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Keppel Corporation Limited

(Company Registration No. 196800351N)
(Incorporated in the Republic of Singapore)

**APPENDICES TO THE NOTICE OF ANNUAL GENERAL MEETING
DATED 11 MAY 2020**

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THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

1. BACKGROUND

- 1.1 It is a requirement under the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**") that a company which wishes to purchase or otherwise acquire its own shares has to obtain the approval of its shareholders at a general meeting of its shareholders. Keppel Corporation Limited (the "**Company**") proposes to seek the approval of shareholders of the Company ("**Shareholders**") at the forthcoming annual general meeting to be held on 2 June 2020 (the "**2020 AGM**") for the renewal of the general mandate (the "**Share Purchase Mandate**") to authorise the directors of the Company ("**Directors**") to buy back issued and fully paid ordinary shares in the capital of the Company ("**Shares**") in accordance with the terms set out in this Appendix as well as the rules and regulations set forth in the Companies Act and the listing manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Listing Manual**").
- 1.2 The Share Purchase Mandate was originally approved by Shareholders on 18 February 2000 and was last renewed at the annual general meeting of the Company on 23 April 2019 (the "**2019 AGM**"). The mandate as renewed at the 2019 AGM will expire on the date of the forthcoming 2020 AGM. If the proposed resolution for the renewal of the Share Purchase Mandate is approved at the 2020 AGM, the mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is earlier.
- 1.3 The purpose of this Appendix is to provide information relating to, and to explain the rationale for, the authority and limitations on, and the financial effects of, the proposed renewal of the Share Purchase Mandate.

2. RATIONALE FOR THE SHARE PURCHASE MANDATE

- 2.1 The rationale for the Company to undertake a purchase or acquisition of its Shares is as follows:
- (a) in managing the business of the Company and its subsidiaries (the "**Group**"), the management of the Company will strive to increase shareholders' value by improving, inter alia, the return on equity ("**ROE**") of the Company. In addition to growth and expansion of the business, share purchases may be considered as one of the ways through which the ROE of the Company may be enhanced;
 - (b) in line with international practice, the Share Purchase Mandate will provide the Company greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner;
 - (c) share purchase programmes help buffer short-term share price volatility; and
 - (d) the Share Purchase Mandate will provide the Company the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

2.2 The Share Purchase Mandate would authorise a purchase or acquisition of Shares up to a maximum of two (2) per cent. of the issued Shares ascertained in accordance with paragraph 3.2 below during the duration referred to in paragraph 3.3 below. The two (2) per cent. limit is lower than the ten (10) per cent. limit allowed under the Listing Manual. Shareholders should also note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out up to the full two (2) per cent. limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate would be made only as and when the Directors consider it to be in the best interests of the Company and/or Shareholders and in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Purchase Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

3. AUTHORITY AND LIMITS ON THE SHARE PURCHASE MANDATE

3.1 The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed renewal of the Share Purchase Mandate are summarised in paragraphs 3.2 to 3.5 below, and are substantially the same as were previously approved by Shareholders at the 2019 AGM, except in relation to the definition of "Average Closing Price" to be in line with the amendments to the Listing Manual.

3.2 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than two (2) per cent. of the total number of issued Shares as at the date of the 2020 AGM at which the renewal of the Share Purchase Mandate is approved. If the Company has at any time during the Relevant Period reduced its share capital by a special resolution under Section 78C of the Companies Act, or the court has, at any time during the Relevant Period, made an order under Section 78I of the Companies Act confirming the reduction of share capital of the Company, the total number of Shares shall be taken to be the total number of Shares as altered by the special resolution of the Company or the order of the court, as the case may be. Any Shares which are held as treasury shares and any subsidiary holdings will be disregarded for purposes of computing the two (2) per cent. limit. As at 22 April 2020 (the "**Latest Practicable Date**"), no Shares were held as treasury shares.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,820,557,767 Shares. In addition, as at the Latest Practicable Date, there were outstanding awards to issue up to 22,051,830 Shares pursuant to the KCL Restricted Share Plan and the KCL Performance Share Plan (collectively, the "**KCL Share Plans**"). Except in respect of Shares which are issuable on the vesting of the awards granted pursuant to the KCL Share Plans, no Shares are reserved for issue by the Company as at the Latest Practicable Date.

Purely for illustrative purposes, on the basis of 1,820,557,767 Shares in issue as at the Latest Practicable Date and assuming (a) no further Shares are issued; (b) no further Shares are purchased or acquired as treasury shares; and (c) no treasury shares are used, sold, transferred or cancelled, the purchase or acquisition by the Company of two (2) per cent. of its issued Shares will result in the purchase or acquisition of 36,411,155 Shares.

3.3 Duration of Authority

Purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate may be made, at any time and from time to time, on and from the date of the 2020 AGM, at which the proposed renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next annual general meeting of the Company is held or is required by law to be held;
- (b) the date on which the purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest ("**Relevant Period**").

3.4 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) an on-market purchase ("**Market Purchase**"), transacted on the SGX-ST through the SGX-ST's trading system, through one (1) or more duly licensed stock brokers appointed by the Company for the purpose; and/or
- (b) an off-market purchase ("**Off-Market Purchase**") effected pursuant to an equal access scheme under Section 76C of the Companies Act.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, as they consider fit and in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (2) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Pursuant to the Listing Manual, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document to all Shareholders containing at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed purchase or acquisition of Shares;
- (4) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Singapore Code on Take-overs and Mergers ("**Take-over Code**") or other applicable take-over rules;
- (5) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (6) details of any purchases or acquisitions of Shares made by the Company in the previous twelve (12) months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase or acquisition price per Share or the highest and lowest prices paid for the purchases or acquisitions of Shares, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

3.5 Purchase Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed, whether pursuant to a Market Purchase or an Off-Market Purchase, 105 per cent. of the Average Closing Price (the "**Maximum Price**"), excluding related expenses of the purchase or acquisition.

For the above purposes, "**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days (a "**Market Day**" being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, in the case of Market Purchases, before the day on which the purchases or acquisitions of Shares are made and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the day on which the purchases or acquisitions are made, or in the case of Off-Market Purchases, the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

4. STATUS OF PURCHASED SHARES

A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

5. TREASURY SHARES

5.1 Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised in paragraphs 5.2 to 5.4 below.

5.2 Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed ten (10) per cent. of the total number of issued Shares.

5.3 Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before, as the case may be.

5.4 Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for its employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

5.5 In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

6. REPORTING REQUIREMENTS

- 6.1 Within thirty (30) days of the passing of a Shareholders' resolution to approve the purchases or acquisitions of Shares by the Company, the Company shall lodge a copy of such resolution with the Registrar of Companies.
- 6.2 The Company shall notify the Registrar of Companies within thirty (30) days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchase or acquisition, including the date of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the purchase or acquisition of Shares, the Company's issued share capital after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of profits or the capital of the Company, and such other particulars as may be required.
- 6.3 The Listing Manual specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares not later than 9.00 a.m.:
- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
 - (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer for the Off-Market Purchase.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

7. SOURCE OF FUNDS

- 7.1 The Company may only apply funds for the purchase or acquisition of the Shares as provided in the constitution of the Company and in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.
- 7.2 The Companies Act permits the Company to purchase or acquire its own Shares out of capital, as well as from its distributable profits, so long as the Company is solvent.
- 7.3 Apart from using its internal sources of funds, the Company may obtain or incur borrowings to finance its purchase or acquisition of Shares.

