Keppel Corporation Limited
(Co Reg No. 196800351N)
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.kepcorp.com

Tel: (65) 62706666
Fax: (65) 64136452

Update on Closure of Lanshi Port by Keppel Logistics (Foshan) Co., Ltd

Keppel Corporation Limited (the "**Company**") refers to its announcement on 27 September 2019 titled "Keppel divests entire interests in Keppel Logistics (Foshan) and Keppel Logistics (Hong Kong) for about S$39 million" (the "**Announcement**").

Unless otherwise specified herein, all capitalised terms have the same meanings as ascribed to them in the Announcement.

Further to the Announcement, the Company wishes to announce that Keppel Logistics (Foshan) Co., Ltd. ("**KLF**") and the local government had entered into an agreement pursuant to which the local government had agreed to pay KLF up to RMB438 million (approximately S$89.5 million) (the "**Compensation Amount**") for the Lanshi port closure.

As stated in the Announcement, after KLF has received such compensation, Sinoway Shipping will work towards liquidating KLF, and Keppel T&T will be entitled to 70% of the proceeds of the liquidated assets of KLF (which include proceeds attributable to Lanshi port but exclude proceeds attributable to interests in Sanshui port) after adjustments (including but not limited to for taxes and other necessary costs).

As the proceeds of the liquidated assets of KLF have not been determined, the financial impact of the aforementioned transaction cannot be conclusively determined at the date of this announcement. Based solely on the Compensation Amount of RMB 438 million (approximately S$89.5 million) and assuming that Keppel T&T receives 70% of the Compensation Amount as proceeds of the liquidated assets of KLF, the expected gain to the Company, after deducting other necessary costs incurred, is approximately RMB183.5 million (approximately S$37.5 million). This is on top of the combined consideration of about S$39 million for the sale of Keppel T&T's entire stakes in KLF and Keppel Logistics (Hong Kong) Limited in 2019.

The Company will provide further updates as appropriate.

1 March 2021