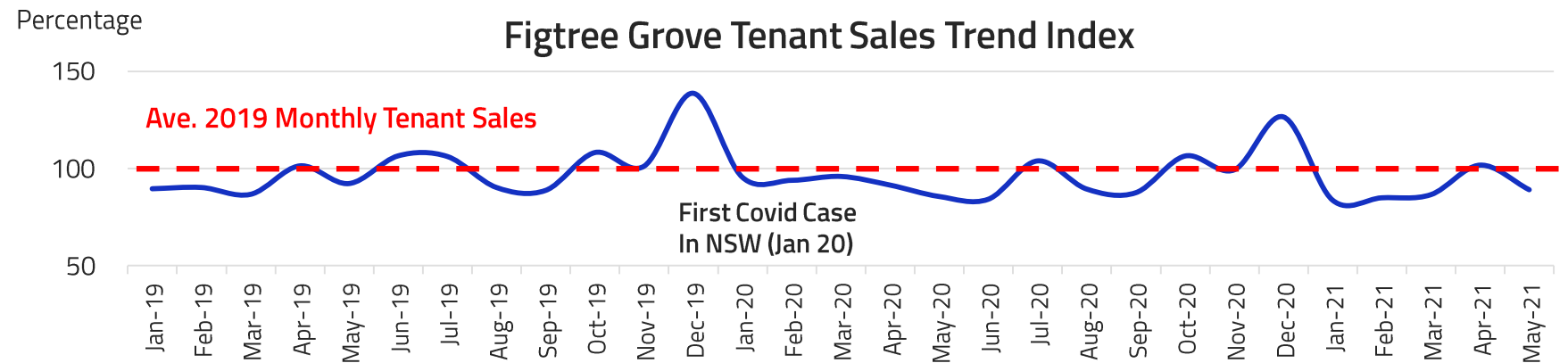
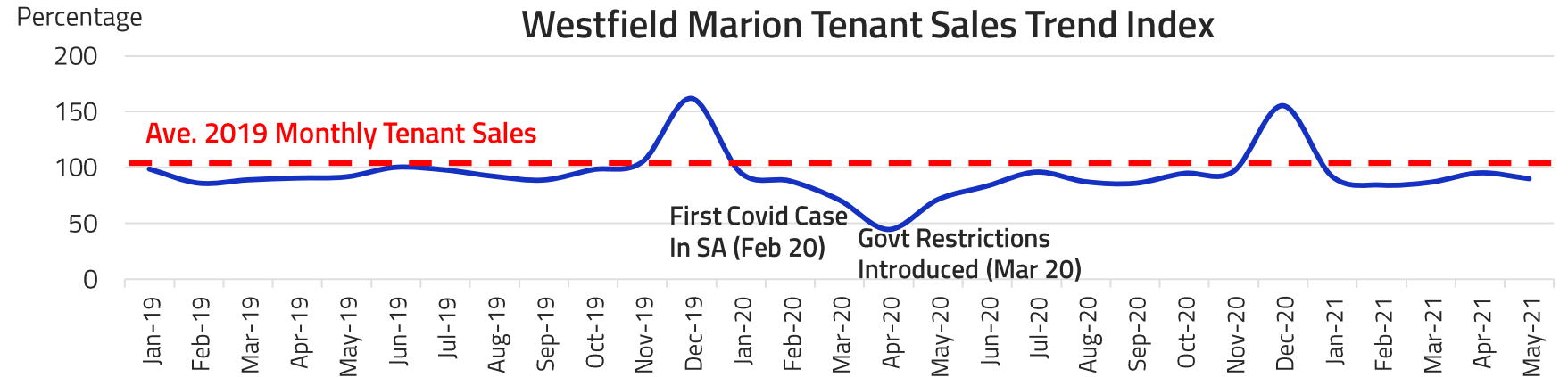


SPH REIT: TENANT SALES RESILIENT FOR AUSTRALIA RETAIL ASSETS



Tenant sales for both assets recovering steadily to near pre-Covid-19 levels

- Strategic and dominant location of both assets in their regions offer resilience and stability, underpinned by their strong tenant mix offering essential services
- Gross revenue for YTD 3Q FY2021 increased by 43.9% y-o-y due to additional 3 months contribution from Westfield Marion