8. FINANCIAL EFFECTS

- 8.1 Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount of the Company's capital will be reduced correspondingly but the amount available for the distribution of cash dividends by the Company will not be reduced. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of the Company's capital and profits, the amount of its capital and profits will be correspondingly reduced.
- 8.2 It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Purchase Mandate on the net tangible assets ("NTA") and earnings per Share ("EPS") as the resultant effect would depend on, inter alia, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the Company to fund the purchases or acquisitions, and whether the Shares purchased or acquired are cancelled or held as treasury shares.
- 8.3 The Directors do not propose to exercise the Share Purchase Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Company. The purchase or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirements, the availability of financial resources and the prevailing market conditions. The proposed Share Purchase Mandate will be exercised with a view to enhancing the EPS and/or the NTA value per Share.
- 8.4 **Illustrative Financial Effects.** The financial effects of the Share Purchase Mandate on the Group and on the Company based on the audited financial statements of the Group and the Company for the financial year ended 31 December 2019 are based on the assumptions set out below:
- (a) based on 1,816,379,444 Shares issued (excluding 2,014,736 treasury shares and subsidiary holdings) as at 31 December 2019 and assuming (i) no further Shares are issued; (ii) no further Shares are purchased or acquired as treasury shares; and (iii) no treasury shares are used, sold, transferred or cancelled, not more than 36,327,588 Shares (representing two (2) per cent. of the issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate;
 - (b) in the case of both Market Purchases and Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 36,327,588 Shares, the maximum amount of funds required for the purchase or acquisition of 36,327,588 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses), assuming a Maximum Price for one (1) Share of \$5.80¹, is approximately \$210.7 million.

1 Being 105% of the Average Closing Price for one (1) Share five (5) Market Days before the Latest Practicable Date.

8.5 **For illustrative purposes only**, and based on the assumptions set out in paragraph 8.4 above and assuming that (i) the purchase or acquisition of Shares is financed solely by internal sources of funds; (ii) the Share Purchase Mandate had been effective on 1 January 2019; and (iii) the Company had purchased or acquired the 36,327,588 Shares (representing two (2) per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at 31 December 2019) on 1 January 2019, the financial effects of the purchase or acquisition of the 36,327,588 Shares by the Company pursuant to the Share Purchase Mandate:

- (a) by way of purchases or acquisitions held as treasury shares; and
- (b) by way of purchases or acquisitions made out of capital and profits and cancelled,

on the audited financial statements of the Company and the Group for the financial year ended 31 December 2019 are set out below:

(1) Purchases held as treasury shares

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2019				
Issued capital and reserves (\$'000)	11,224,862	11,220,612	8,064,040	8,059,790
Treasury shares (\$'000)	(14,009)	(224,709)	(14,009)	(224,709)
NTA (\$'000) ⁽¹⁾	9,527,872	9,312,922	8,064,040	7,849,090
NTA per Share (\$)	5.25	5.23	4.44	4.41
Profit after taxation and non-controlling interests (\$'000) ⁽²⁾	706,975	702,725	790,696	786,446
EPS (cents) ⁽²⁾	38.94	39.49	n.m.f. ⁽³⁾	n.m.f. ⁽³⁾
Net borrowings (\$'000)	9,873,556	10,088,506	6,913,238	7,128,188
Net gearing (times) ⁽⁴⁾	0.85	0.88	0.86	0.91
ROE (%)	6.3	6.3	n.m.f. ⁽³⁾	n.m.f. ⁽³⁾

Notes:

(1) Intangible assets as at 31 December 2019 amounted to \$1,682,981,000.

(2) Earnings and EPS after the Share purchase have been adjusted by the notional interest expense incurred at the interest rate of 2.43% per annum less taxation. "Earnings" means profit after taxation and non-controlling interests.

(3) No meaningful figure.

(4) Net gearing is equal to total borrowings plus lease liabilities less cash divided by capital employed.

(2) Purchases made out of capital and profits and cancelled

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 December 2019				
Issued capital and reserves (\$'000) ⁽¹⁾	11,210,853	10,995,903	8,050,031	7,835,081
NTA (\$'000) ⁽²⁾	9,527,872	9,312,922	8,064,040	7,849,090
NTA per Share (\$)	5.25	5.23	4.44	4.41
Profit after taxation and non-controlling interests (\$'000) ⁽³⁾	706,975	702,725	790,696	786,446
EPS (cents) ⁽³⁾	38.94	39.49	n.m.f. ⁽⁴⁾	n.m.f. ⁽⁴⁾
Net borrowings (\$'000)	9,873,556	10,088,506	6,913,238	7,128,188
Net gearing (times) ⁽⁵⁾	0.85	0.88	0.86	0.91
ROE (%)	6.3	6.3	n.m.f. ⁽⁴⁾	n.m.f. ⁽⁴⁾

Notes:

- (1) Treasury shares held by the Company as at 31 December 2019 are assumed to have been cancelled.
- (2) Intangible assets as at 31 December 2019 amounted to \$1,682,981,000.
- (3) Earnings and EPS after the Share purchase has been adjusted by the notional interest expense incurred at the interest rate of 2.43% per annum less taxation. "Earnings" means profit after taxation and non-controlling interests.
- (4) No meaningful figure.
- (5) Net gearing is equal to total borrowings plus lease liabilities less cash divided by capital employed.

8.6 As illustrated above, the purchases or acquisitions of Shares of the Company will:

- (a) reduce the number of Shares unless the Shares purchased or acquired are held by the Company as treasury shares;
- (b) increase the net gearing of the Group;
- (c) decrease the consolidated NTA per Share of the Group; and
- (d) increase the consolidated EPS of the Group.

- 8.7 Shareholders should note that the financial effects set out above are purely for illustrative purposes only. Although the proposed Share Purchase Mandate (if renewed) would authorise the Company to purchase or acquire up to two (2) cent. of its issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be in the position to purchase or acquire the entire two (2) per cent. of its issued Shares (excluding treasury shares and subsidiary holdings). In particular, the Directors do not intend to exercise the Share Purchase Mandate up to the maximum limit or to such an extent where such exercise would materially and adversely affect the financial position of the Group. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.

9. TAKE-OVER IMPLICATIONS

- 9.1 Appendix 2 to the Take-over Code contains the Share Buy-back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out in paragraphs 9.2 to 9.4 below.

9.2 Obligation to Make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and become obliged to make a general offer under Rule 14 of the Take-over Code.

9.3 Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of the company.

Unless the contrary is established, the Take-over Code presumes, inter alia, the following persons to be acting in concert:

- (a) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the above companies, and any company whose associated companies include any of the above companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above companies for the purchase of voting rights;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employee share schemes;

- (d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above persons for the purchase of voting rights.

For this purpose, ownership or control of at least twenty (20) per cent. but not more than fifty (50) per cent. of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 to the Take-over Code.

