

SETTLEMENT AGREEMENT WITH SETE BRASIL

Keppel Corporation Limited (the “**Company**” or “**KCL**”) refers to the Company’s announcement on 7 October 2019 in relation to the Settlement Agreement that was entered between and among:

- (a) Fernvale Pte Ltd (“**Fernvale**”) and FELS Offshore Pte. Ltd. (“**FELS Offshore**”), both wholly-owned subsidiaries of Keppel Offshore & Marine Ltd (“**KOM**”); and
- (b) Sete International One GmbH (“**Sete International**”), a subsidiary of Sete Brasil Participações S.A. (“**Sete Brasil**”), and (ii) Urca Drilling B.V. (“**Urca**”), Frade Drilling B.V. (“**Frade**”), Bracuhy Drilling B.V. (“**Bracuhy**”), Portogalo Drilling B.V. (“**Portogalo**”), Mangaratiba Drilling B.V. (“**Mangaratiba**”) and Botinas Drilling B.V. (“**Botinas**”), all subsidiaries of Sete Brasil (and together with Sete International and Sete Brasil, “**Sete Entities**”) in relation to the contracts for the construction of six semisubmersible drilling rigs for Sete Brasil (together, the “**EPC Contracts**”).

Unless otherwise defined, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the announcement of 7 October 2019.

The Company wishes to announce that the Settlement Agreement is now effective. Among other things, the parties have agreed that:

- (a) the EPC Contracts and all related agreements entered into in connection therewith shall be deemed to be amicably terminated with no need of any further acts and with no penalties, refunds and/or any additional amounts being due to any party, pursuant to these EPC Contracts and, the parties have unconditionally and fully released each other from any and all obligations thereunder;
- (b) it is intended that Fernvale shall have full title and ownership to the works and equipment under the Discontinued EPC Contracts, namely Bracuhy, Portogalo, Mangaratiba and Botinas;
- (c) each of Urca and Frade shall have unencumbered title and ownership to 80.95% and 63.26% of the works and equipment respectively, and that the remaining percentage of title and ownership to such works and equipment shall be recognised as in part belonging to Fernvale, and in part not performed or completed;
- (d) a sum of US\$259,456,692.60 under the outstanding invoices from Fernvale issued under the EPC Contracts with Urca and Frade shall be recognised as an undisputed debt due and owing by

Urca and Frade respectively and be recognised as part of the debt under the Judicial Reorganisation Plan; and

- (e) certain conditions precedent, namely, the disposal by Sete Brasil of its entire shareholding in Urca and Frade and the release of certain securities that creditors of Urca, Frade, Bracuhy, and Portogalo may hold, shall be de-coupled from the Settlement Agreement, in order to allow for the settlement to take effect immediately between the parties.

The Company, Fernvale, and FELS Offshore continue to be in discussions with the Sete Entities in relation to the disposal of shares in Urca and Frade, as well as the release of securities that creditors of Urca, Frade, Bracuhy, and Portogalo may hold. The Company will make further announcements if and when there are material updates as may be necessary or appropriate.

The abovementioned Settlement Agreement will not result in additional provisions nor have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2021.

13 October 2021