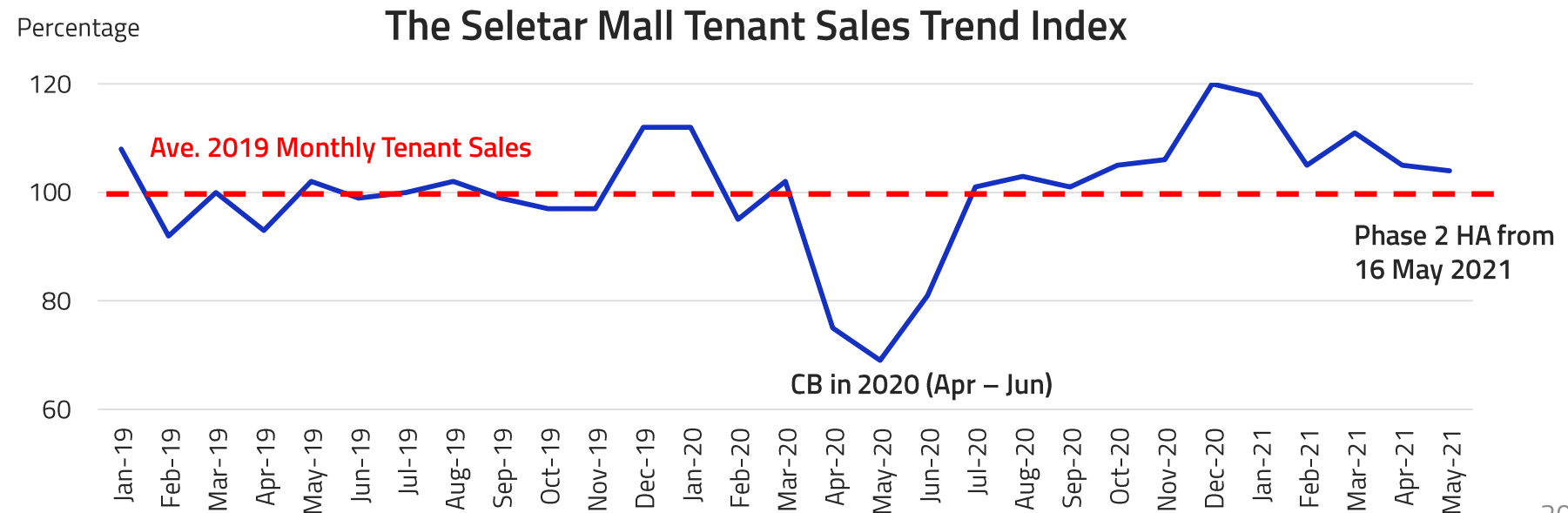


THE SELETAR MALL: TENANT SALES UP ~10% FROM 2019



Tenant sales 30.2% y-o-y higher compared to circuit breaker

- 100% tenant occupancy with 8% improvement in occupancy costs from pre-Covid-19 levels
- WALE of 2.1 years by NLA and GRI as at 31 May 2021
- 3Q FY2021 gross revenue surged 79.1% y-o-y partly due to lower rental relief and financing cost
- Positive rental reversions of 3% for expiring leases, reflecting resiliency of suburban malls amidst Covid-19



THE WOODLEIGH RESIDENCES: 58 UNITS SOLD IN MAR-JUNE 2021 AT >S\$2,100 AVERAGE PSF



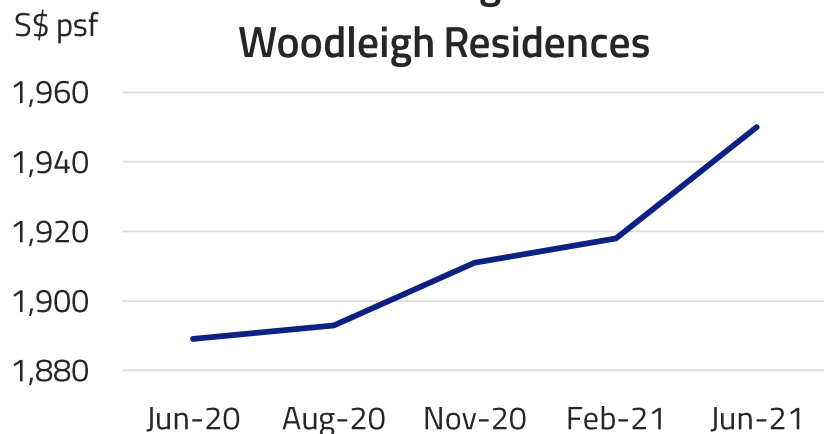
With new sales averaging >S\$2,100 psf, average psf for project has reached S\$1,950 psf