9.4 Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 to the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to thirty (30) per cent. or more, or in the event that such Directors and their concert parties hold between thirty (30) per cent. and fifty (50) percent. of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than one (1) per cent. in any period of six (6) months. In calculating the percentage of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Based on the Register of Directors' Shareholdings of the Company and the issued share capital of the Company as at the Latest Practicable Date, the shareholdings of the Directors of the Company before and after the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate (assuming (a) the Company purchases or acquires, as at the Latest Practicable Date, the maximum amount of two (2) per cent. of the issued Shares of the Company; and (b) there is no change in the number of Shares held or deemed to be held by the Directors) would be as follows:

Names of Directors	No. of Shares before buy-back			No. of Shares after buy-back		
	Direct Interest ⁽¹⁾	Deemed Interest ⁽¹⁾	Total Interest ⁽¹⁾	Direct Interest ⁽²⁾	Deemed Interest ⁽²⁾	Total Interest ⁽²⁾
Lee Boon Yang	322,000 (0.02%)	–	322,000 (0.02%)	322,000 (0.02%)	–	322,000 (0.02%)
Loh Chin Hua	1,790,772 (0.10%)	38,500 (n.m.f. ⁽³⁾)	1,829,272 (0.10%)	1,790,772 (0.10%)	38,500 (n.m.f. ⁽³⁾)	1,829,272 (0.10%)
Alvin Yeo Khirn Hai	51,225 (n.m.f. ⁽³⁾)	42,000 (n.m.f. ⁽³⁾)	93,225 (0.01%)	51,225 (n.m.f. ⁽³⁾)	42,000 (n.m.f. ⁽³⁾)	93,225 (0.1%)
Tan Ek Kia	51,825 (n.m.f. ⁽³⁾)	–	51,825 (n.m.f. ⁽³⁾)	51,825 (n.m.f. ⁽³⁾)	–	51,825 (n.m.f. ⁽³⁾)
Danny Teoh Leong Kay	83,825 (n.m.f. ⁽³⁾)	–	83,825 (n.m.f. ⁽³⁾)	83,825 (n.m.f. ⁽³⁾)	–	83,825 (n.m.f. ⁽³⁾)
Till Bernhard Vestring	81,000 (n.m.f. ⁽³⁾)	–	81,000 (n.m.f. ⁽³⁾)	81,000 (n.m.f. ⁽³⁾)	–	81,000 (n.m.f. ⁽³⁾)
Veronica Eng Siang Yang	28,000 (n.m.f. ⁽³⁾)	–	28,000 (n.m.f. ⁽³⁾)	28,000 (n.m.f. ⁽³⁾)	–	28,000 (n.m.f. ⁽³⁾)
Jean-François Manzoni	1,000 (n.m.f. ⁽³⁾)	–	1,000 (n.m.f. ⁽³⁾)	1,000 (n.m.f. ⁽³⁾)	–	1,000 (n.m.f. ⁽³⁾)
Tham Sai Choy	155,570 (0.01%)	–	155,570 (0.01%)	155,570 (0.01%)	–	155,570 (0.01%)
Penny Goh	30,000 (n.m.f. ⁽³⁾)	–	30,000 (n.m.f. ⁽³⁾)	30,000 (n.m.f. ⁽³⁾)	–	30,000 (n.m.f. ⁽³⁾)

Notes:

- (1) Based on the total issued and paid-up share capital of the Company 1,820,557,767 Shares as at the Latest Practicable Date.
- (2) Based on the total issued and paid-up share capital of the Company of 1,784,146,612 Shares (assuming that the Company purchases or acquires, as at the Latest Practicable Date, the maximum number of 36,411,155 Shares under the Share Purchase Mandate).
- (3) No meaningful figure.

As at the Latest Practicable Date, the shareholdings of the Directors in the Company are not material and none of the Directors (together with persons acting in concert with them) would become obligated to make a mandatory offer in the event that the Company purchases or acquires the maximum amount of two (2) per cent. of its Shares under the Share Purchase Mandate.

Under Appendix 2 to the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to thirty (30) per cent. or more, or, if such Shareholder holds between thirty (30) per cent. and fifty (50) per cent. of the Company's voting rights, the voting rights of such Shareholder would increase by more than one (1) per cent. in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the renewal of the Share Purchase Mandate.

Based on the Register of Substantial Shareholders of the Company, and assuming that (a) there is no change in the direct and deemed interests of the substantial Shareholders in the Shares; (b) no new Shares are issued to the substantial Shareholders by the Company following approval being received from Shareholders at the 2020 AGM for the renewal of the Share Purchase Mandate; and (c) the substantial Shareholders do not sell or otherwise dispose of their interest in the Shares, the direct and deemed interests of the substantial Shareholders in the Shares before and after the purchase by the Company of two (2) per cent. of the issued Shares of the Company pursuant to the Share Purchase Mandate will be as follows:

	Before buy-back		After buy-back	
	No. of Shares	% of total issued Shares ⁽¹⁾	No. of Shares	% of total issued Shares ⁽²⁾
Substantial Shareholders				
Temasek Holdings (Private) Limited	386,729,429	21.24	386,729,429	21.68

Notes:

- (1) Based on the total issued and paid-up share capital of the Company 1,820,557,767 Shares as at the Latest Practicable Date.
- (2) Based on the total issued and paid-up share capital of the Company of 1,784,217,579 Shares (assuming that the Company purchases or acquires, as at the Latest Practicable Date, the maximum number of 36,411,155 Shares under the Share Purchase Mandate).

Accordingly, based on the direct and deemed interests of the substantial Shareholders in the Shares as at the Latest Practicable Date, none of the substantial Shareholders would, under Appendix 2 to the Take-over Code, be required to make a mandatory offer under Rule 14 of the Take-over Code following the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

10. LISTING MANUAL

- 10.1 While the listing rules of the SGX-ST do not expressly prohibit the purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not purchase or acquire any Shares pursuant to the Share Purchase Mandate after a price-sensitive development has occurred or has been the subject of a consideration and/or a decision of the board of Directors until such time as the price-sensitive information has been publicly announced. In particular, in line with the best practices on dealings in securities issued by the SGX-ST, the Company will not purchase or acquire any Shares pursuant to the Share Purchase Mandate during the period commencing:
- (a) (if the Company announces its quarterly financial statements) two (2) weeks before the announcement of the Company’s financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the Company’s full year financial statements; or
 - (b) (if the Company does not announce its quarterly financial statements) one month before the announcement of the Company’s half year and full year financial statements.
- 10.2 The Company is required under Rule 723 of the Listing Manual to ensure that at least ten (10) per cent. of its Shares (excluding treasury shares) are in the hands of the public. The “public”, as defined under the Listing Manual, are persons other than the Directors, chief executive officer, substantial Shareholders or controlling Shareholders of the Company or its subsidiaries, as well as the associates of such persons.

Based on the Register of Directors’ Shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 78.40 per cent. of the issued Shares (excluding treasury shares) are in the hands of the public. Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full two (2) per cent. limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

In undertaking any purchases or acquisitions of Shares through Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases or acquisitions, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

11. PREVIOUS SHARE PURCHASES

During the 12-month period preceding the Latest Practicable Date, the Company had purchased an aggregate of 1,510,100 Shares by way of Market Purchases effected on the SGX-ST and held them as treasury shares. The highest and lowest price paid was \$6.72 and \$5.87 per Share respectively and the total consideration paid for the purchase was \$9,511,287.84, excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses. As at the Latest Practicable Date, the Company does not hold any treasury shares.

