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ANNOUNCEMENT BY KRISENERGY LTD RELATING TO KRISENERGY'S RESTRUCTURING EXERCISE

Keppel Corporation Limited (the "Company" or "KCL") refers to the announcement of KrisEnergy Ltd. ("KrisEnergy" and such announcement, "KrisEnergy Announcement"), an associated company of KCL, released today on SGXNet which disclosed certain updates on the KrisEnergy restructuring exercise and the KrisEnergy-operated Apsara oil field in Block A, offshore Cambodia (the "Apsara Mini Phase 1A development").

KrisEnergy has stated in the KrisEnergy Announcement that the previously announced Netherland, Sewell & Associates, Inc. ("NSAI")'s independent review of the ultimate recovery from the Apsara Mini Phase 1A development is still on-going; however, given the disappointing production results from the Apsara Mini Phase 1A development so far:

1. the ultimate recovery and cashflow from the Apsara Mini Phase 1A development will be significantly lower than expected despite the recent increase in oil prices; and

2. there remains material uncertainty over KrisEnergy's ability to continue operating as a going concern even if the current restructuring plan was completed.

The KrisEnergy Announcement states that the restructuring plan as described in previous KrisEnergy announcements is no longer viable. No alternative restructuring plan has been presented by KrisEnergy to KCL and the revolving credit facility granted by DBS Bank Ltd to KrisEnergy (Asia) Ltd ("RCF") to which KCL has provided a guarantee via a bilateral contract with DBS Bank Ltd, will not be amended and extended.

The carrying values as at 31 March 2021 of KCL's investment, contract asset and loan receivable, as well as the amount outstanding under the RCF to which KCL has provided a guarantee via a bilateral contract with DBS Bank Ltd, are as set out in the table below:

Description	Value (USDm)	Value (SGDm)*
Amount outstanding under the RCF to which KCL has provided a guarantee via a bilateral contract with DBS Bank Ltd as previously announced by the Company on 14 August 2019	188.7	250.8
Carrying value of the loan receivable under a credit facility granted by Kepinvest Singapore Pte. Ltd., a wholly-owned subsidiary of the Company, to KrisEnergy (Apsara) Company Ltd and KrisEnergy (Cambodia) Ltd, both wholly-owned indirect subsidiaries of KrisEnergy, for the Apsara Mini Phase 1A development as previously announced by the Company on 30 April 2020	81.3	108.1
Carrying value of zero-coupon notes issued by KrisEnergy and held by Keppel Oil & Gas Pte Ltd, a wholly-owned subsidiary of the Company	26.4	35.1
Carrying value of the contract asset in respect of a construction contract by Keppel Shipyard Ltd, a wholly-owned subsidiary of the Company, for a production barge for the Apsara Mini Phase 1A development	22.0	29.2
Total	**318.3**	**423.2**

** Based on an exchange rate of USD1:SGD1.33*

It should be noted that the values stated above would be significantly and negatively impacted by the current situation of KrisEnergy, especially if it cannot continue to be a going concern. The carrying values above were determined on the basis that KrisEnergy, which was pursuing a consensual restructuring exercise, continues as a going concern. As stated in the KrisEnergy Announcement, there remains material uncertainty over KrisEnergy's ability to continue as a going concern even if the current restructuring plan was completed. The going concern assumption may therefore not be valid and appropriate. In a situation where KrisEnergy can no longer continue as a going concern, there will be a significant negative impact on these values.

Together with KCL's financial advisor who has been advising KCL on the implications of KrisEnergy's restructuring exercise to KCL, KCL is evaluating the potential financial impact on the values and determining its best course of action to preserve value for our shareholders. The financial impact cannot be determined at this stage as it requires the finalisation of the NSAI report and completion of an analysis of the impact of the NSAI report on the cashflows of the Apsara Mini Phase 1A development and any impact of the failure of the restructuring on KrisEnergy's other assets. A further update will be provided when the financial impact is ascertained.

20 April 2021