- Lakefront Series campaign, a rebranding of the best facing units, was launched on 6 February 2021 with special offers
 - 32 units sold (~5% of total units) at an average price of S\$2,177 psf
 - Achieved the highest psf of S\$2,467 in the entire development
- As at 30 June 2021, approx. 461 units (69% of total units) have been sold at an average price of S\$1,950 psf; breakdown of units sold:
 - 2 Bedrooms: 313/341 units sold (91.8%)
 - 3 Bedrooms: 139/271 units sold (51.3%)
 - 4 Bedrooms: 9/55 units sold (16.4%)
- Intensifying marketing efforts to sell remaining units

Committed occupancy for mall component at ~30%

- Confirmed tenants include premium supermarket brand, Fairprice Finest and leading enrichment centre, The Learning Lab

Cumulative Average Psf. Of The Woodleigh Residences



PBSA

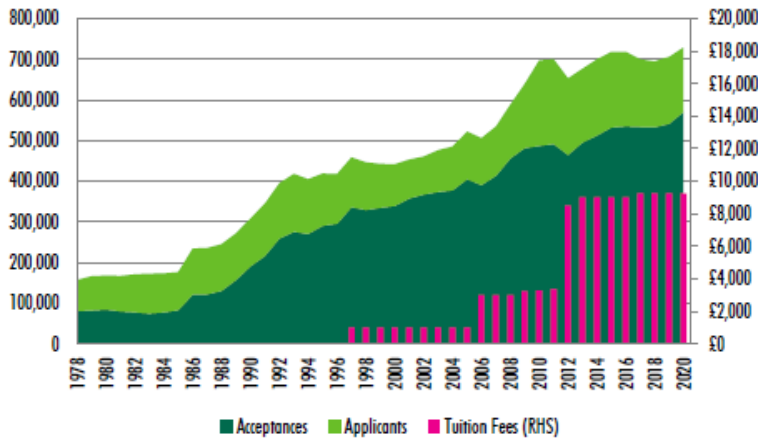
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STRONG DEMAND FROM UK AND FOREIGN STUDENTS IN 2021