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The Directors' and substantial Shareholders' interests in Shares as at the Latest Practicable Date as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders are set out below:

Director	Direct Interest		Deemed Interest		Total Interest		Awards of Shares under		
	No.	% ⁽¹⁾	No.	% ⁽¹⁾	No.	% ⁽¹⁾	KCL Restricted Share Plan	KCL Performance Share Plan	KCL Performance Share Plan-Transformation Incentive
Lee Boon Yang	322,000	0.02	–	–	322,000	0.02	–	–	–
Loh Chin Hua	1,790,772	0.10	38,500	n.m.f. ⁽²⁾	1,829,272	0.10	2019 Award: 87,469 ⁽³⁾	2018 Award: 320,000 ⁽⁴⁾	2016 Award: 750,000 ⁽⁵⁾
							2020 Award: 201,258 ⁽³⁾	2019 Award: 365,000 ⁽⁴⁾	2020 Award: 365,000 ⁽⁴⁾
Alvin Yeo Khirn Hai	51,225	n.m.f. ⁽²⁾	42,000	n.m.f. ⁽²⁾	93,225	0.1	–	–	–
Tan Ek Kia	51,825	n.m.f. ⁽²⁾	–	–	51,825	n.m.f. ⁽²⁾	–	–	–
Danny Teoh Leong Kay	83,825	n.m.f. ⁽²⁾	–	–	83,825	n.m.f. ⁽²⁾	–	–	–
Till Bernhard Vestring	81,000	n.m.f. ⁽²⁾	–	–	81,000	n.m.f. ⁽²⁾	–	–	–
Veronica Eng Siang Yang	28,000	n.m.f. ⁽²⁾	–	–	28,000	n.m.f. ⁽²⁾	–	–	–
Jean-François Manzoni	1,000	n.m.f. ⁽²⁾	–	–	1,000	n.m.f. ⁽²⁾	–	–	–
Teo Siong Seng	–	–	–	–	–	–	–	–	–
Tham Sai Choy	155,570	0.01	–	–	155,570	0.01	–	–	–
Penny Goh	30,000	n.m.f. ⁽²⁾	–	–	30,000	n.m.f. ⁽²⁾	–	–	–

Notes:

- (1) Based on the total issued and paid-up ordinary share capital of 1,820,557,767 Shares as at the Latest Practicable Date.
- (2) No meaningful figure.
- (3) Refers to the number of Shares which are the subject of awards granted which have been released under the KCL Restricted Share Plan on satisfaction of performance conditions (where applicable) being met, but not vested.
- (4) Refers to the number of Shares which are the subject of contingent awards granted but not released under the KCL Performance Share Plan. Based on the achievement factor, the actual release of awards could range from zero to a maximum of 150% under the KCL Performance Share Plan.
- (5) Refers to the number of Shares which are the subject of contingent awards granted but not released under the KCL Performance Share Plan pursuant to a one-off Transformation Incentive Plan with 6-year performance period. Based on the achievement factor, the actual release of awards could range from zero to a maximum of 150% under the KCL Performance Share Plan.

Substantial Shareholders	Direct Interest		Number of Shares Indirect Interest		Total Interest	
	No.	% ⁽¹⁾	No.	% ⁽¹⁾	No.	% ⁽¹⁾
Temasek Holdings (Private) Limited	371,408,292	20.40	15,321,137 ⁽²⁾	0.84	386,729,429	21.24

Notes:

- (1) Based on the total issued and paid-up ordinary share capital of 1,820,557,767 Shares as at the Latest Practicable Date.
- (2) Temasek Holdings (Private) Limited is deemed interested in an aggregate of 15,321,137 Shares in which its subsidiaries and associated companies have an aggregate interest.

13. DIRECTORS' RECOMMENDATION AND VOTING²

The Directors are of the opinion that the Share Purchase Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating to the renewal of the Share Purchase Mandate to be proposed at the 2020 AGM as set out in the Notice of Annual General Meeting.

14. DIRECTORS' RESPONSIBILITY STATEMENT

14.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the Company and its subsidiaries which are relevant to the proposed renewal of the Share Purchase Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

14.2 Where any information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the Company's registered office during normal business hours from the date of this Appendix up to the date of the 2020 AGM:

- (a) Annual Report 2019;
- (b) circular to Shareholders dated 1 February 2000 relating to the proposed Share Purchase Mandate; and
- (c) the existing constitution of the Company.

² Please note that a member must appoint the Chairman of the meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the 2020 AGM if such member wishes to exercise his/her/its voting rights at the 2020 AGM.

THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

1. BACKGROUND

- 1.1 At the annual general meeting of Keppel Corporation Limited (the "**Company**") held on 23 April 2019, shareholders of the Company ("**Shareholders**") had renewed a mandate (the "**IPT Mandate**") to enable the Company, its subsidiaries and target associated companies (as defined in Appendix 2 to the Company's Notice of Annual General Meeting dated 1 April 2019 (the "**2019 Circular**")), or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions described in the 2019 Circular, with any person who falls within the classes of Interested Persons described in the 2019 Circular, provided that such transactions are made on normal commercial terms and in accordance with the methods or procedures for determining the transaction prices for Interested Person Transactions as set out in the 2019 Circular.
- 1.2 The IPT Mandate will (unless revoked or varied by the Company at a general meeting) continue in force until the forthcoming annual general meeting of the Company to be held on 2 June 2020 ("**2020 AGM**"). If the proposed resolution for the renewal of the IPT Mandate is approved at the 2020 AGM, the IPT Mandate shall continue in force until the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier.
- 1.3 The rationale of the IPT Mandate, the scope of the IPT Mandate, the benefit to Shareholders, the classes of Interested Persons, the particulars of the Interested Person Transactions and the methods or procedures for determining the transaction prices for Interested Person Transactions in respect of which the IPT Mandate is sought to be renewed remain unchanged and are set out in the Annexure to this Appendix (Annexure 2A).
- 1.4 Approval from Shareholders will be sought for the renewal of the IPT Mandate at the 2020 AGM and at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit Committee of the Company ("**Audit Committee**") of its continued application to transactions with Interested Persons.

2. DEFINITIONS

The following definitions, or such other definition as the Singapore Exchange Securities Trading Limited ("**SGX-ST**") may from time to time determine, shall apply throughout this Appendix (including the Annexure attached hereto), unless the context otherwise requires:

- (a) an "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual;

- (b) an “associate” means:
 - (i) in relation to any director, chief executive officer or controlling shareholder (being an individual):
 - (1) his immediate family member (that is, the person’s spouse, child, adopted child, step-child, sibling and parent);
 - (2) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (3) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
 - (ii) in relation to a controlling shareholder (being a company), any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more;
- (c) “associated company” means a company in which at least 20% but not more than 50% of its shares are held by the listed company or listed group;
- (d) “control” means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company;
- (e) “controlling shareholder” means a person who:
 - (i) holds directly or indirectly 15% or more of the total voting rights in the company (the SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder); or
 - (ii) in fact exercises control over a company;
- (f) “KCL IPT Group” means the Company, its subsidiaries and target associated companies;
- (g) “listed company” means a company which is listed on the SGX-ST;
- (h) “listed group” means the listed company and its subsidiaries;
- (i) “Listing Manual” means the listing manual of the SGX-ST; and
- (j) “target associated company” means an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.

3. AUDIT COMMITTEE'S STATEMENTS

- 3.1 Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit Committee (comprising Mr Danny Teoh, Mr Alvin Yeo Khirn Hai, Ms Veronica Eng, Mr Tan Ek Kia, Mr Tham Sai Choy and Mrs Penny Goh) confirms that:
- (a) the methods or procedures for determining the transaction prices for Interested Person Transactions set out in the Annexure to this Appendix ("**Review Procedures**") have not changed since Shareholders approved the IPT Mandate at the annual general meeting of the Company held on 23 April 2019; and
 - (b) the Review Procedures are sufficient to ensure that the Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.
- 3.2 If, during the periodic reviews by the Audit Committee, the Audit Committee is of the view that the Review Procedures are inadequate or inappropriate to ensure that the Interested Person Transactions will be on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders, or in the event of any amendment to Chapter 9 of the Listing Manual, it will in consultation with the board of directors of the Company ("**Directors**") take such action as it deems proper in respect of such procedures and/or modify or implement such procedures as may be necessary and direct the Company to revert to Shareholders for a fresh mandate based on new guidelines and procedures for transactions with Interested Persons.

