

MINUTES OF SIAS-SPH VIRTUAL INFORMATION SESSION

Minutes of the SIAS-SPH Virtual Information Session held by electronic means in Singapore on Friday, 11 March 2022, at 4.00 p.m.

PRESENT

Shareholders (as set out in the Company's records)

Attended via live webcast or audio stream

SPH Management

Attended via live webcast or audio stream

Mr Ng Yat Chung	Chief Executive Officer
Mr Chua Hwee Song	Chief Financial Officer
Ms Ginney Lim May Ling	Group Company Secretary, General Counsel EVP Communications & CSR
Ms Huiyan Liew	Senior Corporate Counsel
Mr Terence Ho	Manager, Corporate Communications & CSR
Mr Mohan Tamilmaran	Executive, Corporate Communications & CSR

SIAS

Mr David Gerald SIAS representatives	Founder, President and CEO
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By Invitation

Attended via live webcast or audio stream

Representatives from:

- Credit Suisse (Singapore) Limited
- Evercore Asia (Singapore) Pte. Ltd.
- Allen & Gledhill LLP
- Tulchan Communications
- Cuscaden Peak Pte. Ltd.
- Morgan Stanley Asia (Singapore) Pte

1. WELCOME ADDRESS

1.1 Mr David Gerald, Founder, President and CEO, SIAS, delivered the welcome address in which he welcomed the SPH shareholders ("**Shareholders**") to the SIAS-SPH Virtual Information Session. He explained that the purpose of the session was for Shareholders to have a dialogue with SPH management and pose questions about the Cuscaden Scheme (as defined below). He then introduced two members of senior management from SPH, Mr Ng Yat Chung, Chief Executive Officer, as well as Mr Chua Hwee Song, Chief Financial Officer.

1.2 Mr Ng began by thanking Mr Gerald and SIAS for organising the session. He explained that he wanted to answer as many of the Shareholders' questions as

possible, so that they would be well-informed when deciding how to vote on both the resolution on the DIS (as defined below) at the upcoming extraordinary general meeting (“**EGM**”), and the resolution on the Cuscaden Scheme at the upcoming scheme meeting (“**Scheme Meeting**”), each to be held on 22 March 2022.

2. PRESENTATION BY CEO

- 2.1 Mr Ng gave a PowerPoint presentation in which he outlined the terms and conditions of the Cuscaden Scheme. He said that under the Cuscaden Scheme, Cuscaden Peak Pte. Ltd. (“**the Offeror**”) proposed to acquire 100% of the Company’s shares (excluding treasury shares) (“**Shares**”) from the Shareholders under a scheme of arrangement pursuant to Section 210 of the Companies Act 1967 (the “**Cuscaden Scheme**”). The Cuscaden Scheme also involved a proposed distribution in specie by SPH (the “**DIS**”) of such number of units in SPH REIT (“**SPH REIT Units**”) by way of a special dividend which will result in the distribution by SPH of 0.782 SPH REIT Unit to each eligible Shareholder.
- 2.2 Mr Ng highlighted the relevant extracts of the letter from Evercore Asia (Singapore) Pte. Ltd., the independent financial advisor appointed by the Company (“**IFA**”), in the composite document which had been despatched to Shareholders on 28 February 2022 (“**Composite Document**”). According to the letter, the opinion of the IFA is that “from a financial point of view, the Cuscaden Scheme is FAIR AND REASONABLE”. Thus, the IFA has advised “the Independent Directors¹ (which for the avoidance of doubt excludes the Relevant Directors²) to recommend Shareholders to VOTE FOR the Cuscaden Scheme and the DIS. Accordingly, “the Independent Directors (which for the avoidance of doubt excludes the Relevant Directors) recommend that Shareholders VOTE IN FAVOUR of the DIS at the EGM, and VOTE IN FAVOUR of the Cuscaden Scheme at the Scheme Meeting.”

3. QUESTION & ANSWER SESSION

- 3.1 Mr Ng addressed the relevant and substantial questions received prior to the session from the Shareholders as well as questions which the Shareholders submitted via the “live” chat function during the meeting.

