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Announcement by KrisEnergy on final restructuring proposal

Keppel Corporation Limited ("KCL") refers to KrisEnergy Ltd's ("KrisEnergy") announcement dated 21 August 2020 "Updates on the restructuring process – Notice of 3rd informal Investor Meeting & Presentation Slides" relating to its final restructuring proposal.

KCL has evaluated KrisEnergy's final restructuring proposal and is prepared to support the restructuring on the terms proposed.

KCL supported the initial application by KrisEnergy to the High Court of Singapore for moratorium protection on 14 August 2019 as a significant direct creditor of KrisEnergy through its holding of the zero coupon notes due 2024 ("ZCNs") and also in respect of a claim of approximately US\$180 million of outstanding principal as at 27 August 2020 owed by KrisEnergy (Asia) Ltd ("KE Asia"), an indirect wholly owned subsidiary of KrisEnergy, to DBS Bank Ltd ("DBS") under a revolving credit facility agreement ("RCF"), in which KCL holds an indirect interest through a bilateral contract between KCL and DBS. As noted in our announcement of 14 August 2019, this bilateral contract was required in order for DBS to provide and continue to provide the RCF to KE Asia.

Since then, KCL has continued to support the KrisEnergy group in respect of its financial difficulties by providing additional funding and helping to safeguard assets in order to retain the possibility of a successful financial restructuring. In particular:

- (1) as stated in our announcement on 30 April 2020, due to the urgent need for investment for Cambodia Block A ("CBA"), KCL agreed to increase its exposure to the KrisEnergy group by providing an up to US\$87 million CBA loan facility to develop this key asset. To date, US\$29 million of this facility has been utilised in order to develop CBA and we understand that first oil production is anticipated to occur by the end of the year. This would not have been feasible without the injection of new funding by KCL; and
- (2) as stated in our announcement on 30 June 2020, in conjunction with the extension of the maturity date of the RCF to 31 December 2020, KCL entered into an agreement with DBS to extend the term of the bilateral contract with DBS for the same period. The extension of the bilateral contract was to support KrisEnergy's management whilst they discussed and obtained feedback from stakeholders on the initial debt restructuring proposals.

These measures were approved by the board of KCL in order to allow KrisEnergy management the time and opportunity to formulate, take into account feedback from stakeholders and further develop a deliverable debt restructuring plan and to preserve the key assets of the group for the potential benefit of all stakeholders.

KCL believes that the final restructuring proposal is a deliverable plan but for KrisEnergy's restructuring to be successful, KrisEnergy requires the support of its stakeholders as the final restructuring proposal is subject to receipt of inter-conditional approvals across stakeholder groups. KCL hopes to see a successful conclusion to the financial restructuring in the next few months.

Based on KCL's financial advisor's current analysis of the KrisEnergy group's assets and operations and the final restructuring proposal, KCL does not expect a consensual restructuring of KrisEnergy based on the final restructuring proposal to have a material impact on the net tangible assets or earnings per share of KCL for the current financial year.

30 August 2020