4. DISCLOSURES

Disclosure will be made in the Company's Annual Report of the aggregate value of all Interested Person Transactions conducted with Interested Persons pursuant to the IPT Mandate during the current financial year, and in the Annual Reports for subsequent financial years that the IPT Mandate continues in force, in accordance with the requirements of Chapter 9 of the Listing Manual. The Company will also announce the aggregate value of transactions conducted pursuant to the IPT Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual within the time required for the announcement of such report.

5. DIRECTORS' RECOMMENDATION AND VOTING³

- 5.1 The Directors are of the opinion that the proposed renewal of the IPT Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed renewal of the IPT Mandate as set out in the Notice of Annual General Meeting.
- 5.2 In accordance with the requirements of Chapter 9 of the Listing Manual, Temasek Holdings (Private) Limited (being the controlling shareholder of the Company) and all the Directors will abstain from voting, and each has undertaken to ensure that its associates will abstain from voting, on the resolution relating to the renewal of the IPT Mandate to be proposed at the 2020 AGM in respect of the Shares held by them respectively. The Chairman will accept appointment as proxy for any other Shareholder to vote in respect of the ordinary resolution relating to the renewal of the IPT Mandate to be proposed at the 2020 AGM where such Shareholder has given specific instructions in a validly completed and submitted proxy form as to voting, or abstentions from voting, in respect of such ordinary resolution.

³ Please note that a member must appoint the Chairman of the meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the 2020 AGM if such member wishes to exercise his/her/its voting rights at the 2020 AGM.

6. DIRECTORS' RESPONSIBILITY STATEMENT

- 6.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the IPT Mandate, the Company and its subsidiaries which are relevant to the proposed renewal of the IPT Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.
- 6.2 Where any information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the Company's registered office during normal business hours from the date of this Appendix up to the date of the 2020 AGM:

- (a) Annual Report 2019;
- (b) Appendix 3 to the Company's Notice of Annual General Meeting dated 21 April 2003 relating to the proposed IPT Mandate; and
- (c) the existing constitution of the Company.

SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS*

"3. SHAREHOLDERS' MANDATE

3.1 Rationale for Shareholders' Mandate

Temasek Holdings (Private) Limited ("**Temasek**"), which is a controlling shareholder of a number of publicly-listed companies, is a controlling shareholder of KCL.

Due to the size of the Temasek group of companies, the Company, its subsidiaries and target associated companies (as defined in paragraph 2(f)(iii) of this Appendix) that are not listed on the SGX-ST or an approved exchange (the "**KCL IPT Group**") would in the ordinary course of business enter into transactions with the classes of Interested Persons as set out herein and with some degree of frequency.

In view of the time-sensitive and frequent nature of such Interested Person Transactions, the directors of KCL ("**Directors**") are seeking the approval of Shareholders pursuant to Chapter 9 of the Listing Manual for a proposed Shareholders' Mandate pursuant to Chapter 9 of the Listing Manual for the Company, its subsidiaries and target associated companies to enter into Interested Person Transactions with the classes of interested persons set out in paragraph 4 below ("**Interested Persons**"), provided that such transactions are made at arm's length and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders ("**Shareholders' Mandate**"). Such Interested Person Transactions are described in paragraph 5 below.

If approved by Shareholders at the Annual General Meeting to be held on 22 May 2003 or any adjournment thereof ("**AGM**"), the proposed Shareholders' Mandate will take effect from the date of receipt of Shareholders' approval at the AGM until the next AGM of the Company, and shall apply in respect of Interested Person Transactions entered or to be entered into from the date of the AGM until the next AGM of the Company, unless revoked or varied by the Company in general meeting. Thereafter, approval from Shareholders for a renewal of the Shareholders' Mandate will be sought at each subsequent AGM of the Company.

3.2 Scope of the Shareholders' Mandate

The Shareholders' Mandate will cover a wide range of transactions arising in the ordinary course of business operations of the KCL IPT Group, including its principal businesses of offshore and marine, engineering and energy, as well as ancillary businesses such as procurement services and travel.

The Shareholders' Mandate will not cover any Interested Person Transaction which has a value below \$100,000 as the threshold and aggregation requirements of Chapter 9 of the Listing Manual do not apply to such transactions.

* This Annexure is an extract of Appendix 3 of the Company's Notice of Annual General Meeting to Shareholders dated 21 April 2003 on the rationale of the IPT Mandate, the scope of the IPT Mandate, the benefit to Shareholders, the particulars of the Interested Person Transactions, classes of Interested Persons and the Review Procedures for Interested Person Transactions in respect of which the IPT Mandate is sought to be renewed.

Transactions with Interested Persons which do not come within the ambit of the Shareholders' Mandate (including any renewal thereof) will be subject to applicable provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

3.3 Benefit to the Company

The obtaining of the Shareholders' Mandate and the renewal of the Shareholders' Mandate on an annual basis would eliminate the need for the Company to announce, or to announce and convene, separate general meetings from time to time to seek Shareholders' prior approval as and when potential Interested Person Transactions with a specific class of Interested Persons arise, thereby reducing substantial administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the KCL IPT Group. In addition, this will considerably improve administrative efficacy.

The Shareholders' Mandate is intended to facilitate transactions in the normal course of business of the KCL IPT Group which are transacted from time to time with the specified classes of Interested Persons, provided that they are carried out at arm's length and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders. The KCL IPT Group will benefit from having access to competitive quotes from its Interested Persons in addition to obtaining quotes from, or transacting with, non-Interested Persons. In respect of the issue or sale of debt securities to the Interested Persons, the KCL IPT Group can benefit from the financial support of the Interested Persons arising from such issuance or sale, which would be on terms no less favourable to the KCL IPT Group than those issued or sold to other third parties.

4. CLASSES OF INTERESTED PERSONS

The Shareholders' Mandate will apply to the Interested Person Transactions (as described in paragraph 5 below) which are carried out between any company within the KCL IPT Group and the following classes of Interested Persons:

- (a) Temasek and its associates; and
- (b) Directors, chief executive officer(s) and controlling shareholders (other than Temasek) of the Company and their respective associates.

5. CATEGORIES OF INTERESTED PERSON TRANSACTIONS

The types of transactions with Interested Persons (as described in paragraph 4 above) to which the Shareholders' Mandate applies and the benefits to be derived therefrom are set out below:

5.1 Offshore and Marine Services

- (a) Provision and purchases of services and expertise in the construction, fabrication and repair of offshore production facilities, drilling rigs, power barges and specialised vessels to/from Interested Persons and/or to provide the same to third parties jointly with Interested Persons;
- (b) Provision and purchases of services relating to shipbuilding, dry docking, afloat repairs and voyage repairs, major modifications as well as conversion of vessels;
- (c) Provision and purchases of services relating to fabrication of steel structures and industrial equipment and plant;

- (d) Provision and purchases of sub-contracting services, and services relating to engineering, advisory, consultancy and assistance, design and drafting services, project management, material and equipment procurement and procurement services, and the leasing/rental of facilities and equipment, shotblasting services, acquisition and/or supply of materials, equipment and products, and the provision of tug boat services and ocean towage; and
- (e) Provision and purchases of services related to ship repair and shipbuilding contracting and fabrication services.