¹ The directors who are considered to be independent for the purposes of the Cuscaden Scheme, being all directors except for the Relevant Directors

² Dr Lee Boon Yang, Mr Andrew Lim Ming-Hui and Mr Quek See Tiat

3.2 Shareholders' questions that were raised and addressed, are set out in the **Appendix** to these minutes.

4. TERMINATION OF DIALOGUE

4.1 On behalf of SIAS and the Shareholders, Mr Gerald thanked Mr Ng and Mr Chua for attending the session and for answering the questions. He also wished both SPH and the Shareholders the very best and expressed his hope that they would make an informed decision. He also added that the Shareholders can send any other subsequent questions to the SPH management.

4.2 In his closing remarks, Mr Ng reiterated to the Shareholders that the market was highly volatile, given the ongoing geopolitical tensions and its ripple effects. Thus, given the uncertainty, it would be in the interests of the Shareholders to vote in favour of the DIS at the EGM, and in favour of the Cuscaden Scheme at the Scheme Meeting, as it would be an opportunity for Shareholders to realise the value of their Shares at a premium. He added that the resolution on the DIS and the resolution on the Cuscaden Scheme are inter-conditional, and the IFA and Independent Directors (which for the avoidance of doubt excludes the Relevant Directors) had also recommended Shareholders to vote in favour of the DIS at the EGM, and vote in favour of the Cuscaden Scheme at the Scheme Meeting. He reminded Shareholders to submit their votes by 19 March 2022, 2:30 p.m. for the EGM Proxy Form and 2:45 p.m. for the Scheme Meeting Proxy Form. Lastly, he conveyed his appreciation to the Shareholders who expressed confidence in him and his management team.

4.3 As there were no further questions, the SIAS-SPH Virtual Information Session was declared closed.

Confirmed

Chief Executive Officer
Singapore Press Holdings
Limited

APPENDIX
To minutes of SIAS-SPH Virtual Information Session
11 March 2022

Question & Answer Session

Unless otherwise defined, capitalised terms used in the following responses shall have the meanings ascribed to them in the Composite Document

1.	<p>You have the IFA's nod, you have the Independent Directors recommending the Cuscaden Scheme. You yourself have publicly recommended the Cuscaden Scheme. But if the resolutions on the DIS and/or the Cuscaden Scheme are not for some reason passed, will you still entertain other bidders, including Keppel, after 12 months?</p>
	<p><i>Ng Yat Chung</i> Let's be clear, as a listed company, anyone can make an offer for SPH, and that means we will have to consider the offers if and when they arise.</p>
2.	<p>The decision of the arbitrator does not affect the vote on the Cuscaden Scheme, because that is not bringing the Keppel scheme back on the table. If Keppel wants to make an offer, they can then make an offer to Cuscaden, is that right?</p>
	<p><i>Ng Yat Chung</i> There are some parts of the question that are speculative, and some factual. The arbitration that Keppel has decided to undertake is separate from the Cuscaden Scheme. The Court has allowed the Cuscaden Scheme to proceed, knowing full well that the Keppel arbitration is ongoing. That is an important point for everybody to understand. Also, when we applied for the Cuscaden Scheme to proceed, we also applied to the Court for us to withdraw the application that was previously granted for leave to conduct the Keppel scheme meeting. So as far as we are concerned, the only scheme on the table now is the Cuscaden Scheme, and we are going full speed with the Cuscaden Scheme to get the right decision from Shareholders. Of course, the arbitration is a separate process, and I don't see that interfering with the Cuscaden Scheme.</p> <p><i>David Gerald</i> That is good, because many of the Shareholders do not know the legal position, so some are under the impression that should the arbitration be in favour of Keppel, it might mean that Keppel could come back to SPH with their offer, and now it is clear that is not so. Instead, if Keppel wants, they can come back separately to Cuscaden, and not to you, if Cuscaden succeeds in their Cuscaden Scheme.</p> <p><i>Ng Yat Chung</i> I do not want to speculate on what the arbitration outcome will be. The Cuscaden Scheme is right before us, and we hope to wrap it up as fast as possible. I apologise to some of our Shareholders who think that wrapping it up by early May is too late, and I share your frustration.</p>
3.	<p>It has been some four months since the revised offer from Cuscaden, and about a year ago since SPH first announced its SPH Strategic Review. Has there been any improvement in the operating environment since the SPH Strategic Review?</p>

