Keppel Corporation Limited
(Co Reg No. 196800351N)
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.kepcorp.com

Tel: (65) 62706666
Fax: (65) 64136452

Media Release

Keppel Corporation proposes S$2.2 billion strategic acquisition of Singapore Press Holdings ex-Media ("SPH") in line with Vision 2030 growth plans

- *Rare and attractive opportunity to acquire synergistic portfolio, with Keppel uniquely positioned to enhance and unlock value of SPH's portfolio*
- *Strategic alignment with Keppel's Vision 2030 focus areas of Urban Development, Connectivity and Asset Management, including*
  - *Entering emerging purpose built student accommodation ("PBSA") sector*
  - *Expanding presence in senior living*
  - *Participating in retail recovery via SPH REIT and its manager*
  - *Consolidating ownership of M1 and Genting Lane data centre asset*
- *Accretive acquisition will expand Keppel's growth engines and improve quality of earnings, in line with its asset-light business model:*
  - *6% growth in earnings per share to 17.5 cents on a pro forma basis[1]*
  - *18% growth in additional recurring income on a pro forma basis[2]*
  - *27% potential growth in Keppel Capital's assets under management to S$47 billion*
- *Supported by Keppel's asset monetisation programme, Keppel's leverage is expected to remain <1x, providing sufficient capacity to pursue other growth opportunities*

Singapore, 2 August 2021 – Keppel Corporation Limited ("Keppel" or the "Company", and together with its subsidiaries, the "Group") announced today a scheme of arrangement (the "Scheme") through its wholly-owned subsidiary, Keppel Pegasus Pte Ltd (the "Offeror"), to acquire all of the issued and paid-up ordinary shares in the capital of SPH (excluding treasury shares), with the intention to delist and privatise SPH, following the carve out of the SPH media assets. This acquisition will accelerate Keppel's Vision 2030 plans to be an integrated business providing solutions for sustainable urbanisation, with an asset management arm to fund the Group's growth and provide a platform for capital recycling.

[1] See page 4 under "Pro forma financial impact". This statement on growth in earnings per share is not intended as a profit forecast and should not be construed as such. This statement should not be interpreted to mean that earnings per share in any future financial period will necessarily be greater than those for the relevant preceding financial period.

[2] See page 4 under "Pro forma financial impact". This statement on additional recurring income is not intended as a profit forecast and should not be construed as such. This statement should not be interpreted to mean that recurring income in any future financial period will necessarily be greater than those for the relevant preceding financial period.

The Offeror and SPH have entered into an implementation agreement setting out the terms and conditions on which the parties will carry out the Scheme:

- Under the terms of the Scheme, the Offeror will offer an implied aggregate consideration of c.S$2,237 million[4], comprising cash of S$1,080 million[3] and c.26% of Keppel REIT units worth c.S$1,156 million[4] (collectively the "Offeror Consideration") to SPH shareholders, who will be entitled to S$0.668 cash and 0.596 Keppel REIT unit for every SPH share held.
- As part of the Scheme, SPH will concurrently distribute in specie c.45% of its stake in SPH REIT valued at c.S$1,157 million[5] to SPH shareholders, while retaining a 20% stake in SPH REIT (the "DIS"). SPH shareholders will be entitled to 0.782 SPH REIT units for every SPH share held.

The sum of the Offeror Consideration and the SPH REIT units to be distributed by SPH to its shareholders in accordance with the Scheme has an implied value of $2.099 per SPH share, which represents a 16.2% premium over the one-month volume weighted average price of SPH's shares as of 30 July 2021 and a 11.6% premium over the closing price on 30 July 2021.

The proposed transaction is expected to be completed by December 2021, and is subject to, amongst others, approvals by Keppel's and SPH's shareholders at their respective extraordinary general meetings in the coming months, regulatory approvals, and the sanction of the Scheme by the High Court of Singapore. For further details on the proposed transaction, please refer to the joint announcement released today by the Offeror and SPH (the "Joint Announcement") and the SGXNET announcement released today by Keppel in relation to the proposed transaction (the "Keppel Announcement").

