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DIVESTMENT OF INTERESTS IN PRODUCTION ENERGY COMPANY AS

Keppel Corporation Limited (the "**Company**") wishes to announce that its indirect wholly-owned subsidiary, Keppel Oil & Gas Pte Ltd ("**KOG**"), has divested its entire 49% shareholding interest ("**Sale Shares**") in Production Energy Company AS ("**PECAS**") to Skeie Technology AS, an existing shareholder of PECAS, for an aggregate cash consideration of NOK 164,660.68 (approximately S$24,000) ("**Consideration**") (the "**Divestment**").

PECAS is a Norwegian company which had been involved in the exploration, development and management of oil and gas licenses on the Norwegian continental shelf. PECAS had resigned from the ownership of its last license on the Norwegian continental shelf in 2018 and is now managing its assets towards liquidation.

The Consideration was paid in cash, and was arrived at on a willing buyer willing seller basis taking into account the historical transacted price for shares in PECAS. The net asset value attributable to the Sale Shares was approximately negative NOK 147 million (approximately negative S$22.3 million) as at 31 October 2020.

Following completion of the Divestment, PECAS has ceased to be an associated company of the Company.

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

The carrying value of the Sale Shares was zero. The Divestment 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.

15 December 2020