

# CORPORATE PRESENTATION

(COVID-19 UPDATES)

18 AUGUST 2020



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# OUTLINE

- **Update on Business Segments**
  - Media, Telecommunications, Technology
  - Retail
  - PBSA
  - Aged Care
- **Capital Management**

# RECAP: SPH IS PREPARED FOR A LENGTHY COVID-19 RECOVERY

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- Covid-19 has significant adverse impact across all business segments
- Recovery from the Covid-19 impact will take time
- Group's strengths:
  - Healthy balance sheet, with healthy cash and liquidity
  - Cost control programme

# COVID-19 CONTINUES TO HAVE SEVERE ADVERSE IMPACT

## • Media

- 5% of Media Group's headcount laid off to realign staffing levels with change in ad sales model and further streamlining of Magazine business
- Despite ad revenue severely impacted, YTD FY20 circulation increased 9.8% y-o-y



## • Retail

- Retail operations in Singapore and Australia focused on Covid-19 recovery
- Sales and construction progress of Woodleigh Residences and The Woodleigh Mall affected

## • PBSA

- Covid-19 in UK continues to affect domestic and international students' enrolment
- 83% of target revenue as at 14 Aug, with booking season extended to Jan 2021



## • Aged Care

- Operations stable for OV assets with no new Covid-19 case
- Completed the acquisition of the remaining 2 assets in Hokkaido on 12 Aug

## • Capital Management

- Financial profile healthy
- Covid-19 expected to negatively impact the revaluation of investment properties as at 31 Aug



**MEDIA**

**TELECOMMUNICATIONS  
TECHNOLOGY**



**THE STRAITS TIMES  
NEWS TABLET**



# RESTRUCTURES MEDIA SALES AND MAGAZINE OPERATIONS

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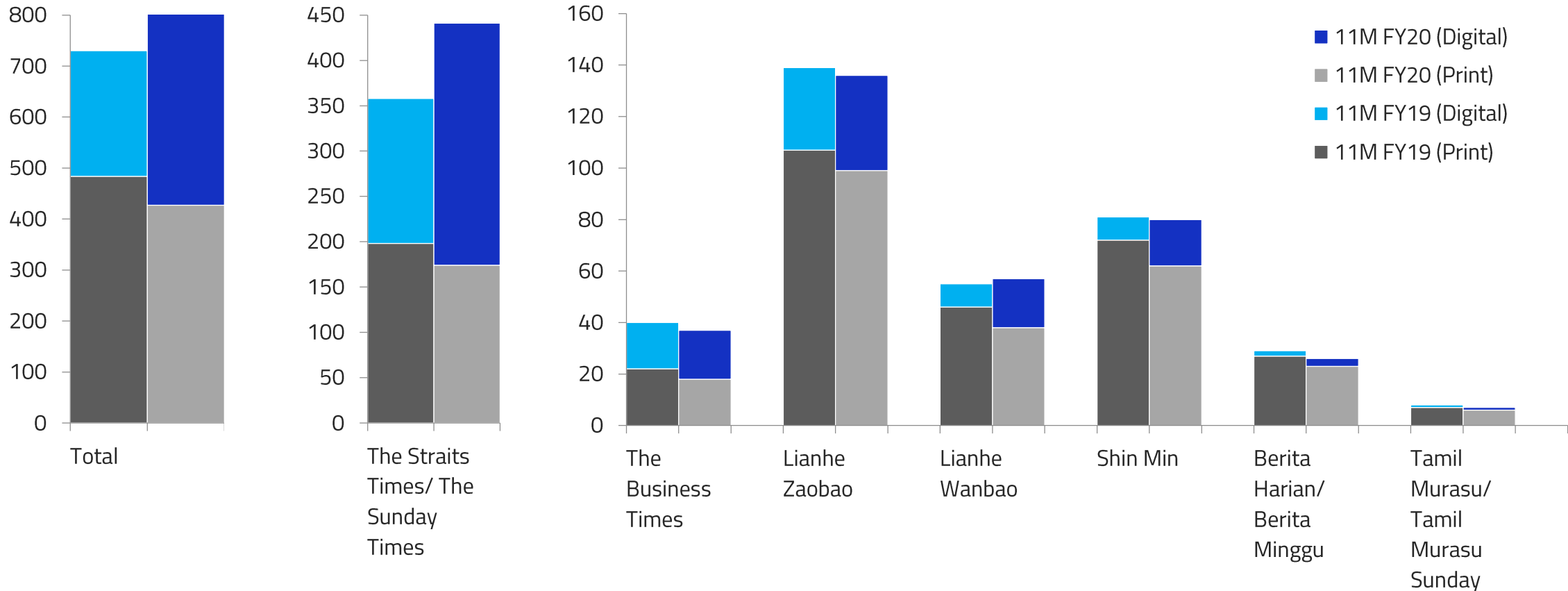
## Continues to take a disciplined approach to staff cost

