

# FINANCIAL RESULTS FY2021

5 OCTOBER 2021



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# AGENDA

- Business Overview
- FY2021 Financials\*
- Update on Business Segments
  - Media
  - Retail & Commercial
  - PBSA
  - Others
    - Aged Care
    - Digital
- Capital Management and Dividend
- Summary



\* The Group undertook a strategic review during the financial year ended 31 Aug 2021 (FY2021) and announced the media restructuring on 6 May 2021. Approvals have been obtained from its shareholders on 10 September 2021 to transfer its Media business to a not-for-profit company limited by guarantee (“CLG”).

Results of the Media segment have been classified under discontinued operation for FY2021 with prior year comparatives restated. Continuing operations comprise businesses of Retail & Commercial, Purpose-built Student Accommodation (PBSA) and Others.

# BUSINESS OVERVIEW: SPH (CONTINUING OPS) GREW IN ALL SEGMENTS



## FY2021 – Continuing Operations

- Continuing operations rebounded with PBT of S\$325.0m for FY2021 vs a loss of S\$73.3m in FY2020
- Excl. FV changes, PBT of continuing operations was S\$258.4m for FY2021, a 62.8% rise from S\$158.7m in FY2020 with improved performance from PBSA and Retail & Commercial and an expanded portfolio
- Operating profit rose 69.8% yoy to S\$206.7m with good contribution from all business segments
- **Retail & Commercial: FY2021 profit: S\$185m, FY2020 profit: S\$140.2m (+31.9%), before FV changes**
  - Full-year contribution from Westfield Marion acquired by SPH REIT in Dec 2019
  - Lower tenant rental relief with recovery in tenant sales
- **PBSA: FY2021 profit: S\$37.1m, FY2020 profit: S\$7.9m (+371.8%), before FV changes**
  - Boosted by full-year contribution from Student Castle portfolio acquired in Dec 2019
- **Others: FY2021 profit: S\$44.3m, FY2020 profit: S\$6.4m (+599.1%)**
  - Aged Care benefitted from increased contribution from Japan nursing homes portfolio
  - Higher dividend income from Treasury investments, divestment gains from online classifieds business, FV gains on freehold bungalows

# BUSINESS OVERVIEW: AVOID FUTURE LOSSES AND FUNDING NEEDS OF MEDIA AFTER RESTRUCTURING



## FY2021 Discontinued operation, Media FY2021 loss: S\$128.3m (FY2020 loss: S\$12.0m)

- Excluding JSS (FY2021: S\$17.8m, FY2020: S\$28.1m), Media loss was S\$38.7m<sup>1</sup> in FY2021 compared to S\$40.1m in FY2020. Including the loss in FY2020, the cumulative loss is S\$78.8m
- FY2021 includes Media restructuring loss of S\$115.3m<sup>2</sup> and operating loss of S\$13.0m
- In FY2022, losses arising from the additional contribution of S\$80m cash, SPH REIT units and SPH ordinary shares of approx. S\$115.5m<sup>2</sup> will be recognised on completion of the transfer of the Media business to CLG
- Including transaction expenses and restructuring costs of S\$12.5m, total losses relating to the media restructuring based on net asset value as at 31 Aug 2021 would be approx. S\$243.3m (Per circular : S\$262.3m based on net asset value as at 28 Feb 2021)

## Post year-end

- Shareholders' approval obtained on 10 Sept for the transfer of the Media business to a not-for-profit company limited by guarantee (CLG)
- Restructuring has started with operationalisation of SPH Media since 1 Oct 2021
- Completion of transfer of Media business is tentatively scheduled in Dec 2021
- Privatisation offer by Keppel Corp to be decided by shareholders around mid Nov 2021, pending clearance of the Composite Document by SGX

<sup>1</sup> Excluding JSS and including the effect of depreciation charges. Depreciation ceased when the media assets were reclassified as held for sale from 6 May 2021 and fully impaired, hence further depreciation of S\$7.9m for the remaining period up to 31 August 2021 was not taken up in the income statement.

<sup>2</sup> Loss on media restructuring of S\$115.3 million recognised in FY2021 relates to net asset value of the Media business as at 31 August 2021 that will be transferred to the CLG for nominal consideration. This amount will be adjusted in the FY2022 income statement based on the net asset value of the Media business on the completion date of the transfer to the CLG.

# FY2021 FINANCIALS



# GROUP FY2021 FINANCIAL HIGHLIGHTS

	FY2021 S\$'000	FY2020 S\$'000	Change %
Total revenue	475,078	464,153	2.4
Total costs	(268,378)	(342,417)	(21.6)
Operating profit	206,700	121,736	69.8
FV change on inv. properties	66,585	(232,013)	NM
Share of results of assoc/ JVs	6,680	3,894	71.5
Net income from investments	35,592	17,382	104.8
<b>Profit/(Loss) before taxation</b>	<b>325,015</b>	<b>(73,297)</b>	<b>NM</b>
<b>Profit/(Loss) after taxation (continuing operations)</b>	<b>278,011</b>	<b>(100,537)</b>	<b>NM</b>
<b>Loss from discontinued operation</b>	<b>(128,340)</b>	<b>(11,965)</b>	<b>972.6</b>
<b>Profit/(Loss) after taxation</b>	<b>149,671</b>	<b>(112,502)</b>	<b>NM</b>
<b>Net profit attributable to s'holders</b>	<b>92,942</b>	<b>(83,676)</b>	<b>NM</b>

## Operating profit up 69.8% y-o-y driven by higher income from growth in portfolio AUM

- Total revenue was stable due to:
  - Higher rental income from Retail & Commercial and PBSA driven by expanded portfolio and lower rental relief
  - Partially offset by absence of revenue from supply of masks by Aged Care last year
- Total costs reduced by 21.6% mainly due to:
  - Lower costs of Aged care in line with the lower revenue
  - Absence of impairment of intangible assets of S\$17.5m from Orange Valley, PBSA in FY2020
- FV change on inv. properties of S\$66.6m arose from the increase in property valuation of retails malls (S\$21.9m), PBSA portfolio (S\$34.7m) and bungalows (S\$9.5m)
- Investment income increased mainly due to higher dividend income from Treasury investments
- Share of results of assoc/JVs rose 71.5% with improved performance from Woodleigh development
- Loss from discontinued operation relates to results of the Media business. FY2021 loss of S\$128.3m comprised loss on media restructuring of S\$115.3m and operating loss of the business of S\$13.0m

- Results of continuing operations: Retail & Commercial, Purpose-built Student Accommodation (PBSA) and Others

