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COMPLETION OF ACQUISITION OF INTERESTS IN WATERMARK RETIREMENT COMMUNITIES

Keppel Corporation Limited (the "**Company**") refers to its announcement dated 2 August 2018 (the "**Acquisition Announcement**") in relation to the entry by its indirect wholly-owned subsidiary, Keppel Capital Senior Living LLC ("**KC Senior Living**"), into a conditional equity purchase agreement with the Diana and David Freshwater Living Trust dated January 20, 2004, the Barnes Family Revocable Trust, and its related entities (collectively, the "**Sellers**") to purchase and acquire (the "**Acquisition**"):

(i) 50 per cent. of the total equity interests of Watermark Retirement Communities, Inc. ("**WRC**"); and

(ii) 50 per cent. of the total equity interests of certain affiliates of WRC (the "**WRC Affiliates**").

The Company wishes to announce that the Acquisition has been completed. In connection with the completion, WRC has been converted into a Delaware limited liability company named Watermark Retirement Communities, LLC.

Against the backdrop of ageing populations in many regions[1], the Acquisition is a strategic move by the Keppel Group to expand into the fast-growing senior living sector, leveraging WRC's deep expertise and agile business model. As a solutions provider for sustainable urbanisation, Keppel is well placed to expand its capabilities into senior living, with a view to offering customised solutions to Singapore and other markets in Asia. Keppel Capital can also raise funds and potentially serve as a capital partner for future senior living projects managed by WRC, thereby offering more options to Keppel Capital's investors and providing another avenue to grow Keppel's assets under management and recurring management fees.

As stated in the Acquisition Announcement, the Sellers, through certain WRC Affiliates, hold minority interests in the retirement communities (the "**Minority JV Interests**") they manage which are operated as joint ventures by the Sellers with capital partners. Instead of acquiring 50 per cent. of the WRC Affiliates which hold the Minority JV Interests, KC Senior Living has acquired 50 per cent of the profits interests of the Minority JV Interests held by the Sellers. Consequently, the aggregate purchase price for the Acquisition was adjusted from approximately US$77.3 million to approximately US$84.6 million to account for the Sellers being solely responsible for future capital call obligations relating to the Minority JV Interests. The adjusted purchase price also took into account that the Minority JV Interests in two communities have been excluded from the Acquisition as these were divested by the Sellers prior to completion of the Acquisition.

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[1] In 2019, there were 703 million persons aged 65 years or over in the world and this number is projected to double to 1.5 billion in 2050 (Source: United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Ageing 2019: Highlights (ST/ESA/SER.A/430)). Population aging has also been rapid in parts of Asia, while the US is also facing unprecedented growth of the population aged 65 years or over in US history, driven by the large baby boom generation.