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Keppel O&M secures two more jackup rig charters from ADES worth up to S$155 million

Keppel Corporation Limited (the "**Company**") wishes to announce that its subsidiary Keppel Offshore & Marine Limited, through its wholly-owned subsidiaries (the "**Owners**") have entered into bareboat charter contracts (the "**New Bareboat Charters**") with ADES Saudi Limited Company ("**ADES**") for two KFELS B Class jackup rigs, Cantarell III and Cantarell IV (to be renamed ADM685 and ADM686 respectively) (the "**Rigs**").

The New Bareboat Charters will be for a period of five years, expected to commence in the first half of 2023, and projected to generate total revenue of about S$155 million for Keppel Offshore & Marine Limited, which includes modification works to prepare the rigs for deployment.

The entry into the New Bareboat Charters follows the termination of sale and leaseback arrangements in relation to the Rigs (the "**Grupo R Bareboat Charters**") between the Owners and subsidiaries of Grupo R ("**Grupo R**") announced by the Company on 20 February 2019 and 13 December 2019. Subsequent to unremedied events of default under the Grupo R Bareboat Charters arising from actions and omissions of the charterers, the Owners have exercised their contractual right to terminate the Grupo R Bareboat Charters. The Owners will retain all payments received to date under the Grupo R Bareboat Charters and have retaken possession of the Rigs from Grupo R.

The termination of the Grupo R Bareboat Charters and the entry into the New Bareboat Charters are not expected to have a material impact on the net tangible assets or earnings per share of Keppel Corporation Limited for the current financial year.

11 November 2022