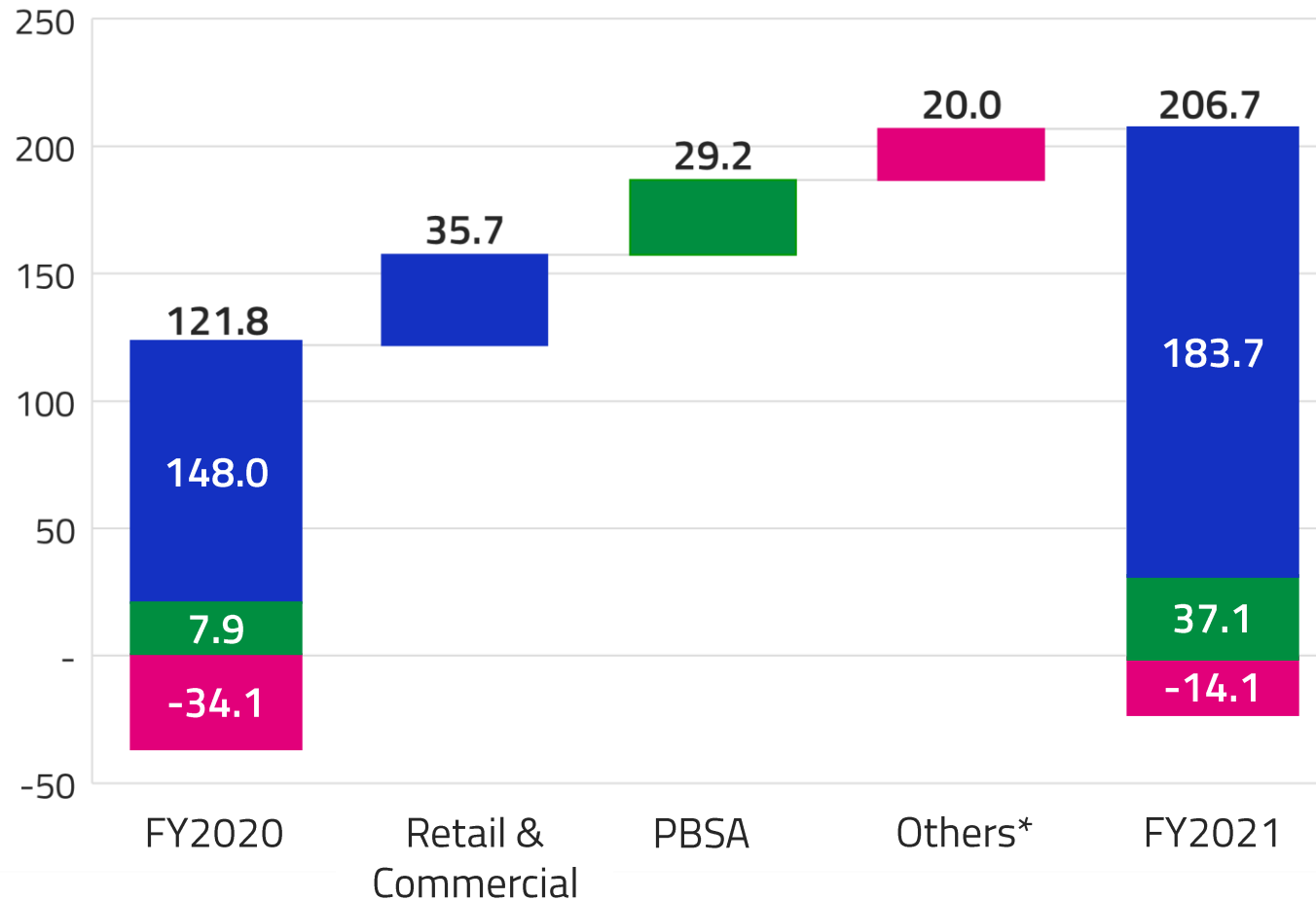
- Results of the media segment are classified under discontinued operations with prior year comparatives restated

FY2021 saw a gain of S\$297.1 million from investments classified as "Fair Value through Other Comprehensive Income" (FVOCI). These included digital investments such as iFast and Coupang which saw market price improvements in

FY2021

# GROUP FY2021 SEGMENTAL HIGHLIGHTS (CONTINUING OPS)

## Operating Profit



**Operating profit grew 69.8% yoy with improved performance across all business segments**

- Retail and Commercial operating profit increased S\$35.7m (24.1% yoy) mainly due to full year contribution from Westfield Marion and lower tenant rental relief
- PBSA operating profit rose by S\$29.2m (371.8% yoy) partly due to full year contribution from Student Castle portfolio
- Others operating profit grew S\$20.0m with contributions from Aged Care and key digital businesses such as sgCarMart and Fastjobs

\*Includes Digital, Aged Care, Exhibitions, KBS Prime and Treasury



# FAIR VALUE ADJUSTMENTS TO INVESTMENT PROPERTIES



Investment Properties	Book Value (S\$'m)	Fair Value (S\$'m)	FV Change (S\$'m) from Book Value FY2021	Contribution to Total FV Change (%)
PBSA	1,471.8	1,506.5	34.7	52.1
Paragon (Freehold)	171.0	190.0	19.0	28.5
Residential (Bungalows)	134.5	144.0	9.5	14.3
Figtree Grove	187.5	196.7	9.2	13.8
Clementi Mall	585.1	594.0	8.9	13.4
Manhattan House	6.9	7.3	0.4	0.6
Japan Aged Care	67.9	68.0	0.1	0.2
Rail Mall	62.6	62.2	(0.4)	(0.6)
Seletar Mall	481.0	480.5	(0.5)	(0.8)
Paragon (Leasehold)	2,644.4	2,640.0	(4.4)	(6.6)
Westfield Marion	640.0	630.1	(9.9)	(14.9)
<b>Total</b>	<b>6,452.7</b>	<b>6,519.3</b>	<b>66.6</b>	<b>100.0</b>

FV gain of S\$66.6m represents ~20% of PBT, mainly from:

- S\$34.7m from PBSA
- S\$19.0m from Paragon (Freehold)
- S\$9.5m from Bungalows
- S\$9.2m from Figtree Grove
- S\$8.9m from Clementi Mall

# MEDIA (Discontinued Ops)



THE STRAITS TIMES  
THE BUSINESS TIMES  
the new paper  
mypaper 我的报  
thesundaytimes  
联合早报  
Lianhe Zaobao  
SHIN 新明日報



# MEDIA: SEGMENTAL RESULTS

<u>Media</u>	FY2021 S\$m	FY2020 S\$m	% Change from FY2020
Operating loss before JSS (assumed dep'n included)	(38.7) <sup>2</sup>	(40.1)	(3.5)
Assumed depreciation	7.9	-	NM
JSS	17.8	28.1	(36.7)
Operating loss after JSS	(13.0)	(12.0)	8.3
Loss on media restructuring <sup>1</sup>	(115.3)	-	NM
<b>Loss from discontinued operation</b>	<b>(128.3)</b>	<b>(12.0)</b>	<b>969.2</b>

<sup>1</sup> Loss on media restructuring of S\$115.3 million recognised in FY2021 relates to net asset value of the Media business as at 31 August 2021 that will be transferred to the CLG for nominal consideration. This amount will be adjusted in the FY2022 income statement based on the net asset value of the Media business on the completion date of the transfer to the CLG.

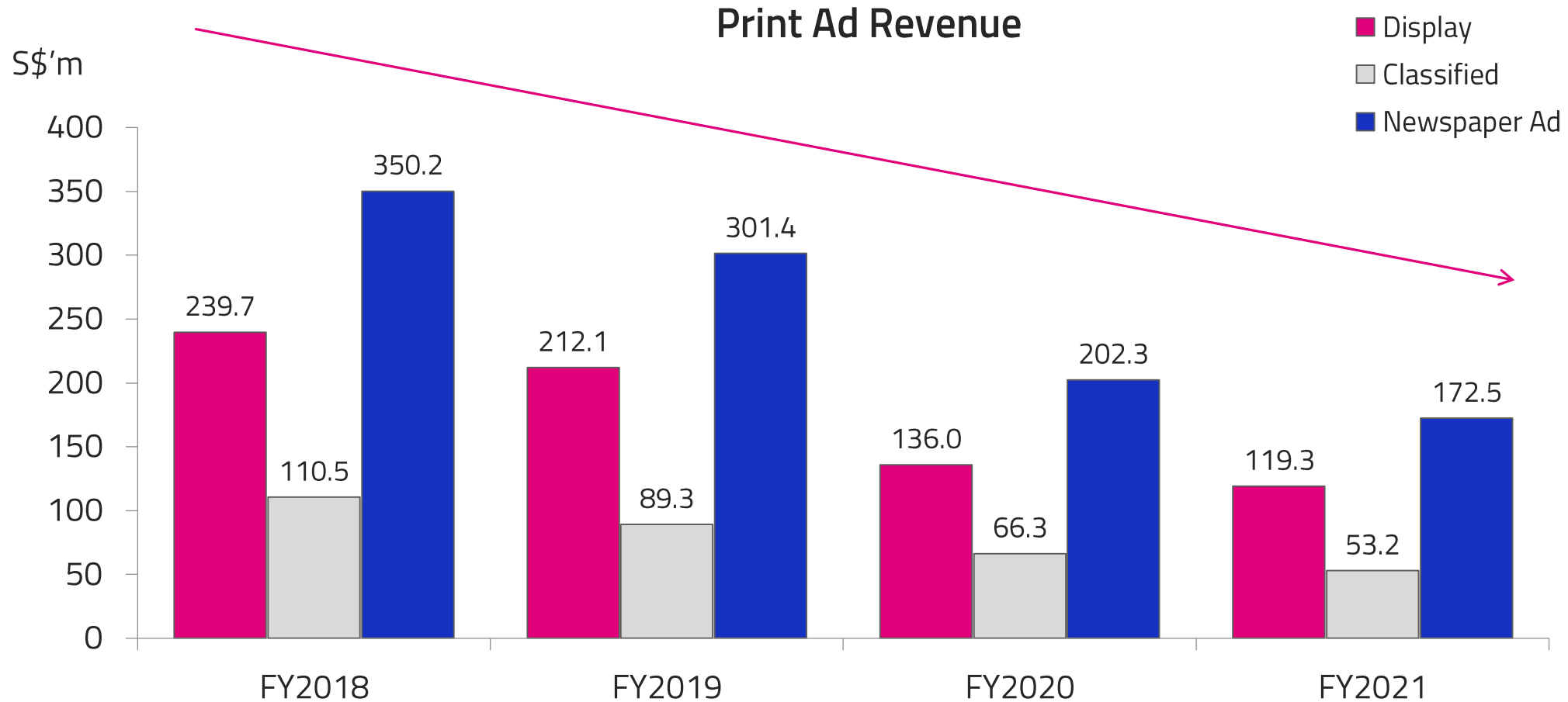
<sup>2</sup> Depreciation ceased when the media assets were reclassified as held for sale from 6 May 2021 and fully impaired, hence further depreciation of S\$7.9m for the remaining period up to 31 August 2021 was not taken up in the income statement.