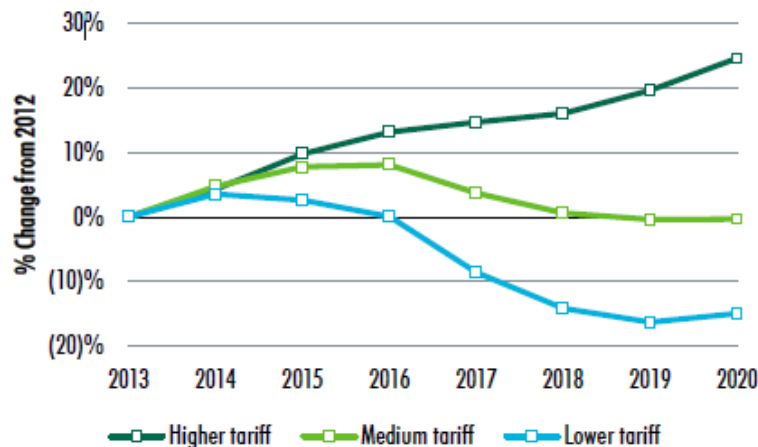
UCAS applications and acceptances



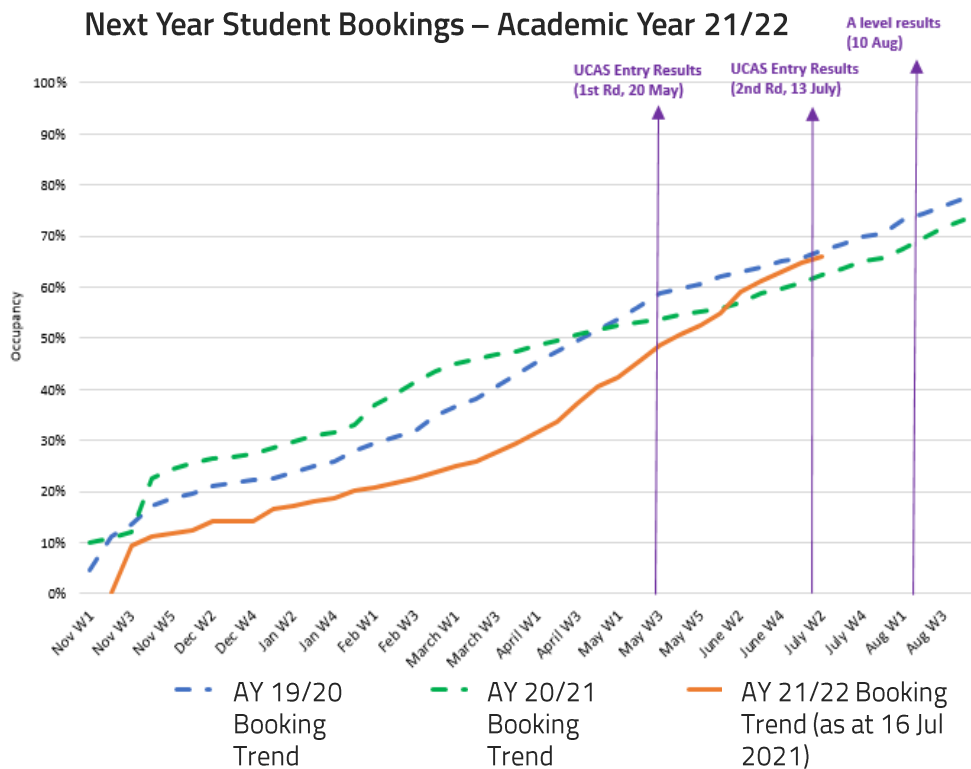
UCAS applications up 8% for AY 21/22, driven by UK 18 year olds (up 11%) and Non-EU students (up 17%)

- AY 20/21: UCAS applicants and acceptances increased 3.2% and 5.4% respectively
- Increase in enrolments for higher tariff universities
 - Enrolments and applications for higher tariff universities continue to outpace lower tariff universities by 13% and 25% respectively, as students prioritise highest quality education
- Demand for PBSA will continue to rise in the next 10 years
 - International demand: The UK Department of Education has targeted 600,000 international students by 2030
 - Local demand: UK's 18-year old population projected to increase 30% over the next 10 years; saw its highest 18-year old higher education participation rate in 2020 at 38%

Undergraduate UCAS applications by provider tariff



AY 21/22 BOOKINGS SURPASSED AY 20/21 SALES TREND; ON TRACK TO ACHIEVE PORTFOLIO OCCUPANCY > 90%



Achieved 73.7% of target revenue for AY 21/22 as at 16 July 2021 (up from 28% as at 26 Mar 2021)

- Bookings have picked up as UK announced re-opening on 19 July, giving students more assurance to start booking; AY 21/22 booking levels better than listed competitors
- International student demand remains strong with 52% of current bookings for Student Castle from Chinese students
- Pace of bookings to increase from July to August in line with the UCAS entry results and A level results
 - Local students, who tends to book later in the calendar year, expected to contribute significantly to the booking growth
- Sales and marketing initiatives to ramp up bookings such as:
 - Worked closely with agents for live viewing sessions
 - Participated in virtual and physical university open days

CAPITOL STUDENT & STUDENT CASTLE BRANDS PERFORMING WELL WITH 3 ASSETS AT FULL OCCUPANCY



New Student Castle properties (Oxford & Brighton) have outstripped last year's performance by 3 times

- Nomination agreement with two Oxford colleges (35% of rooms at Student Castle Oxford) for 178 beds
- Student Castle Durham has attained full occupancy
- Room rent prices raised for assets with strong booking momentum; potential to outperform target income with higher rent rates



Capitol Students properties which were brought in-house surpassed last year's performance by 14%

- Clifton & Stewart House and Hampton Square has attained full occupancy, having outperformed target revenue by 8%
- Surge in bookings has been underpinned by strong international demand, especially from Chinese students (73% of bookings)

ASSET ENHANCEMENT INITIATIVES (AEI) TO DRIVE HIGHER YIELD FOR PORTFOLIO



AEI on schedule to be completed for AY 21/22

- Reconfiguration of St Teresa (Plymouth) student rooms completed in March 2021; students to move from September 2021 onwards
- Started rejuvenation works for the common areas in Culver House (Bristol) as part of a 10-year nomination agreement with the university; expected to be completed by September 2021

