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Announcement by Floatel International Ltd on agreement with lenders in relation to its proposed restructuring

Keppel Corporation Limited ("**Company**") refers to (a) the Company's announcements on 5 December 2020 and 16 December 2020 on Floatel International Ltd's ("**Floatel**") announcements on the corporate restructuring of the Floatel group ("**Transaction**"), and (b) Floatel's press release dated 9 January 2021, a copy of which is annexed to this announcement ("**Floatel Announcement**").

Terms used but not otherwise defined in this announcement shall have the same meaning as in the Company's earlier announcement dated 5 December 2020.

Floatel has announced that the discussions with the RCF and BVF Lenders have concluded with an agreement that will deliver full discharge of security over the Bank Vessel Assets (as defined in Floatel's press release annexed to the Company's announcement dated 5 December 2020) ("**Collateral Discharge Agreement**"). Further details on the Collateral Discharge Agreement are set out in the Floatel Announcement.

The Company will make further announcements as necessary if and when there are material developments.

The Company wishes to advise Shareholders to refrain from taking any action in respect of their shares in the Company ("**Shares**") which may be prejudicial to their interests, and to exercise caution when dealing in the Shares. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

9 January 2021



PRESS RELEASE

Bermuda, 9-January-2021

FLOATEL INTERNATIONAL LTD: AGREEMENT WITH THE LENDERS

Terms not defined herein have the meaning given to them in the press release issued by the Company on 5 December 2020

The Company is pleased to announce that the constructive discussions with the Lenders have concluded with an agreement that will deliver full discharge of security over the Bank Vessel Assets (the “**Collateral Discharge Agreement**”). The Collateral Discharge Agreement has the approval of a significant majority of the Company’s shareholders and the 1L Bondholders and 2L Bondholders that are party to the Lock-Up Agreement.

Completion of the Collateral Discharge Agreement is conditioned upon securing and satisfying all conditions precedent to the New RCF which will be drawn in part to fund a settlement payment of USD 46,000,000 to the Lenders under the Collateral Discharge Agreement. Upon completion of the Collateral Discharge Agreement, which is envisaged to occur in February 2021, the vessel “Floatel Endurance” will remain with the Group, cash in the blocked accounts and other assets retained by the relevant group company and any and all claims of the Lenders against the group including the USD 115 million owed in principal, interest and fees under the Bank Vessel Facility and the RCFs shall be fully and unconditionally released.

As set out in our 5 December 2020 announcement, there are a number of other steps to be taken to complete Transaction, but certain of these steps are simplified as a result of the agreement with the Lenders. In particular, the Scheme that had been considered to manage the Common Collateral claims will no longer be required.

The Collateral Discharge Agreement, and the Transaction generally, will be for the benefit and security of all stakeholders including current and future customers, suppliers, offshore and onshore personnel as well as shareholders and secured financial creditors. As before, those vessels that are on charter, including Floatel Endurance currently at the Martin Linge field can continue to operate as normal. Retaining the Floatel Endurance further enhance the ability to sign and deliver new assignments as well as secure the future of the business.

For further information, please contact:

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INFORMATION ABOUT FLOATEL INTERNATIONAL LTD

Floatel International Ltd was established in 2006 to satisfy market demand for a new generation of offshore flotels. The vision of the Company is to own and operate the most modern, safe and reliable flotel fleet in the world.

Floatel International owns and operates five semisubmersible accommodation vessels, all vessels were delivered within the period 2010 to 2016. Two vessels, Floatel Superior and Floatel Endurance are approved to operate in the Norwegian sector and four vessels are approved for the UK sector.

All vessels are equipped with a dynamic positioning system and are built according to the latest HSE requirements providing quality and comfort for the guests onboard. The accommodation capacity of the Floatel fleet ranges from 440 beds to 560 beds. All vessels are furthermore equipped with large deck areas, workshops and crane support able to assist complicated offshore hookup projects and maintenance and modifications of existing offshore facilities.

Floatel has two bond issuances listed on Oslo ABM with ticker code FLOAT02 and FLOAT03.

Floatel International AB is a management company responsible for operational management and construction supervision for and on behalf of the Owner, Floatel International Ltd.

For further information about Floatel International Group, please visit our website: www.floatel.bm