## Media loss of S\$128.3m comprised loss on restructuring of S\$115.3m<sup>1</sup> and operating loss of S\$13.0m

- Loss on media restructuring of S\$115.3m<sup>1</sup> recognised in FY2021 relates to net asset value of the Media business that will be transferred to the CLG for nominal consideration
- Operating loss was S\$38.7m<sup>2</sup> before JSS and inclusive of assumed depreciation. This was mainly due to lower staff costs from retrenchment and attrition. Any further major cost cuts will impair core operating capabilities
- Including the loss in FY2020, cumulative loss is S\$78.8m
- In FY2022, losses arising from the additional contribution of S\$80m cash, SPH REIT units and SPH ordinary shares of approx. S\$115.5m<sup>1</sup> will be recognised on completion of the transfer of the Media business to CLG
- Including transaction expenses, total losses relating to the media restructuring based on net asset value as at 31 Aug 2021 would be approx. S\$243.3m (Per circular : S\$262.3m based on net asset value as at 28 Feb 2021)

# PRINT AD REVENUE CONTINUES SECULAR DECLINE; EXPECTED TO PERSIST IN THE YEARS AHEAD

Print Ad revenue declined 14.7% yoy from FY2020

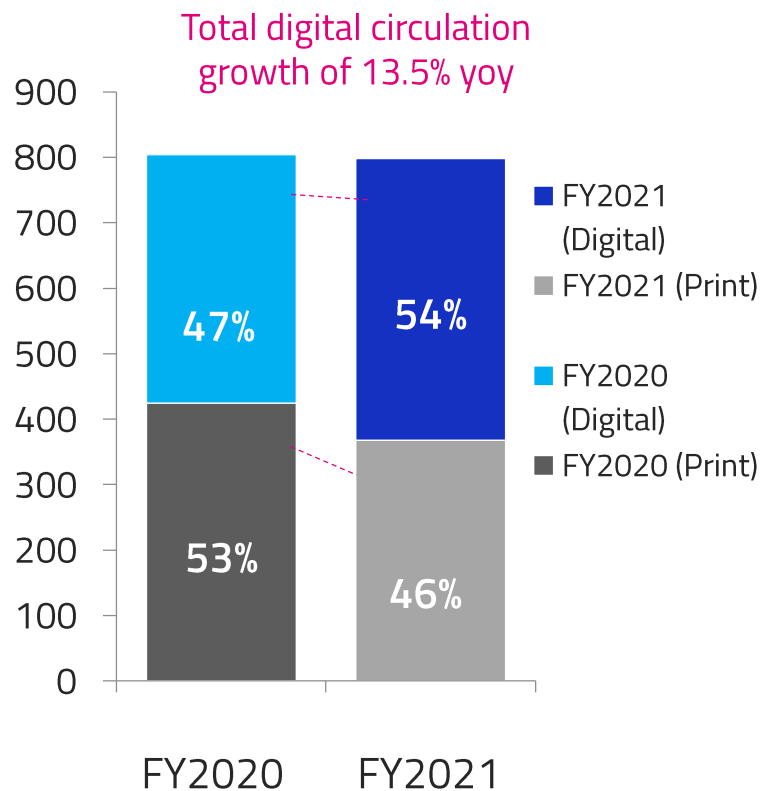


# TOTAL DIGITAL REVENUE DECLINED 5.9% YOY

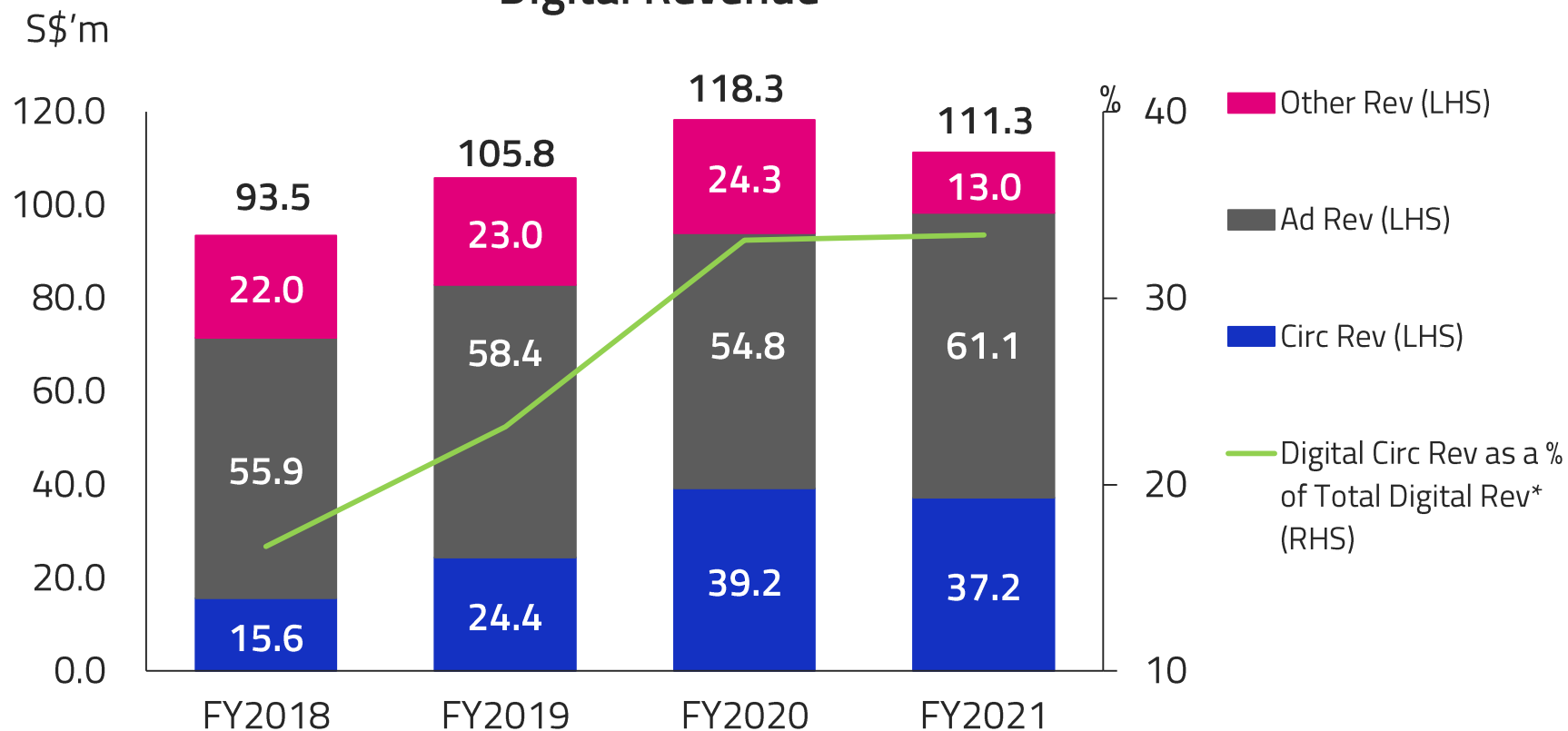
Digital circulation copies grew 13.5% yoy bringing digital circulation revenue to S\$37.2m (up 138.5% from FY2018)