- About 140 staff from the Media Solutions Division and SPH Magazines affected
  - Represents about 5% of the overall Media Group's headcount
  - Economic downturn has significantly impacted ad. revenue
  - Exited magazine business in Malaysia and ceased publication of Cleo, Young Parents and Shape
  - Newsroom staff and journalists not affected
- Part of ongoing streamlining of operations to deliver integrated and effective Media solutions
- One-off retrenchment costs of S\$8 million to be recognised in 4Q FY20

# DESPITE AD REV DECLINE, CIRCULATION IMPROVING

Overall YTD total circulation rose 9.8% y-o-y; with digital circulation growth of 52.6% y-o-y

Daily Average Newspaper Circulation '000





# KEY EVENTS SINCE LAST UPDATE



## GE 2020 election coverage led to increase in viewership for newspaper websites and apps

- Combined views on Straits Times' and Zaobao's Web + App reached 195 million (up 91% y-o-y across 23 Jun – 11 Jul)

## Celebrated milestones for our newspaper titles

- Straits Times – 175th anniversary
  - Continue digital efforts of audience engagement through webinars, Facebook live discussions and other social media platforms
- Tamil Murasu - 85th birthday
  - Revamped website and recently launched news tablet resulted in a 15-fold growth in monthly active users and an 8-fold increase in digital subs over the past year

# RETAIL

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# UPDATE ON RETAIL SEGMENT



Artist impression of Woodleigh Residences and Woodleigh Mall

**SPH REIT remains focused on operations and managing recovery post-Covid-19\***

## **Woodleigh Residences and The Woodleigh Mall**

- 288 units sold at average ASP of \$1892 psf as at 16 Aug 2020, this represents 43% of total units
  - Sales have been encouraging with over 70 units sold since lifting of Circuit Breaker
  - Revamped sales and marketing strategy with a fresh advertising campaign
- Construction progress affected by Circuit Breaker

Note: \*Please refer to SPH REIT's website, [www.sphreit.com.sg](http://www.sphreit.com.sg) for any new updates

PBSA

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# AY20/21 BOOKINGS UPDATE

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Student Castle Bath  
Baldwin Studio

## Bookings coming in as booking season has been extended

- Achieved 83% of target revenue for AY20/21 as at 14 Aug, up from 75% on 10 Jul
- Bookings to pick up with 6 weeks remaining to beginning of AY20/21 - currently in peak booking period with the release of A-level results on 13 Aug
- Some postgraduate courses have been delayed, thereby extending booking season till Jan 2021

# DEVELOPMENT PROGRESS UPDATE

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## Disruption to construction are being addressed

- Construction of Student Castle Oxford estimated to be completed by September, in time for AY20/21
- Construction of Student Castle Brighton slightly delayed till first week of October due to Covid-19 disruptions
  - Contingency plans in place to house students in alternative accommodation

# AGED CARE

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# OPERATIONS NOT AFFECTED BY COVID-19