5.2 Energy-related Services

- (a) Engaging contractors and suppliers for the development and construction of energy-related projects, and the purchase of materials, plants and machinery for such projects;
- (b) Purchase of meter reading, data management, power transmission and other essential regulated services required by an electricity retailer in the Singapore electricity market,
- (c) Contracts with electricity generating companies for hedging of electricity prices;
- (d) retail of electricity;
- (e) Purchase of natural gas as fuel for its facility and backup fuel or chemicals and other raw materials required for power generation;
- (f) Purchase of gas distribution, power transmission, metering services and other essential regulated services required by a power generator;
- (g) Provision of demineralised water, steam, cooling water and other utility services; and
- (h) Provision of guarantees for obligations under the above contracts relating to the purchase of energy-related services.

5.3 Engineering Services

- (a) Provision of engineering, procurement and construction services in infrastructure, industrial and commercial developments;
- (b) Sale of material handling equipment and heavy cranes, provision and purchase of services relating to structural steel engineering, comprehensive operations and maintenance services, and provision of precision engineering services;
- (c) Supply, install, repair and service automation, instrumentation and control systems;
- (d) Provision of general engineering contracting and fabrication services and the supply of marine and building materials, equipment and products;
- (e) Provision of environmental engineering design, process technology and equipment and services in environmental engineering business; and
- (f) Provision of services for the development and construction of infrastructural plants in environmental business, and the engagement of sub-contractors and suppliers to provide services required for such development and construction.

5.4 Debt Securities Transactions

The subscription of debt securities issued by any Interested Person, the issue of debt securities to any Interested Person, the purchase from any Interested Person of debt securities previously issued by such Interested Person, or the sale to any Interested Person of debt securities previously issued by any company within the KCL IPT Group ("**Debt Securities Transactions**").

5.5 Property Related Transactions

- (a) Sale and lease of properties, including but not limited to residential, commercial and industrial buildings and properties;
- (b) Provision and purchase of project development and project management services;
- (c) Provision and purchase of property marketing services for the sale or lease of residential, commercial and industrial properties, as well as property funds; and
- (d) Provision of facilities for leisure activities, including without limitation, marina facilities.

5.6 Other Transactions

- (a) Provision of services relating to the procurement of goods and services including procurement agency, strategic sourcing, auctions, and provision of related technology platforms, consultancy and outsourcing services;
- (b) Provision of travel management services, including corporate ticketing, and purchases of travel and transportation services including but not limited to purchases of air tickets and hotel accommodation;
- (c) Provision of charter-party and other shipping related services;
- (d) Purchase of data storage services including hosting services, software licences, design and other technology services; and
- (e) Purchase of services relating to development and management of network infrastructure and automation devices.

6. REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS

- 6.1 To ensure that Interested Person Transactions are undertaken at arm's length, on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders, the following procedures will be implemented for the review and approval of Interested Person Transactions under the Shareholders' Mandate:

All Interested Person Transactions

- (a) In relation to all Interested Person Transactions as enumerated under paragraph 5 above, quotations will be obtained from the Interested Person and at least one similar service or product provider in respect of services and products obtained by any company within the KCL IPT Group from the Interested Person. All Interested Person Transactions as enumerated under paragraph 5 above shall not be approved unless such transactions are entered into (i) at rates/prices which are no more favourable to the Interested Person than those extended to unrelated third parties

(including where applicable, preferential rates/prices/discounts accorded to corporate customers or bulk purchases), or (ii) in relation to purchases of products and services, on terms similar to the service or product providers' usual commercial terms and in accordance with industry norms for similar services or products, or (iii) in relation to provision of products or services, on terms similar to the usual commercial terms of such company in the KCL IPT Group, or (iv) otherwise in accordance with other applicable industry norms.

- (b) In the event that it is not possible to obtain quotations from unrelated third parties or to determine whether the terms of the Interested Person Transaction with the Interested Person are more or less favourable than the aggregate terms quoted by unrelated third parties, any two members of a committee comprising the directors and the senior financial officer of the relevant company in the KCL IPT Group for the time being and such other person as the Directors may from time to time appoint (the "**Review Committee**") will evaluate and weigh the benefits of, and rationale for, transacting with the Interested Person before submitting a written recommendation to the Audit Committee of the Company. In its evaluation, the Review Committee will include considerations of the efficiencies and flexibilities derived by the Company in transacting with the Interested Person compared with transacting with unrelated third parties. The Audit Committee will evaluate the recommendation of the Review Committee in respect of the Interested Person Transaction before deciding to approve or reject the Interested Person Transaction. In determining the terms of the transaction, the Audit Committee will evaluate such terms in accordance with prevailing industry norms (including the reasonableness of the terms).
- (c) All Interested Person Transactions must be consistent with the usual practices and policies of the KCL IPT Group. The KCL IPT Group will maintain a register of Interested Person Transactions and the register will be reviewed on a quarterly basis by the internal auditors who will report to the Audit Committee.

6.2 In addition to the above procedures, the following review and approval procedures will be implemented to supplement existing internal control procedures:

(a) All Transactions other than Debt Securities Transactions

In addition to paragraph 6.1 above, in relation to all Interested Person Transactions (other than Debt Securities Transactions) as enumerated under paragraph 5 above:-

- (i) transactions equal to or exceeding \$2,000,000 but less than \$10,000,000 each in value will be reviewed and approved by any two members of the Review Committee, before the transaction is entered into;
- (ii) transactions equal to or exceeding \$10,000,000 but less than \$50,000,000 each in value will be reviewed and approved by any two members of the Review Committee and an Executive Director of KCL (the "**Executive Director**") or, if he has an interest in the transaction, a member of the Audit Committee, before the transaction is entered into; and
- (iii) transactions equal to or exceeding \$50,000,000 each in value will be reviewed and approved by the Audit Committee, before the transaction is entered into.

(b) Debt Securities Transactions

In addition to paragraph 6.1 above, in relation to Debt Securities Transactions, the Company will implement the following procedures:

- (i) In relation to the subscription of debt securities issued by any Interested Person, or the purchase from any Interested Person of debt securities previously issued by such Interested Person, such transactions will be entered into by companies within the KCL IPT Group only if the consideration for such debt securities will not be higher than the price(s) at which such debt securities are subscribed or purchased by any other third parties. Conversely, companies within the KCL IPT Group will only issue new debt securities or sell debt securities (previously issued by any company within the KCL IPT Group) to Interested Persons at prices not lower than the prices at which such debt securities are issued or sold to third parties. If, in the case of subscription of debt securities, the KCL IPT Group company is the only subscriber, or in the case of sale of debt securities, the Interested Person is the only purchaser, the Review Committee will evaluate and weigh the benefits of, and rationale for, transacting with the Interested Person before submitting a written recommendation to the Audit Committee of the Company. The Audit Committee will evaluate the recommendation of the Review Committee in respect of the Interested Person Transaction before deciding to approve or reject the Interested Person Transaction. In determining the terms of the transaction, the Audit Committee will evaluate the reasonableness of the consideration.