Acquisition of highly synergistic businesses - SPH possesses a quality portfolio of businesses and assets which are strongly aligned with Keppel's business and will complement and strengthen three out of Keppel's four focus areas, namely Urban Development, Connectivity and Asset Management. These include SPH's businesses and assets such as PBSA, senior living, stakes in SPH REIT and its REIT manager as well as other development assets. The proposed acquisition of SPH would also allow Keppel to consolidate its existing ownership of M1 and the Genting Lane data centre asset, which are currently jointly owned. Keppel is uniquely positioned to enhance and unlock the value of SPH's assets and operations by harnessing the synergies of the larger Keppel ecosystem, including leveraging Keppel Capital as a platform for capital recycling and tapping third-party funds for growth. A number of SPH's assets are relatively

[3] Based on SPH diluted share count of 1,617 million.

[4] Based on Keppel REIT unit price of S$1.200/unit as of 30 July 2021 and SPH diluted share count of 1,617 million.

[5] Based on SPH REIT unit price of S$0.915/unit as of 30 July 2021 and SPH diluted share count of 1,617 million.

stabilised and can be monetised through the Keppel-managed REITs and business trust within the next three years.

New growth engines for Keppel - The acquisition of SPH will complement Keppel Land's plans to move beyond a developer model to providing urban development solutions. It would also accelerate Keppel's expansion into the highly resilient and fast growing student accomodation and senior living sectors, where SPH has established a strong track record and presence. SPH's PBSA business will provide Keppel with an immediate and sizeable foothold in the attractive United Kingdom market, which is underpinned by rising domestic and international demand for higher education. The integration of SPH's senior living business also adds to and diversifies Keppel's senior living business in the United States under the Watermark brand, providing access to new markets in Singapore and Japan.

Drives growth in AUM and recurring income – Keppel Capital's pro forma assets under management (AUM) can potentially grow by about c.27% from c.S$37 billion as at end-2020 to c.S$47 billion following the acquisition, through the addition of SPH REIT's AUM, PBSA, senior living and other assets. This is expected to further enhance the asset management platform under Keppel Capital, improving the diversity of its asset classes, as well as increasing recurring fee-based and investment income. In addition, the proposed transaction would allow Keppel to acquire a strategic stake in SPH REIT and full ownership of its REIT manager, which will provide a retail-focused vehicle to augment Keppel Capital's stable of offerings and provide a natural platform for the recycling of Keppel's retail assets. Post transaction, Keppel will hold approximately 20% stakes in both Keppel REIT and SPH REIT and will be fully committed to support the growth of both REITs.

Mr Loh Chin Hua, CEO of Keppel Corporation Limited said, "The proposed acquisition of SPH is very much in line with Keppel's Vision 2030, where we seek to grow Keppel's business as a provider of solutions for sustainable urbanisation through organic and inorganic options. This is a rare opportunity to acquire SPH's non-media portfolio, which fits very well with Keppel's business and growth strategy. Given Keppel's business model and focus areas, we are uniquely positioned to enhance and unlock the value of SPH's portfolio. The two companies are already close partners in businesses such as M1, Prime US REIT and the development of the data centre at Genting Lane in Singapore. The acquisition would allow us to reap further synergies between Keppel and SPH, and also allow Keppel to enter the fast-growing PBSA sector and accelerate our expansion in senior living.

"The proposed acquisition is accretive to Keppel's earnings on a pro forma basis and would boost our AUM as well as recurring income. We have said before that Keppel does not need to hold all of our current 46% stake in Keppel REIT. The utilisation of Keppel

REIT units to partly satisfy the scheme consideration allows us to limit the impact to our gearing.

"From October 2020 to date, Keppel has announced asset monetisation of more than S$2.3 billion. About half of the transactions have been completed so far, and we have received cash of about S$1.15 billion from October 2020 to end June 2021. Following this transaction and as we continue our asset monetisation programme, our leverage is expected to remain below 1.0x. We will have sufficient headroom for Keppel to continue exploring opportunities in other growth areas, such as renewables and decarbonisation solutions, in line with Vision 2030.

"If the transaction is successfully completed, Keppel will hold approximately 20% stakes in both Keppel REIT and SPH REIT and we are fully committed to support the growth of the two REITs. We will be able to harness synergies from managing SPH REIT as a part of Keppel Capital's much larger asset management platform, with a pipeline of potential assets which can be injected into the two REITs. Keppel 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. If the acquisition is successfully completed, we will also tap Keppel's strong record in capital management to explore how we can create value from SPH's assets, including possible new REIT listings or monetising certain liquid investments when the timing is right."

