Keppel Ltd.
1 HarbourFront Avenue Level 2 Keppel Bay Tower Singapore 098632
T +65 6270 6666 keppel.com
UEN 196800351N

Media Release

Keppel advances monetisation of non-core business through landmark telco sector consolidation between M1 and StarHub

- *Keppel will hold approximately 23% stake[1] in larger combined entity with future potential upside and liquidity.*

- *Combination of M1 and StarHub to unlock estimated net present value of S$1.1 billion in cost synergies, with further upside from potential revenue expansion.*

- *Proposed merger strengthens Singapore's telco sector, and benefits both the industry and consumers by bringing together two of the nation's most established telcos.*

- *Post merger, S$324 million of deconsolidated net debt[2] will be included in Keppel's special dividend consideration; future share monetisation will also be added to special dividends.*

- *Including proposed transaction, Keppel's non-core monetisation gains would reach approximately S$4.1 billion[3] since the start of its asset monetisation programme in October 2020.*

Singapore, 24 November 2026 – Global asset manager and operator Keppel Ltd. ("Keppel") is pleased to announce that it has, through its subsidiaries, entered into definitive agreements to merge M1 with StarHub as part of a landmark consolidation in Singapore's telco sector.

The proposed transaction will create a larger, more efficient telco business with greater capacity to improve customer experience and invest in resilient networks, AI-ready capabilities and future innovation. Riding on the synergies between two of the nation's most established telcos, the combined entity will benefit from expanded revenue pools and contribute to the sustainability of Singapore's telco industry.

The proposed transaction values 100% of M1 at an implied enterprise value of S$1.36 billion, based on a pro forma value of S$1.50[4] per share, including the estimated net present value of synergies of S$1.1 billion from the combination. For its 83.9% effective interests in M1, Keppel will receive approximately 546.5 million new StarHub shares[1]. This will give Keppel an approximate 23% stake[1] in a larger combined entity that is more competitive and

better placed to scale with potential upside for Keppel drawing on the combined synergies and further revenue growth.

Recent examples of consolidation in the telco industry in Southeast Asia have resulted in revenue uplifts for the combined entities. An all-share transaction helps the combined entity to preserve cash to support its integration and growth and allows Keppel to benefit from its upside potential.

Mr Loh Chin Hua, CEO of Keppel, said, “The proposed transaction provides a clear path for Keppel to unlock capital from a non-core business. It will create a stronger operator and support more sustainable growth in Singapore’s telecoms sector, with expected synergies of over S$1.1 billion, and further upside from potential revenue expansion. As a substantial shareholder, we will work with StarHub post-merger to realise synergies and build a much higher value company allowing Keppel to participate in its upside potential. The liquidity of our listed stake gives us the flexibility to unlock greater value and cash over time to fund growth, reduce debt and reward Keppel’s shareholders.”

The proposed transaction is in line with Keppel’s strategy as an asset-light global asset manager and operator, and will sharpen the Company’s focus within its Connectivity segment on digital infrastructure.

This is a two-stage divestment. First, through the proposed transaction, Keppel will deconsolidate M1, including an expected S$324 million of net debt[1], 10-15% of which will be included in the computation of the Company’s special dividends when the transaction is completed. The next stage is when Keppel’s shares in the combined entity are monetised in future, which will also be added to the consideration for special dividends.

As a substantial shareholder of the combined entity, Keppel will remain invested for at least 12 months to support the integration. Any share disposal after 12 months would be undertaken in a measured and orderly manner, subject to market conditions.

On a pro forma basis, based on the Group’s financial results for the first half of 2026, had the proposed transaction been completed on 30 June 2026, the accounting loss on divestment to Keppel would be S$375 million, based on StarHub’s volume-weighted average share price of S$1.01 as at 23 November 2026. The actual gain or loss on completion will depend on the last traded price of StarHub shares on the first market day immediately following the date of completion, the carrying value of Keppel’s effective interest in M1 Telco at the date of completion, and post-completion adjustments, if any.

Including the pro forma loss from proposed transaction, Keppel would have realised non-core monetisation gains of approximately S$4.1 billion[3] since the start of its asset monetisation programme in October 2020.

The Proposed Merger is subject to regulatory approvals from Singapore's Infocomm Media Development Authority and Ministry of Digital Development and Information, shareholder approval of Keppel and StarHub at separate extraordinary general meetings, as well as other applicable transaction conditions. Subject to these approvals and conditions, the Proposed Merger is expected to complete in 1H 2027.

DBS Bank Ltd. Is the financial adviser to Keppel.

– END –

For more information, please contact:
Ivana Chua (Ms)
Managing Director
Corporate Communications
Keppel Ltd.
DID: (65) 6413 6436
Email: ivana.chua@keppel.com

About Keppel Ltd.

Keppel Ltd. (SGX:BN4) is a global asset manager and operator with strong expertise in sustainability-related solutions spanning the areas of infrastructure, real estate and connectivity. Headquartered in Singapore, Keppel operates in more than 20 countries worldwide, providing critical infrastructure and services for renewables, clean energy, decarbonisation, sustainable urban renewal and digital connectivity. Keppel creates value for investors and stakeholders through its quality investment platforms and diverse asset portfolios, including private funds and listed real estate and business trusts.

---

[1] On completion of the proposed merger, StarHub will be issuing approximately 651.7 million new shares to M1's shareholders, representing approximately 27.4% of the enlarged StarHub. If the stake in the enlarged StarHub is distributed by M1's shareholders to their respective shareholders, Keppel will be entitled to receive approximately a 23% stake in the enlarged StarHub.

[2] This is based on a target net debt of $380 million, which includes certain spectrum payables.

[3] This represents the approximate divestment gains/losses and revaluation gains/losses versus carrying values from the date of announcements to completion of the divestments. It includes S$3.4B of gains from the divestment of Keppel Offshore & Marine and a pro forma loss on divestment of S$375m (assuming a share price of StarHub of S$1.01) from the Proposed Transaction. The actual gain/loss on completion will depend on the last traded price of StarHub shares on the first market day immediately following the date of completion, the carrying value of Keppel's effective interest in M1 at the date of completion, and post-completion adjustments if any.

[4] This is purely for illustration purposes and is not an indication of future share price performance.