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

DIVESTMENT OF ENTIRE INTEREST IN KEPPEL SMIT TOWAGE PRIVATE LIMITED AND MAJU MARITIME PTE LTD

Keppel Corporation Limited ("Company" or "KCL", and together with its subsidiaries, the "Group") wishes to announce that KS Investments Pte. Ltd. ("KSI"), a wholly owned subsidiary of Keppel Offshore & Marine Ltd, is divesting its entire 51% shareholding interest ("Sale Shares") in each of Keppel Smit Towage Private Limited ("KST") and Maju Maritime Pte Ltd ("Maju") (together the "Sale Companies") to Rimorchiatori Mediterranei Spa for an aggregate cash consideration of approximately S$133 million (the "Divestments"). Completion of the Divestments is conditional upon the receipt of approval from regulatory authorities in Singapore.

The aggregate consideration will be fully payable in cash upon completion of the Divestments, and was arrived at on a willing buyer willing seller basis taking into account, among others, the Sale Companies' enterprise values, financial positions and business prospects, as well as the book value and net asset value attributable to the Sale Shares, both of which were approximately S$60.8 million as at 31 October 2021.

Following completion of the Divestments, which is expected to take place in the first half of 2022, the Sale Companies will cease to be subsidiaries of the Company. The Divestments are part of Keppel O&M's strategic review to streamline and divest its non-core assets, in line with Keppel's Vision 2030 plans to be more focused and disciplined as it executes its mission to provide solutions for sustainable urbanisation.

PROFORMA FINANCIAL EFFECTS

The Company expects to recognize a divestment gain of approximately S$72 million from the Divestments.

Based on the latest audited financial statements of the Group for the financial year ended 31 December 2020 ("FY2020"):

(a) had the Divestments been completed on 31 December 2020, the net tangible asset per share as at 31 December 2020 would have increased from S$5.02 (before the Divestments) to S$5.06 (after the Divestments); and

(b) had the Divestments been completed on 1 January 2020, the loss per share for FY2020 would have reduced from 27.8 cents (before the Divestments) to 24.0 cents (after the Divestments).

INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

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

15 November 2021