Pro forma financial impact

For illustrative purposes only, based on the Group's unaudited results for the half year ended 30 June 2021 (1H2021):

(a) had the Scheme been effective on 1 January 2021, the earnings per share for 1H2021 would have increased from 16.5 cents (if there is no Scheme in place) to 17.5 cents[6] (after the Scheme);

[6] (1) Excludes the gain arising from the change in interest in Keppel REIT held by the Group. If the gain had been included, the net profit would have increased to approximately S$391 million, and EPS would have increased to approximately 21.5 cents. (2) This statement on growth in EPS 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. (3) In computing the financial impact of the Proposed Transaction on pro forma earnings per share, financial statements with different half year ends were used (being 30 June 2021 for the Group and 28 February 2021 for SPH and its subsidiaries (collectively, the "SPH Group")). (4) Based on (a) the Group's unaudited results for the half year ended 30 June 2021 (the "KCL 1H2021 Results"), (b) the SPH Group's unaudited consolidated financial statements for the half year ended 28 February 2021 (the "SPH 1H2021 Results"), (c) SPH REIT's unaudited consolidated financial statements for the half year ended 28 February 2021 (the "SPH REIT 1H2021 Results"), (d) information obtained during the course of due diligence, and taking into account (i) the financial effects of the restructuring of the media business of SPH (the "Media Business Restructuring") (but excluding restructuring adjustments such as the effect of the assumption of certain liabilities, costs and expenses on profit after tax and non-controlling interests ("PATMI") arising from the Media Business Restructuring) and (ii) the DIS on SPH based on the SPH 1H2021 Results.

(b) had the Scheme been effective on 1 January 2021, the Group's recurring income for 1H2021 would have increased from S$152 million (if there is no Scheme in place) to S$179 million[7] (after the Scheme); and

(c) had the Scheme been effective on 30 June 2021, the net tangible assets per share as at 30 June 2021 would have decreased from S$5.23 (if there is no Scheme in place) to S$5.19[8] (after the Scheme).

Advisers

J.P. Morgan (S.E.A.) Limited is the sole financial adviser, and WongPartnership LLP is the legal adviser, to the Company in respect of the proposed transaction and the Scheme.

Further information on the proposed transaction and the Scheme can be found in the Joint Announcement, the Keppel Announcement and the Company's investor presentation, which can be downloaded from SGXNET or from the Company's website. This media release is qualified in its entirety by, and should be read in conjunction with, the full text of the Joint Announcement and the Keppel Announcement. In the event of any inconsistency or conflict between the Joint Announcement and the Keppel Announcement on one hand and the information contained in this media release on the other, the Joint Announcement and the Keppel Announcement shall prevail.

Responsibility Statements

The directors of the Company (including those who may have delegated detailed supervision of this media release) have taken all reasonable care to ensure that the facts stated and opinions expressed in this media release which relate to the Company (excluding information relating to SPH, SPH REIT and Keppel REIT, save for the Company's unitholding interest in Keppel REIT) are fair and accurate and that there are no other material facts not contained in this media release, the omission of which would

[7] (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 cash consideration used to fund the transaction. (2) Based on (a) the KCL 1H2021 Results (as defined herein), (b) the SPH 1H2021 Results (as defined herein), (c) the SPH REIT 1H2021 Results (as defined herein), (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).

[8] (1) In computing the financial impact of the proposed transaction on pro forma net tangible assets per share, financial statements with different half year ends were used (being 30 June 2021 for Keppel and 28 February 2021 for SPH). (2) Based on (a) the KCL 1H2021 Results (as defined herein), (b) the SPH 1H2021 Results (as defined herein), (c) the SPH REIT 1H2021 Results (as defined herein), (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.

make any statement in this media release misleading. The directors of the Company jointly and severally accept responsibility accordingly.

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

Forward-looking Statements

All statements other than statements of historical facts included in this media release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future and 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 should not place undue reliance on such forward-looking statements. Neither the Company nor J.P. Morgan (S.E.A.) Limited guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

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For more information, please contact:

Ivana Chua (Ms)
Deputy General Manager
Group Corporate Communications
Keppel Corporation Limited
DID: (65) 6413 6436
Email: ivana.chua@kepcorp.com

About Keppel Corporation

Keppel Corporation is one of Singapore's flagship multinational companies with a global footprint in more than 20 countries. Keppel provides solutions for sustainable urbanisation, focusing on four key areas comprising energy & environment, urban development, connectivity and asset management. With sustainability at the core of its strategy, Keppel harnesses the strengths and expertise of its business units to develop, operate and maintain real assets, which provide diverse solutions that are good for the planet, for people and for the Company.