	<p><i>Ng Yat Chung</i></p> <p>Well, if you had asked me this question before 24 February 2022, I would have given you one answer; but today I will give you additional information. I will say that until 24 February 2022, the operating environment was seeing gradual improvement from the worst of COVID-19. We see interest rates going up which will affect our cost of borrowing, and COVID-19 is still affecting different parts of our business at different rates.</p> <p>For example, our nursing homes were affected by COVID-19 a lot more because the nursing and medical costs to protect our residents have gone up due to all the additional precautions that are required. We are also very careful in taking on additional residents because of the risk of infection. We had to put a pause on increasing the occupancy in the aged care business and we are still managing it. On the other hand, businesses like Purpose-Built Student Accommodation (PBSA) are not affected too much by COVID-19. The retail/commercial business like SPH REIT and some of the malls are in between. But overall, it is fair to say that we are seeing the operating environment gradually recovering from the worst of COVID-19.</p> <p>Since 24 February 2022, I think the world has seen some significant changes due to the Russian invasion of Ukraine. Two weeks into the invasion and we are seeing severe sanctions on Russia. Now, you may or may not know the immediate impact that it may have on the world. We see the sharp rise in oil prices; those of you who drive will know that your petrol price now is above S\$3 per litre. We are seeing commodity prices going up, particularly for food. Ukraine and Russia are major exporters of wheat, edible oils, corn, and so on. And I think Russia is a major exporter of fertiliser, which will have an impact upon the planting season that is starting now in many countries. So, I think it is fair to say that the increases in our electricity, food prices and so on are going to hit us eventually, if not soon. We expect inflation to go up in the days ahead. So, the question is not whether there is serious impact due to the invasion. The question is whether the impact will be serious or disastrous. The question is whether the impact is short term; days, weeks, months, or even years. So, frankly, we do not really know as we are still in the early days of digesting what the ripple effects of the conflict could be. I think just a couple of days ago, Senior Minister Tharman Shanmugaratnam, who is Chairman of the MAS, said that we are facing real risks of stagflation, where we see a period of high inflation and slow growth, and that the last time we saw conditions like this was in the late 70s and 80s.</p> <p>Long story short, we are entering a period where markets are volatile. Even though SPH is not directly affected by the war, we have to deal with the ripple effects or second order effects of cost inflation, the impact on consumer spending and the impact of higher costs. This environment is before us and I think for the Shareholders, this is the environment that you are facing when you consider the vote. The Cuscaden Scheme therefore offers you the opportunity to realise your investment, by accepting the Cuscaden All Cash Consideration. The value is fixed and it does not matter what the price of a SPH REIT Unit is – it is fixed and there is certainty in value. Of course, for those people who are prepared to take the risk, I think you may consider the Cuscaden Cash and Units Consideration. But for those of you who like the element of certainty, the value that the Cuscaden All Cash Consideration brings is attractive.</p>
4.	<p>Some of your Shareholders are wondering whether the privatisation of SPH, in view of what you have said, is still the best option for Shareholders at this point?</p>

