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DIVESTMENT OF JIANGYIN EVERGRO PROPERTIES CO., LTD.

Keppel Corporation Limited (the “**Company**”) wishes to announce that Keppel Land China Limited (“**KLCL**”), through its subsidiaries, Third Dragon Development Pte Ltd (“**TDD**”) and Shanghai Merryfield Land Co., Ltd. (“**SML**”), is divesting 100% of the equity interest (“**Sale Shares**”) in Jiangyin Evergro Properties Co., Ltd. (江阴惠升置业有限公司) (“**JEP**”) to Aoyuan Group Chongqing Property Company Limited (奥园集团重庆置业有限公司) (“**Buyer**”) (a wholly-owned subsidiary of China Aoyuan Group Limited) (the “**Divestment**”).

JEP owns a residential and commercial mixed-use site located in Jiangyin, China (“**Site**”). TDD (a wholly-owned subsidiary of KLCL) and SML (a 99%-owned subsidiary of KLCL) hold approximately 44.3% and 55.7% of the equity interests in JEP respectively.

The Divestment is in line with KLCL’s strategy to recycle capital and reinvest it in opportunities to seek higher returns and rebalance its portfolio to focus on selected high-growth cities in China.

The Buyer will be paying an aggregate amount of approximately RMB473.5 million (approximately S\$94.5 million), of which:

- (a) approximately RMB278.8 million (approximately S\$55.6 million) (“**Consideration**”) will be paid to TDD and SML as consideration for the Sale Shares, which is subject to completion adjustments; and
- (b) approximately RMB194.7 million (approximately S\$38.9 million) (“**Repayment Amount**”) will be paid to an affiliate of KLCL, to repay an existing loan extended by such KLCL affiliate to JEP.

The Consideration and Repayment Amount will be payable in cash in two tranches, with final payment expected to take place in the second quarter of 2020. The Consideration was arrived at taking into account the adjusted net asset value, based on the agreed value of the Site attributable to the Sale Shares, which was approximately RMB235.7 million as at 31 March 2020.

Following completion of the Divestment, which is expected to take place in the third quarter of 2020, JEP will cease to be a subsidiary 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 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.