(ii) Debt securities issued or sold to Interested Persons

In addition, in relation to debt securities issued or sold by any company within the KCL IPT Group to the same Interested Person during the same financial year:

- (aa) Where the aggregate value of the interest expense incurred by the KCL IPT Group on debt securities issued and/or sold to, that Interested Person equals to or exceeds \$500,000 but is less than \$10,000,000, each subsequent issue or sale of debt securities to that Interested Person, by any company within the KCL IPT Group, will be reviewed and approved by any two members of the Review Committee;
- (bb) Where the aggregate value of the interest expense incurred by the KCL IPT Group on debt securities issued and/or sold to, that Interested Person equals to or exceeds \$10,000,000 but is less than \$50,000,000, each subsequent issue or sale of debt securities to that Interested Person, by any company within the KCL IPT Group, will be reviewed and approved by any two members of the Review Committee, and the Executive Director or, if he has an interest in the transaction, a member of the Audit Committee; and
- (cc) Where the aggregate value of the interest expense incurred by the KCL IPT Group on debt securities issued and/or sold to, that Interested Person equals to or exceeds \$50,000,000, each subsequent issue or sale of debt securities to that Interested Person, by any company within the KCL IPT Group, will be reviewed and approved by the Audit Committee.

(iii) Subscription and purchase of debt securities from Interested Persons

In addition, in relation to debt securities subscribed or purchased by any company within the KCL IPT Group from the same Interested Person during the same financial year:

(aa) Where the aggregate of the principal amount of all debt securities subscribed and/or purchased from, the same Interested Person shall at any one time exceed \$200,000,000, each additional subscription of debt securities issued by, or purchase of debt securities from, that Interested Person by any company within the KCL IPT Group shall require the prior approval of the Audit Committee; and

(bb) Subscription of debt securities issued by, and/or purchase of debt securities from, the same Interested Person where the aggregate of the principal amounts thereof do not at any one time exceed the limit set out in sub-paragraph (aa) above will not require the prior approval of the Audit Committee but will be reviewed on a quarterly basis by the Audit Committee.

6.3 The internal auditors of KCL shall review the register of Interested Person Transactions (referred to in paragraph 6.1(c) above) and the operation of the review procedures on a quarterly basis and report to the Audit Committee on the compliance by the KCL IPT Group with the review procedures, and the basis of such transactions, including the quotations (if any) obtained to support the basis, entered into by the KCL IPT Group with the Interested Persons.

6.4 The Audit Committee shall have the overall responsibility for determining the sufficiency of the review procedures to ensure that Interested Person Transactions will be on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, with the authority to delegate the review of such procedures to individuals within the Company and/or such external advisers as they deem appropriate. If any member of the Review Committee or the Executive Director has an interest in an Interested Person Transaction to be reviewed, such member or the Executive Director (as the case may be) will abstain from any decision making in respect of that transaction. If a member of the Audit Committee has an interest in an Interested Person Transaction to be reviewed by the Audit Committee, he will abstain from any decision making in respect of that transaction and the review and approval of that transaction will be undertaken by the remaining members of the Audit Committee.

6.5 Generally, the Review Committee, the Executive Director and the Audit Committee will only approve an Interested Person Transaction if the terms of the transaction are no more favourable than the terms extended to unrelated third parties, or are in accordance with published or prevailing market rates/prices or are otherwise in accordance with prevailing industry norms. Any member of the Review Committee or the Audit Committee or the Executive Director may, as he deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including the obtaining of valuations from independent professional valuers.

6.6 The Audit Committee will review the terms of the Interested Person Transactions and the review procedures adopted on a quarterly basis."

THE PROPOSED ADOPTION OF THE KCL RSP 2020 AND KCL PSP 2020

1. INTRODUCTION

1.1 **Existing Share Plans.** Keppel Corporation Limited (the “Company”) currently has in place the following existing share plans:

(a) the KCL Performance Share Plan; and

(b) the KCL Restricted Share Plan,

(collectively, “Existing Share Plans”).

The Existing Share Plans were approved at an extraordinary general meeting of the Company held on 23 April 2010. Each of the Existing Share Plans has a duration of ten (10) years commencing on the date of adoption, which was on 30 June 2010. The Existing Share Plans are accordingly due to expire on 29 June 2020.

The Company proposes to seek the approval of the Shareholders at the forthcoming annual general meeting to be held on 2 June 2020 (the “2020 AGM”) to implement two (2) new share plans, namely, the KCL RSP 2020 and the KCL PSP 2020 (collectively, the “New Share Plans”). If approved, the New Share Plans will replace the Existing Share Plans with effect from 2 June 2020 and the Existing Share Plans will be terminated on the same day.

The adoption of the KCL RSP 2020 and termination of the existing KCL Restricted Share Plan will be tabled as Resolution 15 for Shareholders’ approval at the 2020 AGM. The adoption of the KCL PSP 2020 and termination of the existing KCL Performance Share Plan will be tabled as Resolution 16 for Shareholders’ approval at the 2020 AGM. The termination of the Existing Share Plans will not, however, affect awards granted prior to such termination, whether such awards have been released (whether fully or partially) or not, which awards will continue to be valid and be subject to the terms and conditions of the Existing Share Plans.

The Singapore Exchange has on 24 March 2020 granted its in-principle approval for the listing and quotation of the New Shares to be allotted and issued pursuant to the New Share Plans, subject to:

(a) Shareholders’ approval for the New Share Plans being obtained; and

(b) the Company’s compliance with the Singapore Exchange’s listing requirements and guidelines.

The Singapore Exchange’s approval in-principle for the listing and quotation of the New Shares on the Main Board of the Singapore Exchange is not to be taken as an indication of the merits of the New Share Plans, the New Shares, the Company and/or its subsidiaries.

The Company previously also had in place the KCL Share Option Scheme, which was adopted at an extraordinary general meeting of the Company held on 7 May 1987, and subsequently amended on 1 September 1999 and 24 January 2008. The KCL Share Option Scheme was terminated on 30 June 2010. There are no outstanding options under the KCL Share Option Scheme.

1.2 Existing Awards. As at the Latest Practicable Date:

- (a) there are outstanding RSP Awards granted to 949 participants under the KCL Restricted Share Plan in respect of up to a maximum of 4,883,323 Shares, representing approximately 0.27% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date;
- (b) an aggregate of 39,086,911 Shares (representing approximately 2.15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date) have been allotted and issued and/or delivered pursuant to the vesting of RSP Awards granted under the KCL Restricted Share Plan since the commencement of the KCL Restricted Share Plan;
- (c) there are outstanding PSP Awards granted to 81 participants under the KCL Performance Share Plan in respect of up to a maximum of 17,168,507 Shares, representing approximately 0.94% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date; and
- (d) an aggregate of 3,207,500 Shares (representing approximately 0.18% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date) have been allotted and issued and/or delivered pursuant to the vesting of PSP Awards granted under the KCL Performance Share Plan since the commencement of the KCL Performance Share Plan.

As at the Latest Practicable Date, an aggregate of 1,192,672 Shares have been allotted and issued and/or delivered to Mr Loh Chin Hua upon vesting of the RSP Awards granted under the KCL Restricted Share Plan since the commencement of the KCL Restricted Share Plan, and an aggregate of 448,100 Shares have been allotted and issued and/or delivered to Mr Loh Chin Hua upon vesting of the PSP Awards granted under the KCL Performance Share Plan since the commencement of the KCL Performance Share Plan.