	<p><i>Ng Yat Chung</i></p> <p>Again, the only offer on the table now is the Cuscaden Scheme, and if it is successful, either you take the Cuscaden All Cash Consideration or the Cuscaden Cash and SPH REIT Units Consideration. That said, if Shareholders do not approve the Cuscaden Scheme, we stand ready to continue managing and growing the business, and we have a strategy to do it. But I think the Shareholders should recognise that we are going to move forward in an environment where the market is volatile, and that is a fact. I would say, for the management, we are ready to carry on. For the board of directors, their primary concern is the interest of Shareholders. The Cuscaden Scheme represents an opportunity for you to realise your investment in SPH. We have what the IFA calls a fair and reasonable offer. That is the recommendation, that we vote in favour. I share the Independent Directors' view that Shareholders should vote in favour.</p>
5.	<p>Yes, because you can understand, according to the IFA, the estimated sum-of-the-parts valuation of SPH is S\$1.93 to S\$2.57 per Share. Its NAV ex-Media Business is S\$2.18 per Share. Some Shareholders would have bought Shares at about S\$4.50 as recently as 2013. So, you can understand their frustration. Some Shareholders still believe in the management, so they are saying why can't you continue?</p>
	<p><i>Ng Yat Chung</i></p> <p>I think that is a fair question. Let me try to address a few points that have been raised. For those of us who are confident in management to take this business forward, I thank you for your confidence. Like I said, we stand ready to continue. But I just want to be clear, that we are going to continue in an environment where the market conditions are going to be volatile and the economic environment may be challenging, depending on how the war in Ukraine progresses, the ripple effects of that, and how deep and how wide it will affect us. Frankly, nobody really knows.</p> <p>For those who invested in us in 2013, it is just a personal view, but 2013 was nine years ago. For some people, it is recent. For those people who invested then, I will tell you, I am sorry. Even if we continue alone, I cannot get you to S\$4.50 quickly. For those who invested nine or 10 years ago, we paid something like at least S\$1.40 in dividends already. You are still short and we acknowledge that, but there is a chance for you to take the S\$2.36 right now. Even if we carry on, I will tell you this upfront, that there is no way we can get to S\$4.50 within a year, given where we are today. Can I do it in two years' time? We will try our best. But I cannot give you the S\$4.50 soon given the environment we are facing. There is no way, unless somebody offers that to you and I do not see that happening at this point in time.</p>
6.	<p>The Q1 update for SPH reported an improvement in the operational performance with the gradual recovery of the economy from COVID-19. I know that the transfer of the Media Business via SPH Media Trust was completed on 1 December 2021. What is left in SPH is retail/commercial, SPH REIT, The Seletar Mall, Woodleigh Residences, Purpose Built Student Accommodation (PBSA) and others including aged care and digital such as sgCarMart. In terms of timing, would Shareholders be cashing out near the bottom as global economies recover from COVID-19? Last year, you reported results on 30 March 2021. The EGM and Scheme Meeting are scheduled on 22 March 2022. Would you be reporting your 1H financial results for the half-year ended 28 February 2022 before you ask your Shareholders to vote for the offer?</p>
	<p><i>Ng Yat Chung</i></p>

	<p>There are a couple of parts to this question. First, let me deal with the timing. We will not be announcing the 1H2022 results before the Scheme Meeting. Our planned schedule is 14 April 2022. It is not because we are deliberately trying to do it that way. We wish we could have conducted the Scheme Meeting a few weeks ago. We wanted the Scheme Meeting as early as possible, but it is a long process, and I apologise that we took a while to get the Scheme Meeting going. There were a lot of issues with the regulators because it is a rare case, or I would say very rare. I do not believe that there is a precedent where we had to deal with two schemes competing for the same asset side-by-side. There are various regulatory and legal issues which we had to deal with which took us awhile, but we are glad that we are able to get this done.</p> <p>As far as the results are concerned, we have said that there is gradual improvement. We did not say that we are completely out of the woods. On the separate question as to whether we are trading at the bottom of the market, perhaps we should be asking whether we are exiting at the top of the market, given the environment that we have in front of us now. I say this in all sincerity, because we do not really know what is going to happen given that we know the Russian invasion is real and does not seem like it is going to end soon. The impact, will it be serious, or will it be disastrous? Is it short-term or long-term? I do not think anybody knows, but I think all the indicators are cautionary. Markets are volatile. Will they bounce back up? I would not discount it. Are we entering a bearish market? I would not discount that too. I have no crystal ball. In reality, like it or not, it does not matter what we do, that is a market reality, and this is something that Shareholders will have to consider. Whatever happens before and how we got here does not matter. This is what is before us.</p> <p><i>David Gerald</i> We are looking at it long-term, and basically, Shareholders are looking at your fundamentals. Strong fundamentals, strong management, things happen. Things get back to normal. Let's ride it out. Let's stay with Mr. Ng. He is young, he is looking good. Let's stay with him for the next 10 years.</p> <p><i>Ng Yat Chung</i> For those who think that way, I thank you for that. We stand ready to deal with that. But I will tell you, the net asset value is S\$2.18. Will it jump to S\$2.36? The question is, we have to do a simple calculation. We will have to achieve several hundred million dollars within a quarter in order to make that difference. We try our best to do it. But I am sure we cannot get to S\$4.50 in a short time.</p>
7.	<p>So what is propelling that view is for instance, you have just announced the sale of sgCarMart for S\$150 million. In the stock valuation, the IFA values sgCarMart between S\$106 million and S\$173 million. S\$150 million is near the top end of that valuation. You also have four GCBs, a significant PBSA business, a data center JV and so on. The Woodleigh project is also expected to complete in 2022. So, your investors have been with you and they are studying your corporate actions and your annual report, why not monetise, they say, the low hanging fruit and return capital to Shareholders that way?</p>
	<p><i>Ng Yat Chung</i> I think that is a fair point and let me begin with a couple of observations. First, the question is whether we sold sgCarMart on a good part of the valuation range. It is fair to say that the S\$150 million is above average of the valuation range.</p>

