

DIVESTMENT OF INTEREST IN DONG NAI WATERFRONT CITY LLC

Keppel Corporation Limited (the "**Company**") wishes to inform that Keppel Land Limited ("**KLL**"), through its wholly-owned subsidiary, Portsville Pte. Ltd. ("**Portsville**"), is divesting its remaining 30% interest (the "**Sale Stake**") in Dong Nai Waterfront City LLC ("**DNWC**") to Nam Long Investment Corporation ("**NLG**" or the "**Purchaser**") (the "**Divestment**"). This transaction follows the divestment of Portsville's 70% interest in DNWC to NLG, which was announced on 28 January 2019 and 10 April 2019.

DNWC is a joint-venture company incorporated under the laws of Vietnam and had been granted the right to develop a township in Dong Nai Province, Vietnam. The Divestment is in line with the Company's plan to monetise identified assets and apply the balance sheet space that is released for new growth opportunities under its Vision 2030.

The total consideration of the Sale Stake is VND1,951 billion (approximately S\$115.9 million) (the "**Consideration**") and will be paid out in cash to Portsville in two tranches following completion of the Divestment. The Consideration was arrived at on a willing-buyer and willing-seller basis taking into account the unaudited net asset value of DNWC and prevailing market conditions. The adjusted net asset value attributable to the Sale Stake was approximately VND1,951 billion (approximately S\$115.9 million) as at 30 October 2020.

The Divestment is conditional upon certain conditions precedent being fulfilled, including but not limited to, the issuance of a new Enterprise Registration Certificate by the relevant Vietnamese authorities. Following completion of the Divestment, the Company will cease to hold any interest in DNWC.

Financial Effects

The gain on disposal is expected to be approximately S\$52.5 million.

Based on the latest audited financial statements of the Company for the financial year ended 31 December 2019 ("**FY2019**"):

- (a) had the Divestment been completed on 31 December 2019, the net tangible asset per share as at 31 December 2019 would have increased from S\$5.25 (before the Divestment) to S\$5.28 (after the Divestment); and
- (b) had the Divestment been completed on 1 January 2019, the earnings per share for FY2019 would have increased from 38.9 cents (before the Divestment) to 42.0 cents (after the Divestment).

Interests of Directors and Controlling Shareholders

None of the directors and controlling shareholders of the Company has any interest, direct or indirect, in the transaction, other than through their shareholding interests, if any, in the Company.

1 December 2020