Digital ad revenue increased S\$6.3m (11.5% yoy) but unable to offset structural decline in print ad revenue

Daily Average Newspaper Circulation '000



Digital Revenue\*



\*Total digital revenue from circulation, ads, online classifieds, magazines and other digital portals (excluding Shareinvestor)

Digital revenue includes online classified business (e.g. sgCarMart) which is reported under continuing ops

# RETAIL & COMMERCIAL

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# RETAIL & COMMERCIAL: SEGMENTAL RESULTS

<u>Retail &amp; Commercial</u>	FY2021 Profit/(Loss) before taxation S\$m	FY2020 Profit/(Loss) before taxation S\$m	% Change from FY2020
SPH REIT	149.7	121.3	23.3
Seletar Mall	16.5	12.6	30.8
Asset Management	21.5	18.0	19.4
Woodleigh Development	(2.7)	(11.7)	77.1
Fair value Change on Investment Properties	21.9	(196.5)	NM
<b>Total</b>	<b>206.9</b>	<b>(56.3)</b>	<b>NM</b>

Improved results from both stronger operating performance and continued growth in portfolio size

- SPH REIT PBT up 23.3% yoy
  - Full year contribution from Westfield Marion in FY2021
  - Higher profits from local malls due to lower rental relief to tenants
- The Seletar Mall PBT grew 30.8% yoy due to resilient nature of suburban malls
- Asset management PBT increased 19.4% yoy in line with larger portfolio AUM
- Increase in residential sales from Woodleigh development

# SPH REIT: FY2021 KEY HIGHLIGHTS



## Improvement in Revenue and Distributions led by gradual market recovery

- Gross Revenue and Net Property Income (“NPI”) grew by 14.8% yoy to S\$277.2m and 11.4% yoy to S\$202.6m respectively mainly from the first full year contribution from Westfield Marion Shopping Centre
- FY2021 full year DPU at 5.40 cents represents an increase of 98% yoy, which includes 0.52 cents deferred from FY2020
- 4Q FY2021 DPU of 1.58 cents represents 14% qoq increase from 3Q FY2021

## Proactive management of a resilient and diversified portfolio to deliver stable returns to Unitholders

- High occupancy at 98.8%
- Portfolio rental reversion of -8.4% due to soft retail leasing sentiment amid Covid-19
- Healthy portfolio WALE of 5.4 years by NLA and 2.7 years by GRI
- Strategically located assets with dominant catchments cushioned the impact of Covid-19, supporting management’s strategy to drive sustainable cash flow generation



# SPH REIT: FY2021 AND RECENT KEY HIGHLIGHTS



## Prudent capital management for sustainable Unitholders' return

- Weighted average term to maturity of 2.9 years well staggered over the next five years
- Gearing of 30.3% with ample debt headroom; additional liquidity with revolving credit facility lines of S\$225m remains undrawn

## Inclusion in FTSE EPRA Nareit Global Developed index with effect from 20 September 2021

- Raise visibility among global investors, improve trading liquidity and diversify unitholder base
- Enhance position to capitalise on market recovery and future growth opportunities

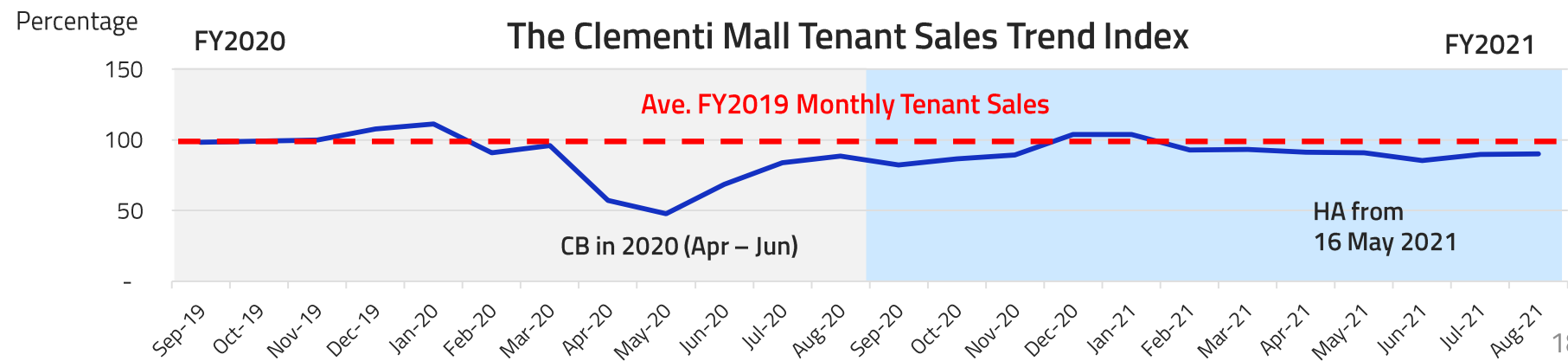
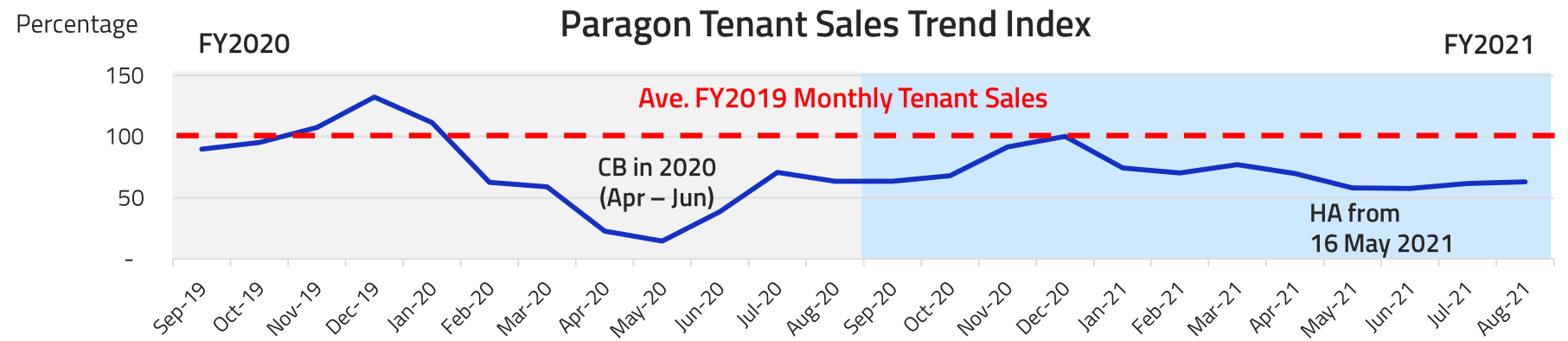
**SPH REIT poised to resume growing and diversifying its portfolio once the Covid-19 situation stabilises given its healthy gearing headroom and strong sponsor stake**

# SPH REIT: DEFENSIVE NATURE OF S'PORE SUBURBAN MALLS MITIGATE COVID-19 IMPACT ON PARAGON



The Paragon's recovery disrupted by prolonged Covid-19 impact, The Clementi Mall's tenant sales recovered close to pre-Covid levels

- **The Paragon:** Impacted by decline in tourist arrivals; footfall from medical offices and phased lifting of safe distancing measures partially cushioned the decline in tenant sales
- **The Clementi Mall:** Tenant sales recovery in line with resilient suburban malls' performances