New AEI project planned for Londonderry (Birmingham)

- Asset to be closed for AY 21/22 for redevelopment works to increase the yield of the asset through:
 - Optimisation of existing room configuration to create more studios which command a higher price point
 - Extension of building (3 floors) to create 25% more rooms

IMPROVING OPERATIONAL PERFORMANCE FOR HIGHER YIELDS



Restructuring exercise transferred 3 PBSA assets from a Luxembourg holding structure to a UK holding structure

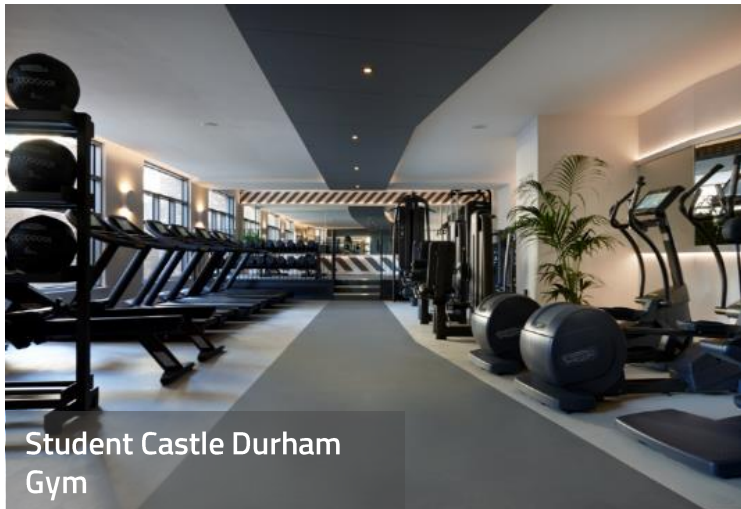
- Leeds, Sheffield and Southampton assets transferred on 1 June 2021 for better integration of asset management capabilities
- Generate operational cost savings of approximately £0.2m per year
- Funded by proceeds of £83.2m unsecured loan notes issued and listed on The International Stock Exchange on 1 June 2021



Commenced implementation of new WiFi infrastructure across all UK assets, to be completed by AY 21/22

- New WiFi provider appointed for AY2122; Next generation of WiFi (WiFi 6) to be implemented across all UK assets
- Enhanced WiFi service offering for students
- Generate operational cost savings of approximately £0.3m per year

COMPREHENSIVE PROPERTY MANAGEMENT CAPABILITIES FULLY ESTABLISHED IN-HOUSE



Capabilities built up in Facilities Management, Operations Management, Finance and Sales & Marketing

- IT systems enhanced (proprietary PMS booking system, SAGE 300 Finance system)

Key appointment holders within Property Manager appointed

- GM, FC and Regional managers appointed in preparation for management of all assets

Complete organic capabilities enable our brands to:

- Differentiate and compete more effectively against other portfolios that rely on outsourced managers
- Grow additional revenue streams by managing 3rd party assets

13 out of 28 assets currently managed in-house; on track for remaining UK assets to be transferred by 12 Oct 2021

- Efficiently manage operating costs
- Better control of the sales and marketing of our assets

ACTIVELY EXPLORING OPPORTUNITIES FOR NEW DEVELOPMENT SITES TO GROW PORTFOLIO



Achieving full suite of real estate capabilities in this sector with Fund Management function

- Tapping capital markets to further grow our PBSA portfolio:
 - Setting up a private fund to develop pipeline of development projects
- Investment criteria for acquisition of development properties include:
 - Assets must be yield accretive to existing PBSA portfolio
 - Assets located in cities with highly rated/tier one universities, such as Russell Group universities
 - Cities where PBSA supply is limited and number of student beds are insufficient to cater to the student population of the area
 - Assets within walking distance of university with quality amenities nearby



AGED CARE



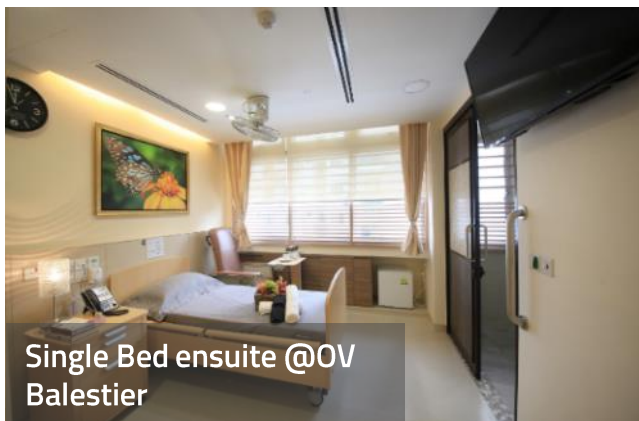
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AGED CARE: FOCUS ON DELIVERING 'BEST-IN-CLASS' CARE & SERVICE STANDARDS WITH AN ASSET-LIGHT STRATEGY



