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ACQUISITION OF STAKE IN RESIDENTIAL SITE IN JIADING DISTRICT, SHANGHAI, CHINA THROUGH KEPPEL'S CHINA URBAN DEVELOPMENT INVESTMENT PROGRAMME

Keppel Corporation Limited (the "**Company**") wishes to inform that 吉宝鸿远(天津生态城)房地产开发有限公司 (Keppel Hong Yuan (Tianjin Eco-City) Property Development Co Ltd) (a wholly-owned subsidiary of Keppel Land Limited) ("**Keppel HY**") and a co-investor, through Keppel's China Urban Development Investment Programme, intends to acquire from 金地(集团)股份有限公司 (Gemdale Corporation) ("**Gemdale**") 28.57% of the equity interest in 太仓鑫涛房地产咨询有限公司 (Taicang Xintao Real Estate Consulting Co Ltd) ("**TXRE**") (the "**Acquisition**").

Keppel's China Urban Development Investment Programme was established by Keppel Land China Limited ("**KLCL**") and Keppel Capital China ("**KCC**") to invest in residential developments in gateway cities (Tier 1 and fast-growing Tier 2 cities) in China. KLCL, through Keppel HY, will contribute 50% of the capital in a joint venture company, 太仓吉辉房地产咨询有限公司 (Taicang Jihui Real Estate Consulting Co Ltd) ("**JVCo**"), and the co-investor will contribute the remaining 50%. KCC is the investment manager of the programme.

TXRE and 上海西郊庄园企业管理咨询有限公司 (Shanghai Forest Manor Enterprise Management Consulting Co Ltd) have incorporated a project company to hold and develop a 2.5 hectare residential site in Jiading District, Shanghai, China ("**Site**"), and they hold 70% and 30% of the equity interest in the project company respectively.

In connection with the Acquisition, the JVCo has extended loans amounting to approximately RMB344 million (S$67 million)[1] ("**Consideration**") in favour of Gemdale, which has been used for the acquisition and development of the Site. Subject to approval by regulatory authorities, these loans are intended to be converted into 28.57% of the equity interest in TXRE ("**Acquired Interest**"). The conversion is expected to take place by December 2022. Following conversion, TXRE will be an associated company of the Company.

The Consideration was arrived at on a willing-buyer willing-seller basis taking into account, among others, the adjusted net asset value of the Acquired Interest based on the agreed value of the Site attributable to the Acquired Interest, which was approximately RMB344 million (S$67 million)[1] as at 10 November 2022.

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

The Acquisition 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.

14 November 2022

[1] Exchange rate as at 31 October 2022: RMB1 to S$0.1940