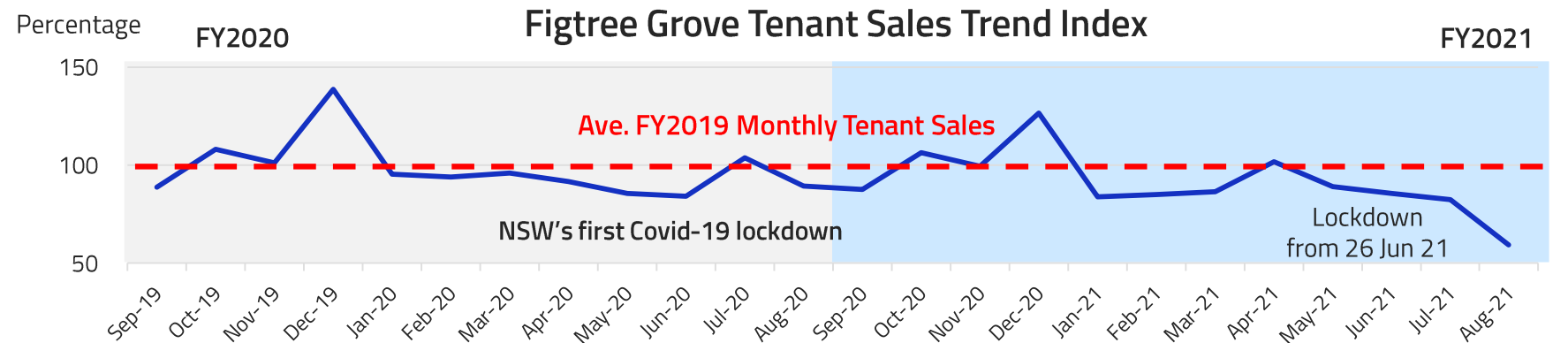
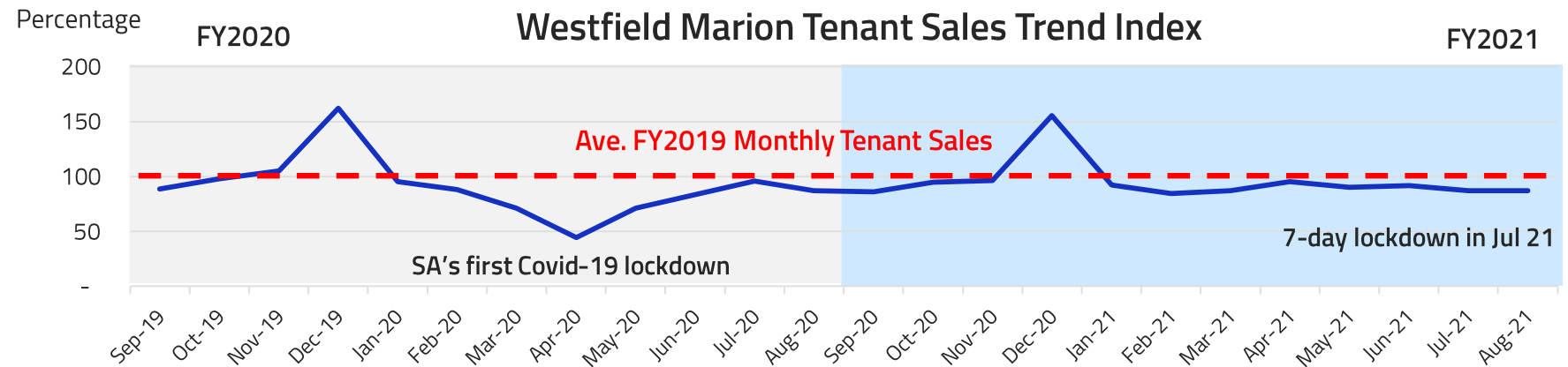


# SPH REIT: TENANT SALES RECOVERED TO PRE-COVID LEVELS FOR AUSTRALIA RETAIL ASSETS



## Tenant sales resilient despite lockdown in Australia

- **Westfield Marion:** Prompt actions to manage isolated Covid-19 incidents while benefitting from strategic location with close proximity to strong catchment from community and education infrastructure
- **Figtree Grove:** High percentage of non-discretionary retail tenancy mix attracting footfall and mitigating the impact of temporary lockdown restrictions

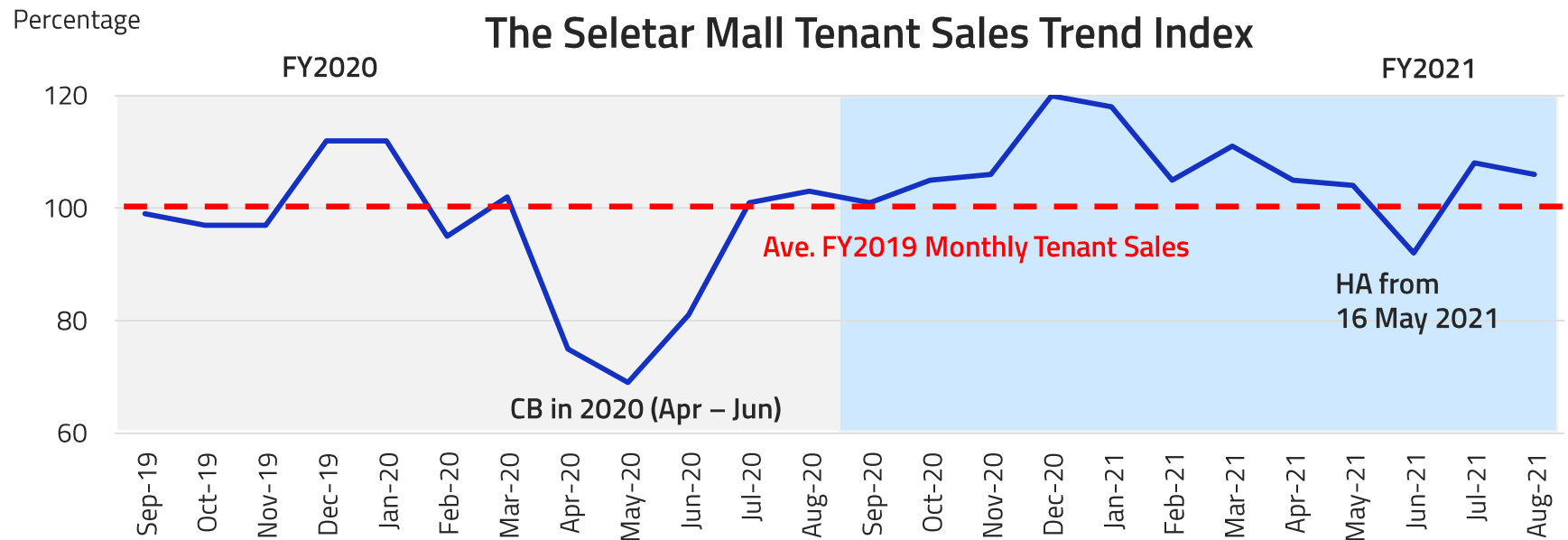


# THE SELETAR MALL: TENANT SALES UP 8% FROM PRE-COVID LEVELS



**Profit increased 30.8% yoy to S\$16.5m due to lower interest rates on bank loans and better operating performance**

- Healthy tenant occupancy of 100% and WALE of 1.8 years by NLA and 1.6 years by GRI
- FY2021 gross revenue increased by 13.6% yoy to S\$31.1m, partially offset by rental rebates and provision of mandatory rental waiver for SMEs under the Rental Waiver framework for Phase 2 Heightened Alert
- Tenant sales driven by growth in F&B due to increase in takeaway and delivery sales; as well as work from home trend



# THE WOODLEIGH RESIDENCES: 75% OF UNITS SOLD @ 20 SEP



THE WOODLEIGH RESIDENCES

AWARDED BEST INTEGRATED DEVELOPMENT  
PropertyGuru, Asia Property Award 2021 Singapore, 2021

**LIVE INTEGRATED**

RETAIL MALL  
TRANSPORT HUB  
10-HA BIDADARI PARK

INTEGRATED TRANSPORT CONVENIENCE	INTEGRATED F&B OPTIONS	INTEGRATED AMENITIES	INTEGRATED PARK AND LAKE	RENOWNED SCHOOLS
Direct access to MRT Station and Air-Conditioned Underground Bus Interchange	Restaurants, Alfresco Dining, Cafes and Inkeyway to Hawker Centre	Medical Centre, Community Club, Children's Enrichment Centres and Neighbourhood Police Centre	Artificial Lake, 10-Ha Bidadari Park, Shopping & Carriage Paths and Adventure Playwoods	Close proximity to St. Andrew's Village, Cedar Primary School and Maris Stella High School

