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CLARIFICATION IN RELATION TO THE COMPANY'S ANNUAL REPORT 2022 AND THE SGXNET ANNOUNCEMENT DATED 2 FEBRUARY 2023 ON FINANCIAL STATEMENTS (FULL YEARLY RESULTS)

Keppel Corporation Limited (the "**Company**" or "**KCL**", and together with its subsidiaries, the "**Group**") refers to:

(a) the Company's SGXNet announcement dated 30 March 2023 relating to the Company's Annual Report 2022 for the financial year ended 31 December 2022 ("**FY2022**"); and

(b) the Company's SGXNet announcement dated 2 February 2023 on the Company's financial statements for the full year financial statements for FY2022 (the "**FS22 Announcement**"),

and wishes to clarify the abovementioned SGXNet announcements in response to the following query from SGX RegCo received on 18 April 2023:

SGX RegCo Query:

It was noted that the Net cash from/(Used in) operating activities in the annual report for the year ended 31 December 2023 ("**AR22**") was $259.6m while that of the full year financial statements announced on 2 February 2023 ("**FS22**") was $181.3m. It was also noted that the Net cash (used in) / from investing activities in the AR22 was $(667.3) while that of FS22 was $(589.0).

Please clarify how the Company has complied with Rule 704(6) of the Listing Manual which provides that if an issuer has previously announced its preliminary full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors must be announced immediately. Please also provide a breakdown and quantification in regard to the material variances highlighted in both these instances.

Company's Response:

The adjustments were due to reclassification between operating and investing cash flows amounts to $78,296,000 and is between "Working capital changes - Debtors" within Net cash from operating activities and "(Advances to)/repayment from associated companies, joint ventures and joint venture partner" within Net cash used in investing activities. The reclassification was made post-FS22 Announcement to better reflect the underlying nature of the cash flows.

The breakdown of the reclassification is as follows:

$'000	Inflow / (Outflow)	
	Operating	Investing
Per Announcement	181,291	(588,989)
Per Financial Statements	259,587	(667,285)
Reclassification	78,296	(78,296)
Breakdown		
Reclassification from debtors to advances to joint ventures and joint venture partner	101,359	(101,359)
Reclassification from advances to associated companies to debtors	(23,063)	23,063
Total	78,296	(78,296)

Management has assessed that this reclassification between Net cash from operating activities and Net cash used in investing activities is not material for the purposes of Rule 704(6) of the Listing Manual as:

- the reclassification does not change the direction of the cash flows arising from operating and investing activities; and
- the reclassification does not affect the Group's compliance with debt covenants and going concern basis of preparation of the financial statements.