Media Release

Keppel and co-investors to jointly acquire a prime commercial asset in Shanghai's North Bund for RMB 4.6 billion

Singapore, 26 March 2019 – Keppel Capital Holdings Pte. Ltd. (Keppel Capital), through Alpha Asia Macro Trends Fund III (AAMTF III), Keppel Land China Limited (Keppel Land China)[1] and other co-investors, have entered into a shareholders' agreement with North Bund Keppel Pte. Ltd. (North Bund Keppel) for the proposed acquisition of Yi Fang Tower, a recently completed prime Grade A office and retail mixed-use development located in North Bund, Shanghai, China, for an aggregate consideration of RMB 4.6 billion. In September 2018, North Bund Keppel, which is a wholly-owned subsidiary of AAMTF III, had entered into a framework agreement with Yi Fang Jing Yi Enterprise Management Co. Ltd. to acquire Yi Fang Tower.

Under the agreement, AAMTF III and Keppel Land China will subscribe for 42.1% and 29.8% stakes in North Bund Keppel respectively, and the remaining stake in North Bund Keppel will be held by the other co-investors. AAMTF III is managed by Alpha Investment Partners Limited (Alpha), the private fund management arm of Keppel Capital. The acquisition is expected to be completed in the second quarter of 2019.

Yi Fang Tower is strategically located in the centre of the North Bund area and is in close proximity to the Lujiazui Financial Centre and the Bund, making the property well-positioned to attract multinational corporations looking to relocate from other areas.

Mr Eric Goh, CEO (China) of Keppel Capital, said, "We have closed deals in Shanghai amounting to more than RMB 14.5 billion to-date for our AAMTF series as well as for co-investors. The proposed acquisition is in line with Keppel Capital's investment strategy of creating value and driving returns for our investors. Yi Fang Tower is a quality asset that is well-connected to Shanghai's core central business districts and is expected to meet growing demand from quality tenants in the professional services and financial sectors. This partnership with the co-investors is also testament to the confidence that they have in Keppel Capital in delivering good returns."

Mr Ben Lee, President of Keppel Land China, said, "Harnessing strengths across the Keppel Group, Keppel Land is collaborating for a third time with Keppel Capital to invest in prime properties in Shanghai. This acquisition of Yi Fang Tower follows the investments in Life Hub @ Jinqiao and Trinity Tower. It is in line with our strategy to grow our commercial portfolio in China, with a focus on first-tier cities such as Shanghai. We are confident that the well-located and highly accessible property will meet the rising demand for prime office and retail space in the fast-developing North Bund area."

Yi Fang Tower is made up of two 18-storey office towers and a retail podium. It has a total gross leasable area of about 74,400 sm, comprising about 47,500 sm of office space and about 26,900 sm of retail space.

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[1] Through the respective wholly-owned subsidiaries of AAMTF III and Keppel Land China.

Located in the Hongkou District, Yi Fang Tower is highly accessible and well-connected to the Shanghai Metro, with direct access to the International Cruise Station on Metro Line 12. The completion of Beiheng Tunnel in 2020, which is located within a five-minute drive to the property, will enhance the property's overall connectivity to other parts of Shanghai. The property has also obtained the Chinese Certification of Green Building in recognition of its sustainable features.

The abovementioned transaction is not expected to have any material impact on the earnings per share and net tangible asset per share of Keppel Corporation Limited for the current financial year.

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About Keppel Capital

Keppel Capital is a premier asset manager in Asia. It is the asset management arm of Keppel Corporation Limited, a multi-business company providing solutions for sustainable urbanisation, with key businesses in offshore and marine, property, infrastructure and investments.

With assets under management of approximately S$29 billion as at end-2018, Keppel Capital has a diversified portfolio that includes real estate, infrastructure and data centre properties in key global markets.

Keppel Capital aims to create value and deliver sustainable returns for institutional and retail investors through a range of products including REITs, business trusts, private funds, separate accounts and pooled investment vehicles.

The asset managers under Keppel Capital include Keppel REIT Management Limited, Keppel Infrastructure Fund Management Pte Ltd, Keppel DC REIT Management Pte Ltd, Keppel-KBS US REIT Management Pte Ltd, Alpha Investment Partners Limited and Keppel Capital Alternative Asset Pte Ltd.

About Keppel Land China

Keppel Land China is a wholly-owned subsidiary of Keppel Land, the property arm of Keppel Corporation Limited, a multi-business company providing robust solutions for sustainable

urbanisation, with key businesses in offshore and marine, property, infrastructure and investments.

Keppel Land is geographically diversified in Asia, with Singapore, China and Vietnam as its key markets, while it continues to scale up in other markets such as Indonesia and India.

Keppel Land China is focused on developing township, residential, waterfront, commercial and mixed-use developments in China. Over the years, the company has expanded its footprint in China to close to 10 cities. To date, Keppel Land China has about 20 projects with a pipeline of more than 20,000 homes.

Keppel Land China is an investor in the China-Singapore government-to-government project, the Sino-Singapore Tianjin Eco-City (Eco-City). It also plays the role of the developer for the Keppel Group's eco-developments in the Eco-City.