	<p>If you look at the IFA opinion for the Cuscaden Scheme, it is in the range of S\$1.93 and S\$2.57, and so the Cuscaden All Cash Consideration of S\$2.36 is around two thirds of that valuation range. Whether or not you want to call it at the top end of the range (is up to you), but it is definitely above the mid-point and is at a good end of the range. I am just making an observation and I am not making any judgment. I am just leaving it there for Shareholders to decide.</p> <p>For the question on whether we are better off disposing pieces of the portfolio and returning Shareholders the capital, as a matter of principle, we should not be thinking about returning capital to Shareholders unless we have no idea what we want to do with the capital. Right now, we are selling some of those assets that are not quite in our core business. As an example, we have sgCarMart. We had a fair offer for it, and as you say, in a good part of the valuation range, so we capitalise on it and we can use that to invest further and manage our debt. We do capital recycling so that we can churn the balance sheet to get better assets, such that we can, over the long haul, return value to Shareholders.</p> <p>If we continue, let me tell Shareholders upfront, we are not in divestment mode. But even if we are in divestment mode, the divestments will take time. We will be able to get good value for some assets; other assets will take time for us to get good value, because like I said, we are going to enter a period where the markets are volatile. The disposals will take time and Shareholders need to be concerned about time value of money. For us, if we touch or dispose too big a part of our assets, then the bondholders may trigger a default. And we have to pay off the bondholders and Shareholders could be left with less. We will have to consider very carefully.</p> <p>But what we have as an alternative before us now is a good offer that is, on the valuation side, on a good end of the range for the entire portfolio. And (Cuscaden) also said that they will take care of the debt SPH has. So those are the facts and observations I will put before Shareholders. I cannot tell you what you should do, but only list the facts and choices before you, and explain why in the Independent Directors' point of view, that Shareholders should vote in favour of the Cuscaden Scheme and the DIS.</p>
<p>8.</p>	<p>If things go smoothly, the indicative timeline shows that Shareholders will be paid only in early May, possibly end-April, but I think probably early May. They are asking what is the reason for the lengthy wait?</p>
	<p><i>Ng Yat Chung</i></p> <p>The main reason is because we need to cater time for Shareholders to make their choice of the Cuscaden All Cash Consideration or the Cuscaden Cash and Units Consideration. For example, the earliest date that we get the Shareholders' approval is 22 March 2022. After we get approval, we have to apply to the Court to sanction it. To do so, we will need to find a Court date in say early April. When we apply to the Court and receive approval, we then need to start sending out the Election Forms for Shareholders to elect for their consideration option. The main reason for the lengthy wait is due to the election process; the mid- to end-April period is where we need to allow the process to run and cater time for Shareholders to decide how they want to be paid.</p> <p>My question is do you want us to provide a long enough period so that you can make up your mind, or do you prefer a short period? If we give a short period, Shareholders may get upset that we gave so little time. We need to despatch the Election Forms and make sure that Shareholders get them. We need to</p>

