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JOINT VENTURE WITH SINGAPORE PRESS HOLDINGS TO DEVELOP AND OPERATE DATA CENTRE FACILITIES AT 82 GENTING LANE

Keppel Corporation Limited (the "**Company**" or "**KCL**", together with its subsidiaries, the "**Group**") wishes to announce that:

(a) its wholly-owned indirect subsidiary, Keppel Data Centres Holding Pte. Ltd. ("**KDCH**") has, through its wholly-owned subsidiaries Keppel Griffin Pte. Ltd. and Geras DC Pte. Ltd. (collectively, the "**KDCH Entities**"), entered into a shareholders' agreement ("**SHA**") with Times Properties Private Limited ("**TPPL**"), a wholly-owned subsidiary of Singapore Press Holdings Limited ("**SPH**"), and TPM Pte. Ltd. ("**TPM**"), a wholly-owned subsidiary of TPPL, to incorporate a joint venture company, Memphis 1 Pte. Ltd. ("**JVCo**"); and

(b) the JVCo, which was incorporated today, has entered into a put and call option agreement (the "**PCOA**") with Singapore News and Publications Limited ("**Vendor**"), a wholly-owned subsidiary of SPH, to acquire a leasehold interest in the property located at 82 Genting Lane, Singapore 349567 (the "**Property**") for the proposed development of data centre facilities.

The principal activity of JVCo is to acquire a leasehold interest in the Property for the proposed development of data centre facilities on the Property and to operate, maintain and manage such data centre facilities (the "**Acquisition**" and together with the formation of the JVCo, collectively, the "**Transactions**").

Pursuant to the terms of the SHA, the JVCo was incorporated with an initial issued and paid-up share capital of S$100, with the KDCH Entities collectively holding 60% of the shares in JVCo, and TPM holding 40% of the shares in JVCo. The JVCo is now an indirect subsidiary of the Company.

Under the SHA, each of the KDCH Entities and TPM shall undertake to contribute funds to the JVCo up to a maximum amount (the "**Contribution Cap**"). The Contribution Cap for the KDCH Entities is approximately S$209 million, which includes (i) an aggregate amount of S$2.1 million being the subscription price for the KDCH Entities' 60% shareholding in the JVCo, (ii) an amount of approximately S$34.5 million in aggregate principal amount of bonds to be issued by JVCo and to be subscribed by nominees of the KDCH Entities, and (iii) the balance amount will be paid progressively by way of debt securities to be issued by the JVCo from time to time, which will be subscribed by nominees of the KDCH Entities (together, the "**Aggregate JV Investment Amount**"), as the development of the data centre facilities progresses. The Aggregate JV Investment Amount will be funded by a combination of internal resources and funding from private funds.

Under the PCOA, the Vendor has granted to JVCo a call option to purchase the Vendor's leasehold interest in the Property, and JVCo has granted to the Vendor a put option to sell the Vendor's leasehold interest in the Property to JVCo (such call option or put option being, an "**Option**"). Upon the exercise of an Option, the Vendor and JVCo shall be deemed to have entered into a binding agreement for the sale and purchase of the leasehold interest in the Property. Completion of the Acquisition is expected to take place on 17 July 2020.

The total purchase price for the leasehold interest in the Property is S$50 million (the "**Purchase Price**") and was arrived at on a willing buyer, willing seller basis after taking into account various factors including the fair market value of the Property of S$50 million as at 28 May 2020 based on an independent valuation of the Property conducted by Cushman & Wakefield VHS Pte Ltd, an independent property valuer commissioned by an affiliate of KDCH and extended to it on a reliance basis, based on residual land value approach and direct comparison approach. The Purchase Price will be paid by JVCo to the Vendor in full in cash upon completion of the Acquisition.

The Transactions are not expected to have a material impact on the net tangible assets or earnings per share of the Company for the current financial year**.**

As at the date of this Announcement:

(a) Dr. Lee Boon Yang is the chairman of the board of directors of both KCL and SPH;

(b) Temasek Holdings (Private) Limited ("**Temasek**") has an interest in more than 20% of the shares of KCL. Temasek has a deemed interest in 26.82% of SPH management shares held in aggregate by its wholly owned subsidiary, Fullerton (Private) Limited, and its independently-managed portfolio companies, Singapore Telecommunications Limited and DBS Bank Ltd respectively; and

(c) Temasek has a deemed interest in less than 0.02% of the SPH ordinary shares, through certain independently-managed subsidiaries and/or associated companies.

Save as disclosed, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Transactions, other than through their shareholding (if any) in KCL or SPH. Dr Lee Boon Yang has abstained from all decisions of the board of directors of the Company in connection with the Transactions.

29 June 2020