

Media Release

Keppel to unlock close to S\$1.0b in cash from sale of M1's telco business to Simba

- *Proposed transaction strengthens Singapore's telco sector, and benefits both the industry and consumers by bringing together two agile and innovative companies to create a nimble and competitive digital-first telco that can scale more efficiently.*
- *Enlarged entity better placed to accelerate investments into 5G and digital infrastructure, boosting service quality while contributing to more resilient networks and a future-ready digital ecosystem.*
- *Enables investments in future technologies to make the business more resilient and responsive in cybersecurity, AI and sustainability.*

Singapore, 11 August 2025 – Keppel Ltd. (“**Keppel**”), is pleased to announce that it has, through its subsidiaries, entered into a share purchase agreement to divest M1's telco business to Simba Telecom Pte. Ltd. (“**Simba**”) for an enterprise value of S\$1.43 billion, subject to post-completion adjustments (“**Proposed Transaction**”). The consideration will be fully paid in cash.

Keppel will receive close to S\$1.0 billion in cash proceeds for its 83.9% effective stake in M1, while retaining M1's fast-growing ICT business which complements Keppel's integrated connectivity business, including data centres and subsea cables. The transaction represents an attractive implied valuation of 7.3x EV/EBITDA.

The proposed landmark transaction is expected to benefit Singapore's telecommunications sector and consumers through market consolidation and harnessing synergies between two of the nation's agile and digitally-driven telcos with strong track records for innovation. It brings together M1's digitally transformed, cloud-native network with its ability to deliver hyper-personalised services through an advanced tech stack, and Simba's innovative digital consumer model. Together, they could pool resources for more synergies on network and infrastructure, creating a nimble and competitive digital-first telco to power Singapore's digital economy.

The proposed divestment 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. Despite an estimated accounting loss to Keppel of

S\$222 million¹, the transaction crystallises value from Keppel's investment in M1 over the years. Taking into account Keppel's initial investment in M1 in 1994 as one of its founding members, the subsequent privatisation of M1 as well as dividends and divestment proceeds from 1994 to 2025, Keppel is expected to receive cumulative cash of more than S\$700 million with the Proposed Transaction. Keppel also continues to retain M1's ICT business and certain assets excluded from the Proposed Transaction.

Simba had put forward the strongest bid from among interested parties and its combination with M1 is expected to create further revenue pools and career opportunities as they have the least overlap in resources. Simba's bid is a compelling all-cash offer at an attractive valuation, reflecting Keppel's successful transformation of M1 from a traditional telco into a digital first network operator since its privatisation in 2019.

Keppel hopes to complete the Proposed Transaction over the next few months, subject to regulatory approval by Singapore's Infocomm Media Development Authority. As the relative figures in respect of the Proposed Transaction computed on the bases set out in SGX Rules 1006 (a), (b) and (c) do not exceed 20% of Keppel's net asset value, profit before tax and market capitalisation, the approval of Keppel's shareholders is not required. The approval of Simba's shareholders for the Proposed Transaction is also not required.

Mr Loh Chin Hua, CEO of Keppel, said, "The Proposed Transaction offers a strategic path to sustainable growth for Singapore's telco sector. M1 and Simba are a highly synergistic combination — together, they can scale more efficiently, optimise infrastructure, and accelerate 5G and digital investments, greatly enhancing service quality while contributing to a more resilient, future-ready telco industry.

"For Keppel, the divestment of M1's telco business is the latest step in our transformation, as we simplify our business and advance our strategy and focus as a global asset manager and operator. It is over and above the S\$14.4 billion² non-core portfolio that we have identified for monetisation, and the cash of close to S\$1.0 billion to be unlocked can be channelled to growth opportunities aligned with the New Keppel³, lower our debt or reward our shareholders. This will not only improve the New Keppel's ROE but also support the market's further re-rating of Keppel."

¹ The estimated loss on divestment to Keppel excludes transaction costs related to the Proposed Transaction and is an approximated figure computed on a pro forma basis, assuming the Proposed Transaction had been effected on 30 June 2025. The actual loss on divestment to Keppel on completion will depend on the consideration which is subject to post-completion adjustments and the carrying value of the assets relating to Proposed Transaction, including the goodwill (which arose from the acquisition of M1 by Keppel in 2019) to be attributed to the assets of the Proposed Transaction, at the date of completion.

² The S\$14.4 billion refers to carrying value of the Non-Core Portfolio for Divestment as at 30 June 2025. The Non-Core Portfolio for Divestment comprises mainly legacy offshore & marine assets, residential landbank, selected property developments and investment properties, hospitality and logistics assets, associated cash and receivables, and other non-core investments that are not aligned with Keppel's strategic focus as an asset-light global asset manager and operator.

³ New Keppel excludes the Non-Core Portfolio for Divestment.

Excluding M1's telco business on a pro forma basis^{4,5}, based on Keppel's unaudited results for the half year ended 30 June 2025, the New Keppel's annualised ROE⁴ for 1H 2025 would increase from 15.4% to 16.0%, while net debt to EBITDA⁵ would reduce from 2.4x to 1.7x. Further details on the financial impact of the Proposed Transaction can be found in Keppel's announcement which is available on www.sgx.com and the Company's website.

DBS is the financial adviser to Keppel for the Proposed Transaction.

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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.

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⁴ ROE (excluding Non-Core Portfolio) refers to the return generated on the average shareholders' funds of the New Keppel, i.e. excluding equity that is attributable to the Non-Core Portfolio. Pro forma annualised ROE of New Keppel is calculated assuming the Proposed Transaction was completed on 1 January 2025 and with the one-off estimated loss on divestment to Keppel excluded from the annualised net profit.

⁵ Net debt is defined as net debt of the Group less net debt attributable to Non-Core Portfolio for Divestment, while EBITDA refers to last twelve months (LTM) profit before depreciation, amortisation, net interest expense and tax, excluding P&L effects from Non-Core Portfolio for Divestment. Pro forma net debt to EBITDA of New Keppel is calculated assuming the Proposed Transaction was completed on 30 June 2025 and excludes the LTM EBITDA contribution by the M1 telco business as well as the one-off estimated loss on divestment to Keppel.