

SALE OF INTEREST IN ORBISTA PTE. LTD.

1. INTRODUCTION

- 1.1 Further to the announcements made by Keppel Corporation Limited (the "**Company**") dated 25 June 2018 and 29 June 2018 in relation to the divestment of part of the Company's interest in Quoc Loc Phat Joint Stock Company ("**QLP**"), the Company wishes to announce, pursuant to Rule 704(18) of the Listing Manual of the Singapore Exchange Securities Trading Limited that its indirect wholly-owned subsidiary, Orbista Pte. Ltd. ("**Orbista**"), which is in turn held by its wholly-owned subsidiary, Keppel Land Limited ("**KLL**"), had entered into a share purchase agreement ("**SPA**") today in accordance with Paragraph 1.4 below (the "**Orbista Divestment**").
- 1.2 KLL holds 100% of the shareholding interest in Oil Asia Pte. Ltd. ("**Oil Asia**"), which in turn, holds 100% of the shareholding interest in Orbista. Orbista, in turn holds a 15% shareholding interest in QLP. QLP is a company incorporated under the laws of Vietnam and is the officially appointed developer of a property located in Ho Chi Minh City ("**HCMC**"), Vietnam.
- 1.3 Following the Orbista Divestment, Orbista will cease to be a subsidiary of KLL and KLL will cease to have any interest in QLP.
- 1.4 The Orbista Divestment is proposed to be carried out as a purchase from Oil Asia by Fortune Paradise Holdings Limited ("**Fortune**") in respect of the entire issued share capital ("**Orbista Shares**") in Orbista.
- 1.5 KLL regularly reviews its portfolio and the Orbista Divestment is in line with the KLL's strategy to recycle assets to seek higher returns.

2. INFORMATION ON THE ORBISTA DIVESTMENT

Under the terms of the SPA, the purchase consideration of the Orbista Shares is US\$30 million (approximately S\$40.2 million¹) ("**Purchase Consideration**"). The Purchase Consideration was arrived at a willing-buyer and willing-seller basis after taking into account, *inter alia*, the net tangible asset value and book value of QLP, each of which is approximately S\$87.6 million and prevailing market conditions.

The Purchase Consideration will be paid in cash to Oil Asia upon completion of the SPA. Completion of the SPA is expected to take place in the third quarter of 2018 or such other date as may be agreed in writing between the parties.

¹ For the purpose of this Announcement, all currency exchange rate throughout this Announcement is US\$1.00: S\$1.3384. Such exchange rate has been presented solely for information only and shall not be construed as representations that the relevant amounts have been or could have been converted at the rates indicated or at any other rate.

Following the Orbista Divestment, Orbista will cease to be a subsidiary of KLL and KLL will cease to have any interest in QLP.

3. PROFORMA FINANCIAL EFFECTS

Based on the latest audited financial statements of the Company for the financial year ended 31 December 2017 ("FY2017"):

- (a) had the Orbista Divestment been completed on 31 December 2017, the net tangible asset per share as at 31 December 2017 would have increased from S\$6.21 (before the Orbista Divestment) to S\$6.23 (after the Orbista Divestment); and
- (b) had the Orbista Divestment been completed on 1 January 2017, the earnings per share for FY2017 would have increased from 11.9 cents (before the Orbista Divestment) to 13.5 cents (after the Orbista Divestment).

4. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above Orbista Divestment.

5. SALE AND PURCHASE AGREEMENT

A copy of the SPA is available for inspection at the registered office of the Company at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632, during normal business hours for a period of three (3) months from the date of this Announcement.