	receive the outcome and check that the details are correct. The main reason for the lengthy timeline is because of these additional requirements.
9.	On the arbitration and SPH exercising its termination right for Keppel's offer, does it mean that SPH will no longer be liable for the S\$34 million break fee?
	<i>Ng Yat Chung</i> I cannot comment because it is the subject of the arbitration.
10.	Mr. Ng, your Shareholders know that you and your team are fighting for the best deal for SPH. How do you assure Shareholders that the current offer is the best and is there a possibility you can do more especially for Shareholders who had stood patiently with SPH over these years?
	<i>Ng Yat Chung</i> What we have tried to do to make sure we get the best offer for Shareholders is through a very competitive process which we have done in the first instance through the process that we ran last year. That was when Keppel first came in, and then of course, with Cuscaden coming in subsequently, the competition between the two got us to where we are today. Now, will there be another offer coming in tomorrow? I do not know. It is still possible, but as of now, the best offer on the table for SPH is an opportunity for Shareholders to exit via the Cuscaden Scheme. That is for now, the best offer on the table available to Shareholders.
11.	Retail investors are comparing the last traded prices and the offer prices. Why is management recommending the DIS option when the value as of yesterday at S\$2.34 is lower than the cash value of S\$2.36 under the Cuscaden All Cash Consideration?
	<i>Ng Yat Chung</i> This is an important point and I want to make sure Shareholders understand. You cannot get to S\$2.36 without the DIS. The DIS and the Scheme come together. In the days ahead, if SPH REIT's price were to increase then the option where you choose the Cuscaden Cash and Units Consideration will be better than S\$2.36 under the Cuscaden All Cash Consideration. Shareholders should remember that in the beginning when this offer was launched, the SPH REIT Units were at about a dollar. The value of the Cuscaden Cash and Units Consideration was close to S\$2.40, which is higher than the Cuscaden All Cash Consideration of S\$2.36. Now because of the volatility of the market, the price of the SPH REIT Units has softened a little bit. But then the Cuscaden All Cash Consideration remains steady at S\$2.36. This is the attractiveness of the option offered by Cuscaden; there is a cash offer and the value is certain. To provide more information to Shareholders, yesterday or the day before, ISS, which is a proxy advisory service that advises institutional Shareholders on how they should vote, published their report and recommended institutional Shareholders to vote in favour of both the DIS and the Cuscaden Scheme. One of the main reasons cited is the certainty of the offer on the table.
12.	Mr Ng, before Keppel's offer came in, what was your dream, has your dream for SPH been dashed? Where did you want to take SPH to?
	<i>Ng Yat Chung</i> This is a personal question and I am not sure if it is relevant. When I took on the role, it was always to grow the company. That company, when I took over, had two parts – the media and non-media business. And it was very clear that

	<p>there were severe operational challenges in the Media Business. We were seeing that the print media business was being disrupted by digital. We did our best to fight against the decline, we invested significantly in digital capabilities despite the decline in media revenues. But frankly, we came to a very reluctant conclusion. In order to sustain the Media Business and make sure that it continues to offer credible and reliable journalism to Singapore, we have to put in a lot more money. It will incur losses, and we expect the losses to grow. So, my problem is, how do I make sure that we can still maintain a credible media, but yet find a way to make suitable returns for Shareholders. The conclusion was a hard decision, that we needed to separate the two.</p> <p>And that is what we did. That is the purpose of the SPH Strategic Review and it is in two parts: how to separate the Media Business in a way that helps its sustainability by capitalising it with enough resources to sustain losses for a few years. Imagine if I were to pose to Shareholders if we can give the Media Business away, we will be criticised. The only way was to say to Shareholders, if you allow us to separate these two parts, this is the value we can expect for the rest of the non-media business. You now have an opportunity to realise value from your investment, and that is why we have a second leg to the SPH Strategic Review. And this is what we are placing before you now. We will honour your choices. If you do not want to take the offer, we are happy to continue.</p>
<p>13.</p>	<p>I have been a long-term investor in SPH and wish to be a long-term investor. You have done well, Mr Ng. I congratulate you for your efforts. But I want to know whether your management will remain with Cuscaden should they win, or if they lose, will you keep the same management?</p>
	<p><i>Ng Yat Chung</i></p> <p>There are two parts. If the Cuscaden Scheme succeeds, we will have a new shareholder in Cuscaden. We still have customers and employees to take care of. Of course, you know if the Cuscaden Scheme succeeds, we will have a new shareholder to take care of. Now, whether or not Cuscaden wants to keep the management team is for them to decide. If the Cuscaden Scheme does not succeed, the current management is happy to continue and we have a strategy to continue. Whether or not the management team will continue or whether I will continue is for the SPH board to decide. We have a strategy and at the end of the day it depends on the performance of management. My colleagues and I will ultimately be judged by the value that we can bring to Shareholders. But I would not speculate who will go where. Our priority is to place before Shareholders the best current option in your financial interest. You have a chance to vote for what is in your financial interest; whatever the outcome, we will respect it.</p>