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Commencement of arbitration in respect of Doha North Sewage Treatment Works project

Keppel Corporation Limited (the "**Company**") wishes to announce that its wholly-owned subsidiary, Keppel Seghers Engineering Singapore Pte Ltd ("**KSES**"), a wholly owned subsidiary of Keppel Infrastructure Holdings Pte Ltd ("**Keppel Infrastructure**"), has today filed a Request for Arbitration ("**RFA**") with the International Chamber of Commerce ("**ICC**") in Paris, commencing arbitration proceedings ("**Arbitration**") against the Qatar Public Works Authority ("**PWA**") for claims arising from a contract dated 9 December 2007 ("**DNSTW Contract**") under which PWA appointed KSES for the design, build, operation, and maintenance of the Doha North Sewage Treatment Works project ("**DNSTW**") in Qatar. These claims relate to the design and build stage of the project which include, among others, recovery of delay penalties paid to PWA, variation works, and prolongation costs due and payable to KSES under the DNSTW Contract.

The DNSTW was a Design-Build-Operate project awarded by the PWA. The project, comprising of sewage treatment, water reuse and sludge treatment facilities, was handed over in phases to the PWA over 2015 through 2017; and was in the operation and maintenance phase when PWA terminated the contract with KSES in July 2020 following the implementation of a new framework contract by PWA to operate and maintain the sewer network and its associated assets in the State of Qatar.

The claim amount is currently estimated to be approximately QAR 457.7 million (approximately S$172.6 million) with interest, and does not yet include KSES's claim for prolongation costs and other delay related costs under the DNSTW Contract, which are to be ascertained subsequently. KSES expects the arbitration proceedings may take at least 3 years to complete before issuance of the Arbitral Award. It is KSES's intention to continue to engage PWA in amicable settlement discussions to resolve the claims after the filing of the RFA.

Keppel Infrastructure does not expect the arbitration to have any material impact on its operations and financial performance in the current financial year, and the Company does not expect the filing of the RFA to have any material impact on the earnings per share and net tangible asset per share of the Company for the current financial year.

The Company will provide further updates as appropriate.

31 May 2022