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KEPPEL LAND CHINA JOINT VENTURE WITH GEMDALE TO DEVELOP RESIDENTIAL SITE IN NANJING

Keppel Corporation Limited (the “**Company**” or “**KCL**”) wishes to inform that Keppel Land China Limited (“**KLCL**”), has on 19 September 2018 formed a joint venture with Gemdale (Group) Co., Ltd. (“**Gemdale Corporation**”) to jointly develop an 8.8-ha prime residential site in Nanjing, China (the “**Subject Site**”), by entering into the following agreements:

- (1) a share purchase agreement (“**SPA**”) with Gemdale Corporation Nanjing Real Estate Development Co., Ltd. (“**Gemdale Nanjing**”) and its related nominee to acquire all of the shares in Eternal Commercial Limited (“**Eternal**”). Completion of the SPA is subject to the fulfillment of certain conditions and is expected to take place by 25 September 2018. Upon completion, Eternal will become an indirect wholly-owned subsidiary of the Company; and
- (2) through Eternal, a joint venture agreement (“**JVA**”) with Gemdale Nanjing and Nanjing Xincheng Enterprise Management Consulting Co., Ltd. (“**Nanjing Xincheng**”).

Gemdale Nanjing is a wholly-owned subsidiary of Gemdale Corporation. Nanjing Xincheng is in turn a wholly-owned subsidiary of Gemdale Nanjing. The Subject Site was acquired on 20 June 2018 by Gemdale Nanjing, via a government land tender.

As part of the JVA, Eternal will hold an approximately 40% stake in Nanjing Jinsheng Real Estate Development Co., Ltd. (“**ProjectCo**”), a subsidiary of Nanjing Xincheng incorporated in the People's Republic of China, to undertake the proposed development of the Subject Site. The aggregate consideration for the acquisition of Eternal and its 40% stake in ProjectCo is approximately RMB 1,414 million (approximately S\$283 million)¹ (the “**Consideration**”) payable in cash in tranches, with final payment expected to take place sometime in the fourth quarter of 2018.

The Consideration was arrived at on a willing buyer willing seller basis taking into account the land price of the Subject Site which is estimated to be approximately RMB 3,183 million as of 20 June 2018.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

A copy of the SPA is available for inspection at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632, during normal business hours for a period of three (3) months from the date of this announcement.

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

¹ Based on exchange rate of S\$1 to RMB 5 as at 19 Sep 2018