Improved performance for Orange Valley despite challenging Covid-19 pandemic

- Bed Occupancy Rate increased to 86% in May 2021 from 84% in Feb 2021
- Pre-emptive measures to manage Covid-19. e.g. First to roll out ART (Antigen Rapid Test) for residents, staff & visitors
- Increased efforts to deliver 'Best-in-class' care & service standards and implement new care models for mental health residents
- Continue CARE20 programme* to capture growing demand for aged care services
- Finalist in Ageing Asia 2020 for Best Active Ageing Programme
- Awarded Singapore Health Quality Service Awards 2021 - Best Team (Merit)



First successful tender as operator of Government-Built Nursing home at Bidadari

- Bidadari nursing home expected to begin operations by 2027
- Nursing home is co-located with a polyclinic within the housing estate
- Continue to bid for government-built nursing homes to build on economies-of-scale operations
- Deploy asset-light strategy in pursuing growth in local operations

*CARE20 is rolled out since March 2020 to alleviate families' need for eldercare services during Covid-19. Benefits applicable for private new admissions

AGED CARE: BUILDING A SIZEABLE PORTFOLIO OF OVERSEAS AGED CARE ASSETS TO BE A KEY BUSINESS PILLAR



Japan nursing home assets continued steady performance

- Underlying portfolio occupancy remained at >90+%
- No Covid-19 case in Japan assets due to enforcement of strict rules on visits, safe distancing and infection control measures
- Lessees of all 5 assets continue to pay rent on time
- Sourcing for good assets for possible acquisition to expand Japan portfolio

Seek growth opportunities in Canada, Australia and UK

- Build capabilities as asset managers of senior living facilities in target geographies
- Establish and nurture network to build pipeline of acquisition targets
- Leverage on favourable market conditions & macroeconomic policies to capture opportunities
- Continue momentum of acquisitions to build up a sizeable portfolio of overseas aged care assets to complement local operations

DIGITAL & OTHERS

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UPDATE ON KEY DIGITAL BUSINESSES



SGCARMART.COM
THE ONLY PLACE FOR SMART CAR BUYERS

sgCarMart's 3Q FY2021 revenue grew 18% y-o-y with better sales performance

- Average number of monthly visitors grew 32% while average number of monthly page views rose 37%
- Used car listings achieved higher pricing and volume
- SgCarMart's auction subsidiary Quotz sold 65% more vehicles to hit new record sales volume



M1 to transfer network assets to special purpose vehicle (SPV) set up by Keppel DC REIT and M1 for S\$580m

- Recycling capital from M1 as part of SPH efforts to extract value from legacy digital investments
- Transaction frees up capital for M1 to invest in new capabilities such as 5G and fund future growth initiatives

DELIVERING VALUE FROM DIGITAL PORTFOLIO



Carousell exploring a merger with a SPAC in ~US\$1.5bn IPO

- Provides potential opportunity for SPH to divest its 2% stake in Carousell at significant profit above carrying cost



iFast leading consortium applying for digital bank licence in Malaysia

- S\$240m remeasurement gain for SPH with higher share price (May 2021: S\$8.57 vs Aug 2020: S\$2.30)



SPH to get existing Coupang shares from SPV after lock up period ends Sep 2021

- S\$100m remeasurement gain compared with Aug 2020

FastJobs bringing in new investors to raise capital

- Fund raising to strengthen leadership position in Singapore, accelerate Malaysia's expansion, launch new markets and develop new products & services
- Revenue grew strongly with expansion of product offerings and customer base



DATA CENTRE ATTRACTS STRONG PRE-LEASE INTEREST



Gaining exposure to New Economy and data centre as an asset class

- Demolition work for buildings 1 and 2 completed in Mar 2021 and May 2021 respectively
- Attracting strong pre-lease interest from Cloud Service Providers ('CSPs') given the tight supply situation