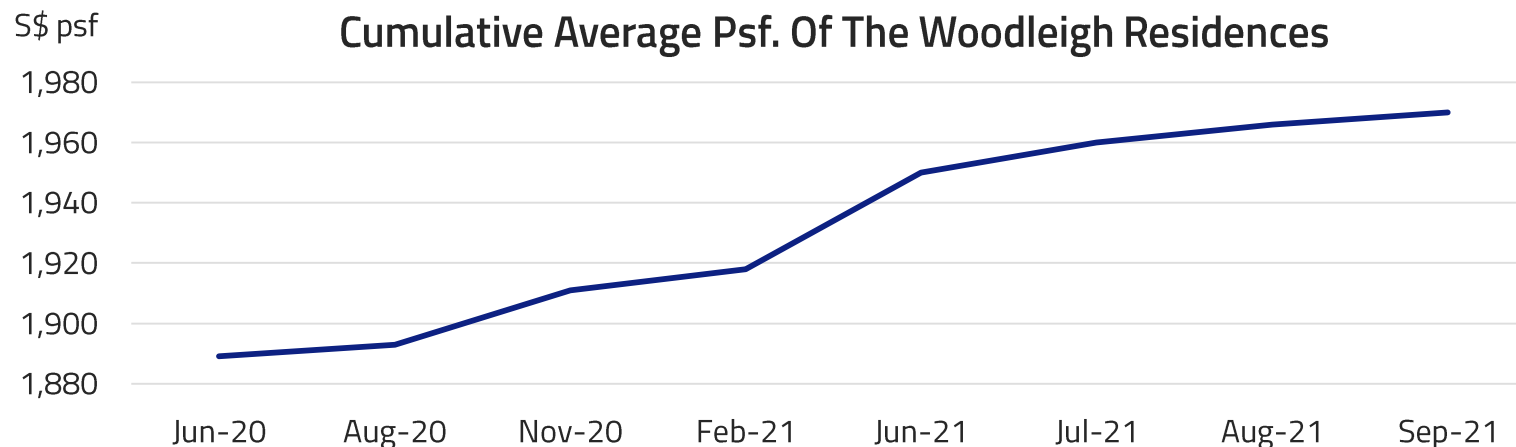
EXPERIENCE INTEGRATED LIVING.  
SALES GALLERY BESIDE NEW SHOPPING MALL.  
VIEWING BY APPOINTMENT ONLY | OPEN DAILY 10AM - 7PM.  
6203 0088 | THEWOODLEIGHRESIDENCES.COM

KAJIMA DEVELOPMENT sph

As at 20 Sep 2021, approx. 503 units (75% of total units) have been sold at an average price of S\$1,970 psf; breakdown of units sold:

- 42 new units sold since last update @ 30 June 2021; breakdown of units sold:
  - 2 Bedrooms: 321/341 units sold (94.1%)
  - 3 Bedrooms: 169/271 units sold (62.4%)
  - 4 Bedrooms: 13/55 units sold (23.6%)

Average price improving, from S\$1,923 psf in Mar 21 to S\$1,970 psf



Valuation for overall Woodleigh development at S\$1,408m based on As Is Where Is basis; GDV for The Woodleigh Mall is S\$783m and GDV for The Woodleigh Residences is S\$1,123m as at 31 Aug 2021

PBSA

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# PBSA: SEGMENTAL RESULTS

<u>PBSA*</u>	FY2021 S\$m	FY2020 S\$m	% Change from FY2020
Net Operating Income (NOI)	62.3	35.9	73.6
Operating Profit	37.1	7.9	371.8
Fair value change on investment property	34.7	(31.9)	NM
Profit before taxation	71.8	(24.0)	NM

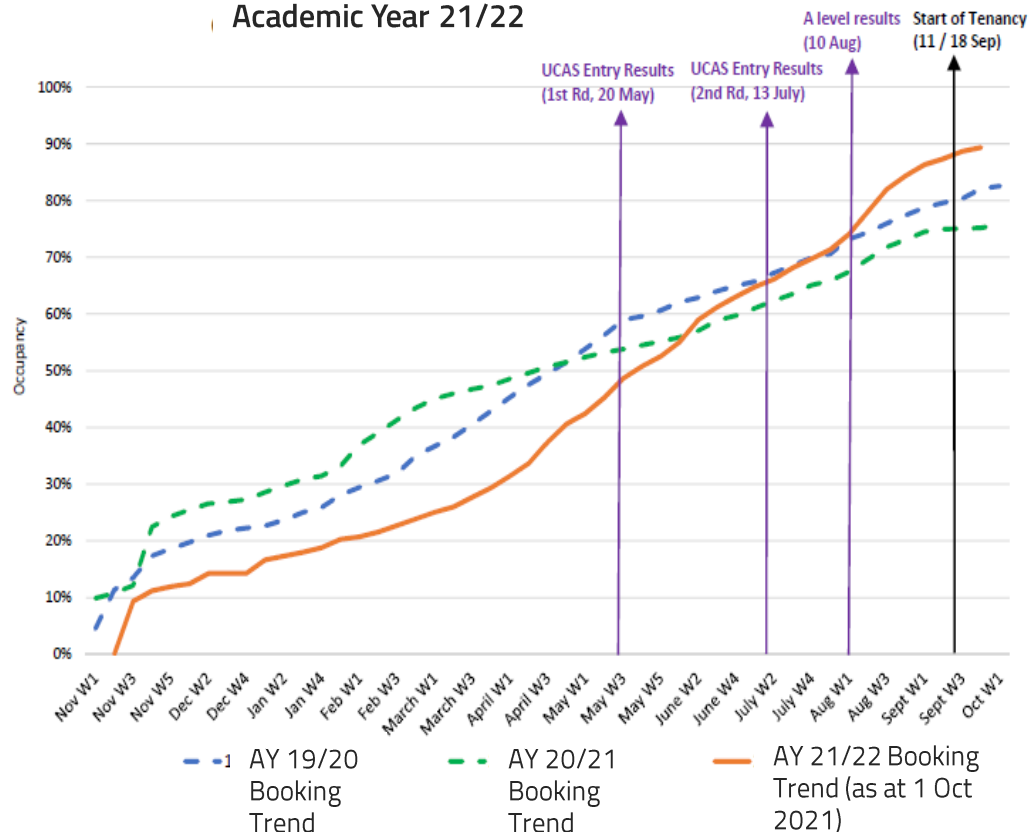
## NOI rose 73.6% boosted by revenue growth

- Full year contribution from the Student Castle portfolio in FY2021
- Contribution from the Oxford and Brighton properties which opened in Sept 2020 and Nov 2020 respectively
- Partially offset by lower occupancies and delayed tenancy start dates at Capitol Students due to Covid-19
- PBT included S\$9.4m rental guarantee from the Student Castle acquisition

\*PBSA portfolio valued at over S\$1.4bn as at 31 Aug 2021

# AY 21/22 BOOKINGS SURPASSED PRE-COVID SALES TREND; ACHIEVED 96.5% OF TARGET REVENUE

Current Year Student Bookings –  
Academic Year 21/22

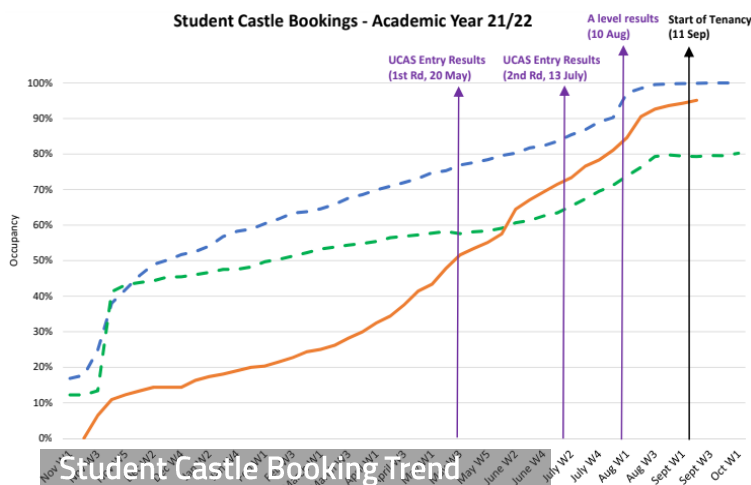


## Achieved 96.5% of target revenue for new AY 21/22 as at 1 Oct 2021 (up from 74% as at 16 Jul 2021)

- Bookings have surged after the release of A-level results on 10 Aug, as students booked their places in university via the UCAS clearing process;
  - Local students, who tend to book later in the calendar year, have contributed significantly to the booking growth, especially in the Capitol Students properties
- AY 21/22 booking levels better than listed competitors
- International student demand remains strong with half of current bookings for Student Castle from Chinese students
- Bookings are still coming in for Sep/Oct and Jan starts, with sales and marketing initiatives such as:
  - Worked closely with agents for live viewing sessions
  - Participated in virtual and physical university open days

