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ACQUISITION OF 45% INTEREST IN HARLIN SOLAR PTY LTD

Keppel Corporation Limited (the "**Company**") wishes to announce that KRE Anchorage Pte. Ltd. ("**Keppel Anchorage**"), a wholly-owned subsidiary held indirectly through Keppel Renewable Energy Pte Ltd ("**KRE**"), is acquiring 45% of the ordinary shares ("**Shares**") in the capital of Harlin Solar Pty Ltd ("**Harlin Solar**") from Anthony John Youssef ("**Youssef**") (the "**Acquisition**"). The Acquisition is conditional on, amongst others, approval of the Foreign Investment Review Board of Australia.

Harlin Solar is a special purpose entity established in August 2020 to develop, construct and operate a solar farm in Queensland, Australia ("**Harlin Solar Farm**"). The Harlin Solar Farm is intended to have a generation capacity of at least 500MW. It is intended that Keppel Anchorage will take the lead role in the development and management of the construction and operation of the Harlin Solar Farm.

In connection with the Acquisition, Keppel Anchorage has also entered into a shareholders' agreement with Harlin Solar and the two other shareholders of Harlin Solar, Youssef and New Energy Development Pty Ltd ("**NED**"), to regulate the manner in which Harlin Solar will be owned, managed and operated. KRE has also agreed to provide a loan of up to AUD$3.24 million (approximately S$3.28 million) to Harlin Solar for funding development costs of the project including payments to land holders.

Youssef and NED have also granted Keppel Anchorage options, subject to certain agreed milestones, to acquire the remaining 55% of the issued ordinary shares in Harlin Solar held by Youssef and all of the issued redeemable preference shares in Harlin Solar held by NED (collectively, the "**Option Shares**").

The aggregate cash consideration for the Shares payable on completion of the Acquisition is AUD$540 (approximately S$545). If Keppel Anchorage exercises the relevant options, the aggregate maximum consideration for the Option Shares is AUD$52.35 million (approximately S$53.01 million), subject to any applicable reductions under the terms of the agreements between Keppel Anchorage, Youssef and/or NED. The aggregate consideration for the Shares and the Option Shares was arrived at on a willing-buyer, willing-seller basis, taking into account, among others, the current net asset value of the ordinary shares and the redeemable preference shares in Harlin Solar of AUD$1 per share, the agreed value of the Harlin Solar Farm project and the potential synergies between Harlin Solar and Keppel Anchorage's respective businesses.

None of the directors and controlling shareholders of the Company has any interest, direct or indirect, in the abovementioned transaction, other than through their shareholding interests, if any, in the Company.

The abovementioned transaction is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the current financial year.

22 December 2020