



Media Release

Keppel improves Scheme Consideration for SPH by increasing cash component from S\$0.668 to S\$0.868 per share, representing a total Revised Scheme Consideration of S\$2.351¹ per share

- Keppel's Revised Scheme Consideration is the result of negotiations following the receipt of the Cuscaden Proposal, and represents a significant improvement over Keppel's original scheme consideration of S\$2.099² per share as well as the Cuscaden Proposal of S\$2.10 per share
- Keppel's Revised Scheme Consideration is final and will not be further increased
- SPH is required to hold its EGM and Scheme Meeting for shareholders to decide on Keppel's Scheme by 8 December 2021
- SPH has engaged with Cuscaden on due diligence and a potential implementation agreement since the Cuscaden announcement on 29 October 2021

Singapore, 9 November 2021 --- Singapore Press Holdings Limited ("SPH") and Keppel Pegasus Pte. Ltd. ("Keppel") announced today that they have signed a supplemental letter to amend the implementation agreement ("Implementation Agreement") with SPH to privatise SPH via a scheme of arrangement ("Scheme").

Keppel's Revised Scheme Consideration – Final Price Increase and Improved Regulatory and Timing Certainty

As part of the revision of the terms of the Scheme, Keppel has agreed to revise the scheme consideration to S\$2.351 per share ("Revised Scheme Consideration") by raising the cash component of the scheme consideration from S\$0.668 per share to S\$0.868 per share. The Revised Scheme Consideration represents an improvement of 12.0% over the original scheme consideration, as well as a significant premium of 12.0% over the possible offer from Cuscaden Peak Pte Ltd ("Cuscaden") of S\$2.10 per share in cash. It also represents a premium of 56.7% to the last undisturbed SPH share price of S\$1.50³, a premium of 7.9% over SPH's FY2021 pro forma net asset value per share of S\$2.18⁴,

and implies a total equity value for SPH of S\$3.8 billion. The Revised Scheme Consideration will not be adjusted for SPH's FY2021 Final Dividend of S\$0.03 per share. Keppel has further issued a "no price increase" statement accompanying this price revision.

As part of Keppel's revised proposal, SPH will hold the Scheme Meeting for shareholders to decide on Keppel's Scheme by 8 December 2021⁵. In addition, Keppel has also agreed to waive its "No Material Adverse Effect" condition. As such, Keppel's Scheme remains conditional on approval by shareholders of SPH and Keppel respectively, Court sanction of the Scheme, as well as completion of the Media Business Restructuring. All other regulatory approvals required for Keppel's Scheme have been obtained⁶.

Under the terms of the supplemental letter, SPH is permitted to enter into another implementation agreement with any other party (including Cuscaden) by 16 November 2021 ("Alternative Agreement"). In the event Cuscaden or any other unsolicited party provides a revised and superior proposal to Keppel's Revised Scheme Consideration pursuant to an Alternative Agreement, SPH will proceed with holding its EGM and the Scheme Meeting for the Keppel Scheme by no later than 8 December 2021 and will provide its recommendation to SPH shareholders accordingly.

In the event a competing general offer is announced⁷, SPH is entitled to hold the Scheme Meeting on, or adjourn the Scheme Meeting to, a date no later than 21 days after such offer announcement ("Specified Later Date")⁸. This is to allow SPH and its independent financial advisor sufficient time to consider any such competing offer in its recommendation to shareholders for the Scheme Meeting.

Engagement with Cuscaden

On 28 October 2021, Cuscaden, a consortium comprising Hotel Properties, CLA Real Estate Holdings and Mapletree Investments made an unsolicited proposal ("Cuscaden Proposal") to acquire all of SPH with an all-cash offer of S\$2.10 per share pursuant to a scheme of arrangement.

Since then, SPH has engaged in discussions with and facilitated due diligence for Cuscaden, with a view to obtaining a revised proposal from Cuscaden. SPH has also been engaged in discussions with Cuscaden on a potential implementation agreement.

Apart from the Cuscaden Proposal, SPH has not received any other unsolicited competing offers since the announcement of Keppel's Scheme on 2 August 2021.

Rationale for Keppel's Revised Offer and the Scheme

Keppel's Revised Scheme Consideration is the outcome of (a) the SPH Strategic Review announced on 30 March 2021 and (b) SPH's active engagement with Keppel and the Cuscaden consortium after receipt of the Cuscaden Proposal, to unlock and maximise shareholder value for SPH shareholders.

The first step in the Strategic Review was the restructuring of SPH's Media business ("Media Restructuring"), which was announced on 6 May 2021, and approved by SPH shareholders on 10 September 2021. The Media Restructuring is scheduled to be completed on or around 1 December 2021, after which the restrictions under the Newspaper and Printing Presses Act⁹ ("Newspaper Act"), including the 5% shareholder cap restriction and issue of management shares, will be lifted.