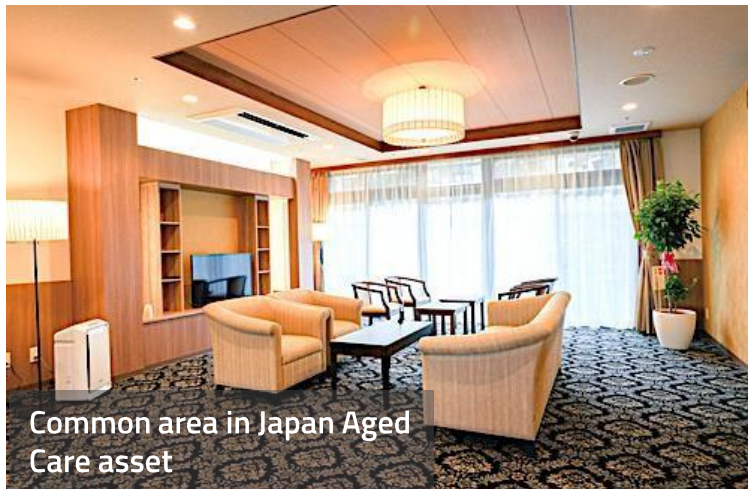


## Operations normal for OV assets

- No new Covid-19 case since 4 cases reported at OV Simei in May 2020
- Bed Occupancy ratio improved to 80% for Jul 2020

## Business as usual for Japan assets

- Completed acquisition of the remaining 2 assets (total 161 beds) in Hokkaido, Japan on 12 Aug



Common area in Japan Aged Care asset



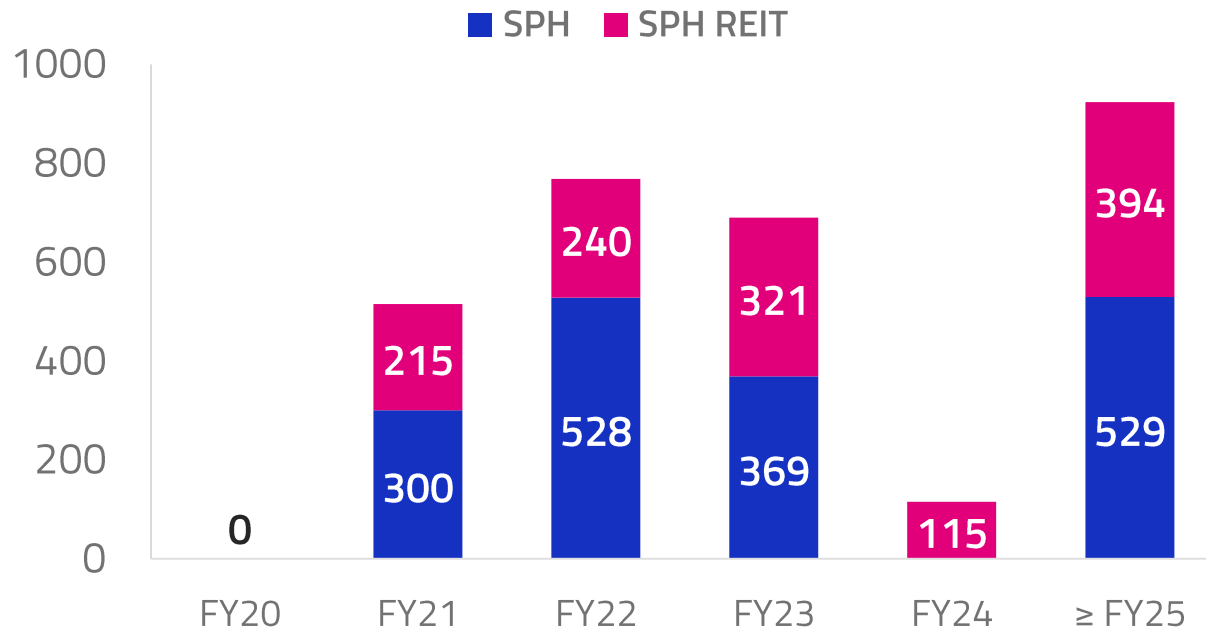
# CAPITAL MANAGEMENT

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# DEBT TOWER AND FINANCIAL PROFILE

Term Debt Maturity Profile (S\$ million)  
 Approx. S\$3.0 billion as at 31 Jul 2020



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

|                                   | Current Update as at 31 Jul | Previous Update as at 31 May |
|-----------------------------------|-----------------------------|------------------------------|
| Weighted Average Debt to Maturity | 3.5yr                       | 3.7yr                        |
| Interest Coverage Ratio           | 4.0X                        | 4.2X                         |
| Cash and cash equivalents         | S\$866m                     | S\$810m                      |

**Covid-19 is expected to negatively impact the revaluation of investment properties as at 31 Aug 2020**

# THANK YOU

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