Total IT Capacity

Building 1 (21.6MW)
Building 2 (22.4MW)
Total: 44.0MW

Target Completion

Building 1 (Mar 2024)
Building 2 (Feb 2025)

CAPITAL MANAGEMENT

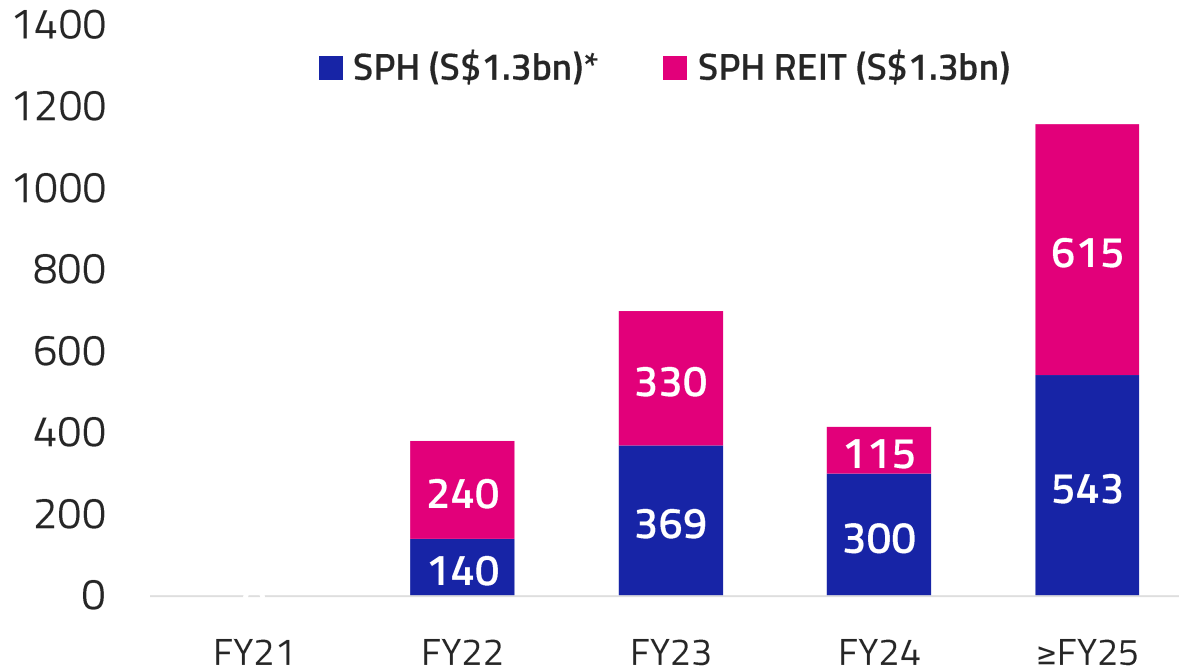
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RESILIENT BALANCE SHEET

Repaid S\$325m revolving credit facilities to avoid negative carry
 Adequate cash balance for future investment opportunities

Term Debt Maturity Profile (S\$ million)
 Approx. S\$2.6 billion as at 31 May 2021



	28 Feb 2021	31 May 2021
Weighted Average Debt to Maturity	3.9yr	↓ 3.7yr
Cash balance	S\$960m	↓ S\$713m
Outstanding RCF	S\$705m	↓ S\$380m

Note: Excludes RCF and perpetual securities of SPH and SPH REIT
 * S\$1.3bn debt is for SPHL and all consolidated subsidiaries (Excluding SPH REIT)
 All figures exclude the financial effects of the Media restructuring

SUMMARY



STRATEGIC REVIEW ONGOING WITH FOCUS ON GROWING EXISTING BUSINESSES



- **Media:** Restructuring of media assets and operations necessary as print media's secular decline continues
- **Retail & Commercial:** The Group will continue to expand this segment while exploring diversification into alternative defensive cash-yielding assets to grow its recurring income
- **PBSA:** Capitalising on the UK PBSA market's strong fundamentals and Covid-19 recovery to grow to be a sizeable owner-operator
- **Aged Care:** Scale up this segment to be a key business pillar by bidding for more government-built nursing homes and further acquisitions overseas
- **Digital:** Leveraging on our telco and data centre investments to identify, engage and nurture New Economy businesses

THANK YOU

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