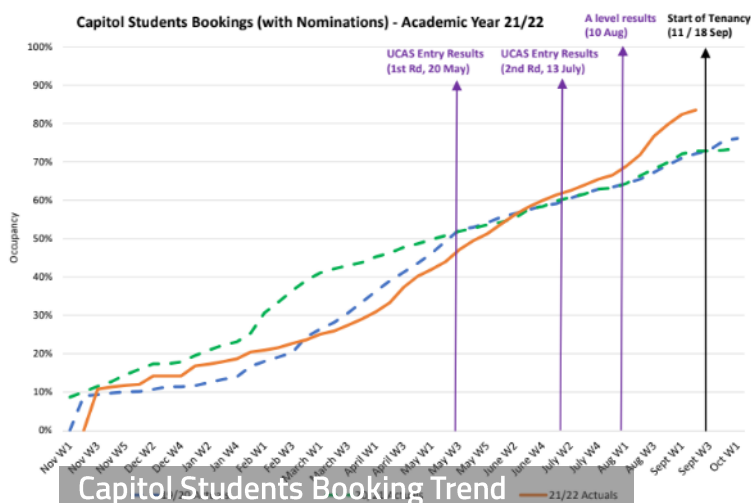


# ENTIRE PORTFOLIO PERFORMING WELL; 11 ASSETS AT FULL OCCUPANCY



## All Student Castle properties have surpassed last year's bookings performance

- Student Castle properties which were operational at acquisition have all attained full occupancy; remaining Student Castle assets (Brighton, Oxford, Lincoln) are averaging at 92% occupancy
- Room rent prices raised for assets with strong booking momentum; potential to outperform target income with higher rent rates



## Much improved occupancy rates for Capitol Students properties brought in-house (FY2021: 98%, FY2020: 81%) as at 1 Oct 2021

- Clifton & Stewart House and Hampton Square have attained full occupancy; Asa Briggs and Sharman Court are averaging at 96% occupancy
- Mayflower portfolio: Occupancy continues to improve since acquisition in Sep 2018

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



## AEI completed in time for upcoming new AY 21/22

- St Teresa (Plymouth) - Newly refurbished 109 Studios completed for this Academic Year
- Student Castle Brighton - Centre for Inclusive Music (CFIM) section completed
- Culver House (Bristol) - Rejuvenation works for the common areas (1<sup>st</sup> Floor, Ground Floor, Basement) completed as part of a 10-year nomination agreement with the University of Bristol

## Other AEI projects

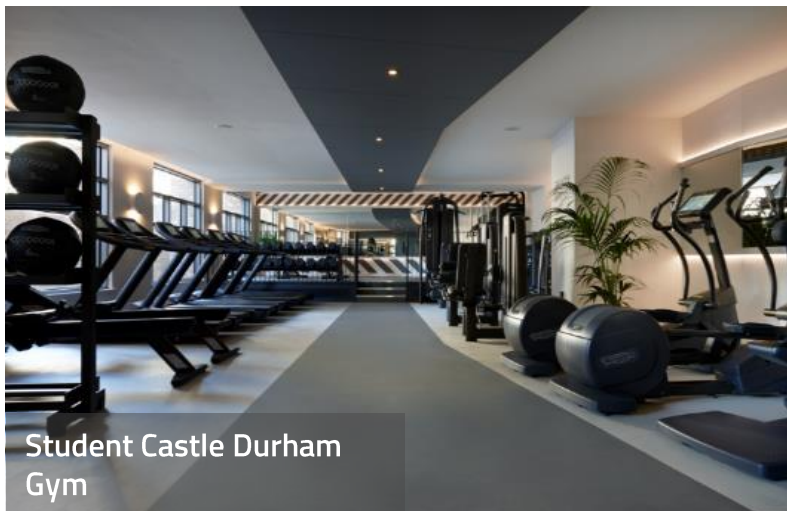
- Londonderry House (Birmingham) is closed for AY 21/22 for planned redevelopment works to increase the yield of the asset through:
  - Optimisation of existing room configuration to create more studios which command a higher price point.
  - Extension of building (3 floors) to create 35% more rooms

# GREATER OPERATIONAL AND PROPERTY MANAGEMENT CAPABILITIES TO ENHANCE PERFORMANCE



## Check-in for new Academic Year going smoothly

- Check-in for the AY 21/22 Academic Year completed during the weekends of 11-12 September and 18-19 September 2021
- Covid-19 measures in place, including contactless check-in procedures and social distancing rules
- Operational protocols comply with UK government guidelines, with additional measures adopted



## All UK assets to be managed in-house from 12 Oct 2021

- Marks the completion of our full capability management platform
- Complete control over product quality and service delivery, to deliver greater brand recognition and equity value
- In-house marketing capability has delivered better performance, overcoming agency issue with outsourced operators

# ACQUIRED 2 NEW DEVELOPMENT SITES TO GROW PORTFOLIO



24 WESTFIELD ROAD



543 GORGIE ROAD



## 2 PBSA forward funding development projects (total of 645 beds) were acquired in Edinburgh, UK, at £66.5m (~S\$123m)

- Acquisition completed on 29 Sept 2021 and enlarges PBSA portfolio to 8,366 beds across 18 cities in UK and Germany
- To brand as Capitol Students to complement existing SC Edinburgh which has been operating at 100% occupancy since 2017
- To seize opportunities in Edinburgh which has 4 renowned higher education institutions
  - Lack of high-quality PBSA supply with majority of assets built more than 5 years ago
  - Non-EU students grew by 25% over the last 5 years

## The assets will be held in our maiden fund – PBSA Development Opportunities Fund I

- Launch of our fund management capabilities, complementing the main PBSA portfolio with future asset injection
- Fund to be launched when all assets in the portfolio are finalised

# OTHERS: Aged care Digital

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# OTHERS: SEGMENTAL RESULTS

	FY2021 Profit/(Loss) before taxation S\$m	FY2020 Profit/(Loss) before taxation S\$m	% Change from FY2020
Aged Care (Orange Valley* and Japan TMK)	0	(12.2)	NM
Digital			
• sgCarMart	7.7	5.9	31.3
• Other Digital	<u>20.4</u>	<u>6.7</u>	204.5
Total (Digital)	<b>28.1</b>	<b>12.6</b>	<b>123.0</b>
Treasury & Others	16.2	6.0	165.8
<b>Total</b>	<b>44.3</b>	<b>6.4</b>	<b>599.1</b>

\*Carrying Value for Orange Valley is S\$119m as at 31 Aug 2021; Market value of Orange Valley properties is S\$53.6m based on desktop valuation

## Aged Care broke even for FY2021

- Orange Valley improved performance due to stronger performance from nursing homes and absence of impairment charges taken up in FY2020
- Full year contribution from Japan TMK in FY2021

## Digital & Others' PBT rose to S\$44.3m

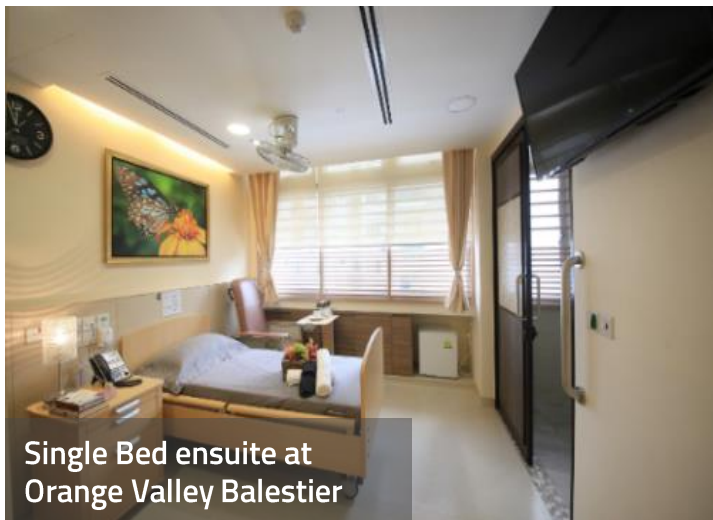
- **Digital:** Better sales performance from sgCarMart; divestment gains from online classified businesses, fair value gains from Media Fund
- **Treasury & Others:** Higher dividend income from Treasury investments; fair value gains on bungalows

