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PROPOSED DIVESTMENT OF 39% INTEREST IN KEPPEL MERLIMAU COGEN PLANT

Keppel Ltd. (“**Keppel**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that KCIF Investments Pte. Ltd. (“**KCIF Investments**”) has entered into a sale and purchase agreement (“**SPA**”) with Keppel Infrastructure Fund Management Pte. Ltd. (as trustee-manager of Keppel Infrastructure Trust) (“**KIT**”) to divest, in the manner described below, KCIF Investments’ entire 39% interest in Keppel Merlimau Cogen Pte. Ltd. (“**KMC**”) to KIT (the “**Proposed Divestment**”).

KCIF Investments is a wholly-owned subsidiary of Keppel Core Infra Fund GP Pte. Ltd. (as general partner of Keppel Core Infrastructure Fund, LP) (“**KCIF**”), and KCIF is in turn a subsidiary of Keppel. KMC holds the Keppel Merlimau Cogen Plant, a combined cycle gas turbine generation facility with a licensed generation capacity of approximately 1,300 MW and ancillary facilities on Jurong Island off the south-west coast of Singapore.

The current shareholders of KMC are KIT (51%), Kindle Energy Pte. Ltd. (a wholly-owned subsidiary of KCIF Investments) (“**Kindle Energy**”) (39%), and Keppel Energy Pte. Ltd. (“**Keppel Energy**”) (a wholly-owned subsidiary of Keppel) (10%). Following completion of the Proposed Divestment (“**Completion**”), KIT’s aggregate interest in KMC will be 90%, with the remaining 10% of the interest continued to be held by Keppel, through Keppel Energy.

Key Terms of the Proposed Divestment

The Proposed Divestment will be effected by way of a transfer by KCIF Investments to KIT of (i) the shareholder loans advanced by KCIF Investments to Kindle Energy (“**Shareholder Loans**”); and (ii) 1 ordinary share in Kindle Energy (representing a 100% interest in Kindle Energy) (“**Purchase Share**”), for an aggregate cash consideration of up to approximately S\$128.1 million¹ (the “**Consideration**”).

The Consideration is subject to completion adjustments, and was arrived at on a willing-buyer willing-seller basis, taking into account, *inter alia*, the net asset value of Kindle Energy and the value of the Shareholder Loans as at 31 December 2025. The Consideration comprises (i) the base purchase price of approximately S\$120.9 million, with approximately S\$106.3 million allocated to the Shareholder Loans and approximately S\$14.7 million allocated to the Purchase Share, and (ii) a ticking fee estimated at approximately S\$7.2 million payable by KIT to KCIF Investments, assuming the Proposed Divestment is completed on 30 September 2026 (being the Long Stop Date (as defined below)), which is intended to compensate KCIF for the time value and opportunity cost of its capital arising from the period between 31 December 2025 and the date of Completion. The Consideration will be paid by KIT to KCIF Investments on completion of the Proposed Divestment.

Completion of the Proposed Divestment is subject to the satisfaction of certain conditions precedent, including the approval of the unitholders of KIT for the Proposed Divestment and obtaining the requisite regulatory approval.

¹ As the ticking fee will vary depending on the date of Completion, it will be reduced if Completion occurs prior to the Long Stop Date (as defined below). For illustration, based on the current transaction timetable (subject to satisfaction of the conditions precedent), if Completion were to occur on 30 June 2026, the ticking fee would be approximately S\$4.8 million, resulting in a Consideration of approximately S\$125.7 million.

Subject to such conditions for Completion, the expected date for Completion is 30 June 2026 (“**Expected Completion Date**”), being 8 business days after the approval of the unitholders of KIT for the Proposed Divestment is obtained at the extraordinary general meeting to be convened, or any other date agreed in writing between KCIF Investments and KIT. The parties have agreed to a long stop date of 5.00 p.m. on 30 September 2026, or such other time and date as the parties may agree in writing (“**Long Stop Date**”).

Proforma Financial Effects of the Proposed Divestment

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2025 (“**FY2025**”):

- (a) had the Proposed Divestment been completed on 31 December 2025, the net tangible asset per share as at 31 December 2025 would have increased from S\$5.58 (before the Proposed Divestment) to S\$5.66 (after the Proposed Divestment); and
- (b) had the Proposed Divestment been completed on 1 January 2025, the earnings per share for FY2025 would have increased from 43.5 cents (before the Proposed Divestment) to 50.9 cents (after the Proposed Divestment).

Interested Person Transaction

As KCIF Investments is an “entity at risk” and KIT is an “interested person” for the purposes of Chapter 9 of the Listing Manual (by virtue of it being an “associate” of Temasek Holdings (Private) Limited, a controlling shareholder of the Company), the Proposed Divestment would be an “interested person transaction” under the Listing Manual.

However, the value of this interested person transaction to the Company, after aggregation with the value of all other aggregable transactions (each of a value equal to or greater than S\$100,000) with KIT and its subsidiaries and associates for the current financial year (but excluding transactions conducted under a shareholders’ mandate pursuant to Rule 920 of the Listing Manual), does not exceed 3.0% of the Group’s latest audited consolidated net tangible assets as at 31 December 2025. Accordingly, the Proposed Divestment is not required to be announced pursuant to Rule 905 and does not require shareholders’ approval pursuant to Rule 906.

Disclosure of Interests

Save in respect of his/her/its shareholding (if any) in the Company, based on the latest information available to the Company, none of the directors and controlling shareholders of Keppel has any interest, direct or indirect, in the Proposed Divestment (other than through their respective unitholdings in KIT, if any).

4 May 2026