The SPH Board had carried out a comprehensive review of the various strategic options, including maintaining the status quo, monetisation of certain assets, a partial sale or privatisation of SPH post Media Restructuring. With an objective to maximise value and minimise disruption for shareholders after the lifting of the Newspaper Act restrictions, the Board had concluded that the privatisation of the entire company would be the preferred solution as it may lead to a better valuation outcome for all shareholders if a control premium is paid for the entire company.

As the final step in the Strategic Review, a thorough and orderly two-stage process was conducted to solicit and evaluate proposals from a number of potentially interested parties. In Phase 1, SPH reached out to more than 20 potentially interested parties to solicit and evaluate proposals and in Phase 2, multiple shortlisted parties conducted a detailed due diligence on SPH in order to submit a final proposal. The final closed bids were evaluated based on price, terms and conditions, financing certainty, regulatory approvals, transaction structure and execution risk. At the end of the process, the final proposal from Keppel to privatise SPH was selected after careful evaluation, based on the foregoing criteria, which led to the joint announcement of Keppel's proposed privatisation on 2 August 2021.

Following Cuscaden's announcement on 29 October 2021, SPH notified Keppel of the Cuscaden Proposal and gave Keppel an opportunity to improve their current proposal. Keppel's Revised Scheme Consideration is the outcome of SPH's engagement with Keppel to improve their proposal.

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- ¹ The Revised Scheme Consideration is based on the value of the SPH REIT Units and Keppel REIT Units on 9 November 2021, being the date of the Joint Revision Announcement, being S\$1.020 per SPH REIT Unit and S\$1.150 per Keppel REIT Unit.
- ² The original scheme consideration of S\$2.099 is based on the value of the SPH REIT Units and Keppel REIT Units on 30 July 2021, being the last full trading day immediately prior to the date of the announcement of the Scheme with Keppel, being S\$0.915 per SPH REIT Unit and S\$1.200 per Keppel REIT Unit.
- ³ The closing price of SPH on 30 March 2021, being the last full trading day prior to the announcement of the SPH Strategic Review.
- ⁴ FY2021 pro forma net asset value per share is based on the assumption that the Media Restructuring had been completed as at 31 August 2021.
- ⁵ The Scheme Meeting may be held at a later date if it cannot be held on 8 December 2021 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.
- ⁶ The revised draft Composite Document will need to be cleared with the SGX-ST again in view of Keppel’s revised proposal.
- ⁷ The deadline for a competing general offer to be announced would normally be no later than 7 days prior to the date of the Scheme Meeting. Assuming that the Scheme Meeting falls on 8 December 2021, the deadline for a competing general offer to be announced would be 1 December 2021.
- ⁸ 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.
- ⁹ Shareholders should note that under the Newspaper and Printing Presses Act, Chapter 206 of Singapore no person shall, without the approval of the Minister:
- (i) become a substantial shareholder of SPH; or
 - (ii) enter into any agreement or arrangement (whether oral or in writing, express or implied) to act together with any other person with respect to the acquisition, holding or the exercise of rights in relation to, in aggregate more than 5% of the shares.

Responsibility Statement

The directors of SPH (including any who may have delegated detailed supervision of the preparation of this media release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this media release which relate to SPH (excluding information relating to Keppel, Keppel Corporation Limited, Keppel REIT, SPH REIT, Cuscaden or any opinion expressed by Keppel, Keppel Corporation Limited or Cuscaden (save for SPH's unitholding interest in SPH REIT) are fair and accurate and that, where appropriate, no material facts which relate to SPH have been omitted from this media release, and the directors of SPH jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from Keppel, Keppel Corporation Limited or Cuscaden, the sole responsibility of the directors of SPH 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 SPH do not accept any responsibility for any information relating to Keppel, Keppel Corporation Limited, Keppel REIT, SPH REIT, Cuscaden or any opinion expressed by Keppel, Keppel Corporation Limited or Cuscaden (save for SPH's unitholding interest in SPH REIT).

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About Singapore Press Holdings Ltd

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms. SPH 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. It also owns other digital products, online classifieds, radio stations and outdoor media.

On the retail and commercial front, SPH owns 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 and operates The Seletar Mall^a and holds a 50 per cent 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, the Company is an owner, manager and developer of a portfolio of PBSA in the United Kingdom and Germany, and currently operates two distinctive brands, Student Castle and Capitol Students.

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

^a SPH owns a 70 per cent. interest in The Seletar Mall.

For more information, please visit www.sph.com.sg.

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