# AGED CARE: STABLE PERFORMANCE IN S'PORE



## Boost in operations for Orange Valley

- Stronger nursing home segment with average BOR of 84% compared to 77% last year
- Increased BOR due to encouraging take-up of the Care20\* promotion as well as referrals from Restructured Hospitals
- OV continues to comply with MOH guidelines to manage Covid-19 situation



\* CARE20 programme: for qualified new residents to enjoy admission fee waiver and quality eldercare at competitive rates during Covid-19 period

# AGED CARE: JAPAN ASSETS PERFORMING WELL



## Japan assets performing well despite Covid-19 situation

- Improved operating performance year-on-year as 2 assets were acquired in August 2020
- Underlying portfolio occupancy remained high at over 90%
- Lessees of all 5 assets continue to pay rent on time
- No Covid-19 cases in the 5 Japan assets due to strict regulations on family visits, safe distancing and other Covid-19 measures

## Upcoming acquisition in Chikusei due for completion in mid-Oct 2021

- Transaction involves an aged care facility and a neighbouring land that provides expansion opportunity
- Current operators continue to run the assets
- Acquisition contributes to growth strategy to build up a sizeable portfolio of overseas aged care assets, with a view to list the portfolio eventually



# DIGITAL PORTFOLIO DELIVERED GOOD RETURNS



## sgCarMart profit grew 31.3% yoy with stronger sales performance

- Average number of monthly visitors grew 16% while average number of monthly page views rose 19%
- Advertisements achieved higher pricing and volume
- Recognised 40% greater sales yoy via auction subsidiary Quotz



## FastJobs gave SPH a S\$6.6m divestment gain after a funding round in July 2021

- SPH's stake in FastJobs was diluted from 75% (subsidiary) to 49.2% (associate)
- Revenue > 40% yoy in FY2021 with more product offerings and larger customer base



Oddle

## Media Fund's investments performed well

- Oddle Note recorded fair value gain of S\$3.5m
- Pathmatics was acquired by Sensor Tower - divestment gain of S\$1.0m
- Trim acquired by OneMain Financial; Jukin Medi acquired by Trusted Media Brands

iFAST

## iFAST tapping on regional demand for wealth management products and services

- Remeasurement gain of S\$220 million for FY2021, recognised in comprehensive income



## Coupang went public on NYSE in March 2021

- Received shares in specie on 10 Sep 2021
- Remeasurement gain of S\$60 million for FY2021, recognised in comprehensive income

# CAPITAL MANAGEMENT

sph

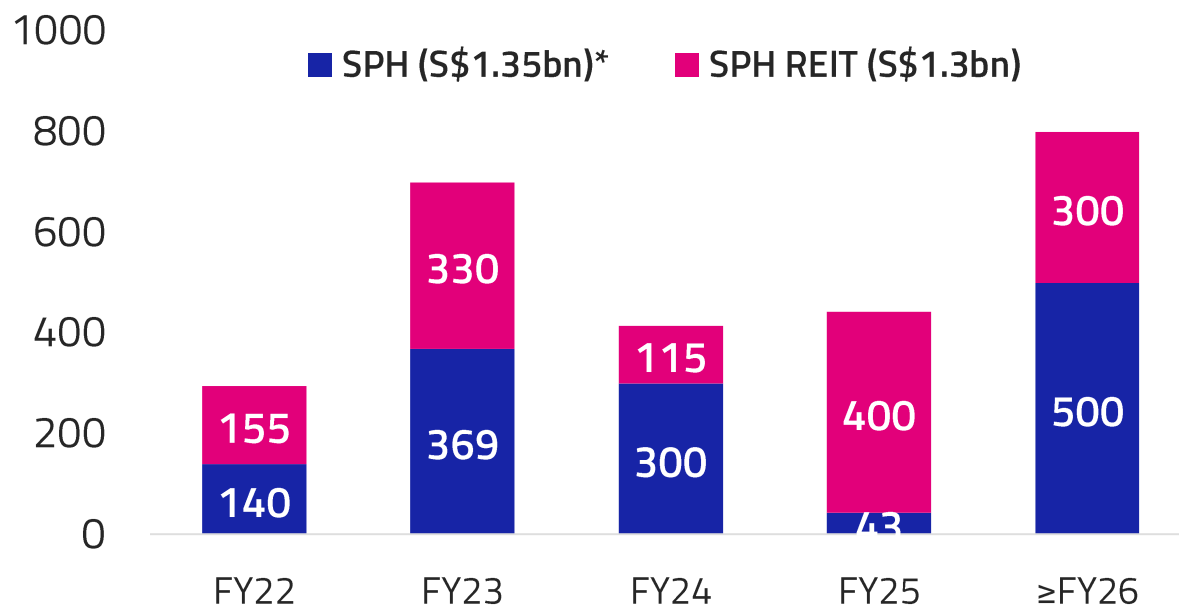


# RESILIENT BALANCE SHEET

Lower gearing ratio at 28.9% despite Media restructuring costs

Healthy cash balances after repayment of S\$325m revolving credit facilities to avoid negative carry

Term Debt Maturity Profile (S\$ million)  
Approx. S\$2.65 billion as at 31 Aug 2021



**Note:** Excludes RCF and perpetual securities of SPH and SPH REIT

\* S\$1.35bn debt is for SPHL and all consolidated subsidiaries (Excluding SPH REIT)

#Based on the assumption that the Media Business Restructuring had been completed as at 28 Feb 2021 and 31 August 2021 respectively

	28 Feb 2021	31 Aug 2021
NAV per share (continuing ops)	S\$2.08 (proforma)#	S\$2.18 (proforma)#
Net Debt to Asset Ratio	30.9%	28.9%
Weighted Average Debt to Maturity	3.9yr	3.6yr
Interest Coverage Ratio	5.7X	4.9X
Cash balance	S\$959.5m	S\$744.0m
Outstanding RCF	S\$704.9m	S\$387.2m

# FINAL DIVIDEND

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The Board has declared a final dividend of 3\* cents per share  
Together with interim dividend of 3 cents per share  
total dividend for FY2021 is 6 cents per share (FY2020: 2.5 cents per  
share)

\* In the 2 Aug 2021 Joint Announcement "Proposed Acquisition by Keppel Pegasus Pte. Ltd. of all the Issued Ordinary Shares in the Capital of Singapore Press Holdings Limited by way of a Scheme of Arrangement", it was noted that the Final dividend shall not be lower than S\$0.02 per share nor exceed S\$0.03 per share

# SUMMARY



# SUMMARY

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- All businesses under Continuing Operations improved in FY2021:
  - **Retail & Commercial:** Continue to expand this segment while driving growth and diversification into adjacent asset classes with strong recurring income; leveraging low gearing ratio and strong sponsor stake
  - **PBSA:** Committed to be a leading PBSA player in the UK as an owner-operator, capitalising on the defensive nature of the asset class and strong market fundamentals to grow; with capital recycling and 3rd party fund management strategies in place
  - **Aged Care:** Scaling up this segment to be a key business pillar with more overseas acquisitions and bids for government-built nursing homes in Singapore, with the intent to build it into another REIT-able asset class
  - **Digital:** Strategically invest into New Economy businesses through venture funds for investment upside
- Shareholders approved transfer of Media business to CLG on 10 Sept 2021
- Transition process has commenced with operationalisation of Media business from 1 Oct 2021 and transfer of Media business to be officially completed by early Dec 2021
- Final step of the Strategic Review will be to seek Shareholders' approval for the Keppel privatisation offer at the EGM/Scheme Meeting in Nov 2021

# THANK YOU

Visit [www.sph.com.sg](http://www.sph.com.sg) for more information