Save as disclosed in this Appendix, and save for the performance conditions, vesting periods (if any) and/or other conditions (if any) attached to the RSP Awards and/or PSP Awards, there are no material conditions to which the RSP Awards and/or PSP Awards are subject.

Subject to approval by the Committee, grants of RSP Awards and PSP Awards may continue to be made prior to the termination of the Existing Share Plans. As stated above, the Existing Share Plans are proposed to be terminated and replaced by the New Share Plans with effect from 2 June 2020.

No RSP Awards or PSP Awards have been granted to controlling shareholders of the Company or associates of such controlling shareholders under the Existing Share Plans.

A summary of the rules of the KCL RSP 2020 and the KCL PSP 2020 is set out in paragraph 4 of this Appendix.

2. RATIONALE FOR THE NEW SHARE PLANS

The New Share Plans are proposed to increase the Group's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance. The New Share Plans will strengthen the Group's competitiveness in attracting and retaining talented key senior management and employees.

The KCL RSP 2020 is intended to apply to a broader base of participants, while the KCL PSP 2020 is intended to apply to a select group of key senior management. Generally, it is envisaged that the range of performance targets to be set under the KCL RSP 2020 and the KCL PSP 2020 will be different, with the latter emphasising stretched or strategic targets aimed at sustaining longer term growth.

The New Share Plans will provide incentives to high-performing key senior management and employees to excel in their performance and encourage greater dedication and loyalty to the Group. Through the New Share Plans, the Group will be able to motivate key senior management and employees to continue to strive for the Group's long-term shareholder value. In addition, the New Share Plans aim to foster a greater ownership culture within the Group which more directly aligns the interests of key senior management and employees with the interests of Shareholders, and to improve performance and achieve sustainable growth for the Group in the changing business environment.

The New Share Plans use methods fairly common among major local and multinational companies to incentivise and motivate key senior management and employees to achieve pre-determined targets which create and enhance economic value for Shareholders. The Company believes that the New Share Plans will be effective tools in motivating key senior management and employees to strive to deliver long-term shareholder value.

The New Share Plans contemplate the award of fully paid Shares, when and after pre-determined performance or service conditions are accomplished. A Participant's Award under the New Share Plans will be determined at the discretion of the Committee. In considering an Award to be granted to a Participant, the Committee may take into account, *inter alia*, the Participant's performance during the relevant period, and his capability, entrepreneurship, scope of responsibility and skills set.

2.1 The proposed KCL RSP 2020

One of the primary objectives of the KCL RSP 2020 is to serve as an additional motivational tool to recruit and retain high performing employees as well as to reward Group and individual performance. In addition, the KCL RSP 2020 acts as an enhancement of the Group's overall compensation packages, strengthening the Group's ability to attract and retain high performing employees. Potential employee hires who decide on a career switch often have to forego substantial share options or share incentives when they join the Group. Through the KCL RSP 2020, the Company will be able to compensate such new hires for share options or incentives that they may have to forego when they join the Group.

Awards granted under the KCL RSP 2020 will typically vest only after the satisfactory completion of time-based service conditions; that is, after the Participant has served the Group for a specified number of years (time-based restricted Awards) or, where the Award is performance-related (performance-related restricted Awards), after a further period of service beyond the performance target completion date. No minimum vesting periods are prescribed under the KCL RSP 2020, and the length of the vesting period(s) in respect of each Award will be determined on a case-by-case basis.

A time-based restricted Award may be granted, for example, as a supplement to the cash component of the remuneration packages of employees. A performance-based restricted Award may be granted, for example, with a performance target based on the successful completion of a project, or on the Company meeting certain specified corporate target(s), and thereafter with a further vesting period to encourage the Participant to continue serving the Group for a further period of time following completion of the project.

2.2 The proposed KCL PSP 2020

One of the primary objectives of the KCL PSP 2020 is to further motivate key senior management to strive for superior performance and to deliver long-term shareholder value. The KCL PSP 2020 is targeted at senior management in key positions who shoulder the responsibility for the Group's performance and who are able to drive the growth of the Group through superior performance.

Awards granted under the KCL PSP 2020 are performance-based. Performance targets set under the KCL PSP 2020 are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth. Examples of performance targets to be set include targets based on criteria such as total shareholders' return, return on equity, economic value-added, market share, market ranking or return on sales.

Awards granted under the KCL RSP 2020 differ from those granted under the KCL PSP 2020 in that an extended vesting period is normally (but not always) imposed for performance-based restricted Awards granted under the KCL RSP 2020 beyond the performance target completion date; that is, they also incorporate a time-based service condition so as to encourage Participants to continue serving the Group beyond the achievement date of the pre-determined targets.

2.3 Flexibility of Grants

Participants who are employees of the Group or an Associated Company may be granted Awards under both the KCL RSP 2020 and the KCL PSP 2020. For example, an individual Participant who is a key senior management staff may be granted an Award under the KCL PSP 2020 based on specified medium-term critical target objectives (for example, targets relating to market position and Group profitability and growth) over the next three (3) years which vests at the end of the performance period. Concurrently, the individual could also be granted an Award under the KCL RSP 2020 based on different performance targets (for example, ensuring that a particular project is successfully completed on time or that the Group meets certain specified corporate target(s)) and with a longer vesting period with the aim of retaining the individual as the Group's employee. It is unlikely that performance targets for any individual Participant under the KCL PSP 2020 and the KCL RSP 2020 will be identical.

2.4 Role and Composition of the Committee

The New Share Plans will be administered by the Committee, which will comprise Directors duly authorised and appointed by the Board to administer the New Share Plans. Where a member of the Committee is also a proposed Participant, he will not be involved in the deliberations of the Committee in respect of the Awards granted, or to be granted, to him.

3. PARTICIPATION BY ASSOCIATED COMPANY EMPLOYEES IN THE NEW SHARE PLANS

While the New Share Plans cater principally to Group Employees, it is recognised that there may be individuals who are able to make significant contributions to the Group through their close working relationship with the Group, even though they are not employed within the Group. Such persons include the Associated Company Employees.

Associated Company Employees are expected to work closely with the Group to provide services, knowledge, expertise, assistance and support to the Group on a continuing basis in the development and implementation of business strategies, investments and projects in which the Company or the Group has interests. The extension of the New Share Plans to Associated Company Employees allows the Group to have a fair and equitable system to reward Associated Company Employees who have made and who continue to make significant contributions to the long-term growth of the Group.

4. SUMMARY OF RULES OF THE NEW SHARE PLANS

The following are summaries of the principal rules of the KCL RSP 2020 and the KCL PSP 2020.

4.1 Summary of Rules of the KCL RSP 2020

4.1.1 Eligibility

Under the rules of the KCL RSP 2020, the following persons shall be eligible to participate in the KCL RSP 2020 at the discretion of the Committee:

- (a) Group Employees who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Committee from time to time; and
- (b) Associated Company Employees who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Committee from time to time and who, in the opinion of the Committee, have contributed or have the potential to contribute to the success of the Group.

Controlling shareholders of the Company and their associates, and Non-executive Directors will not be eligible to participate in the KCL RSP 2020.

4.1.2 Awards

Awards under the KCL RSP 2020 represent the right of a Participant to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed Performance Condition(s) (if any) are met and upon the expiry of the prescribed Vesting Period(s), if any.

4.1.3 Participants

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the KCL RSP 2020 shall be determined at the discretion of the Committee, which shall take into account such criteria as it considers fit, including (but not limited to) his rank, job performance, years of service, potential for future development, his contribution to the success and development of the Group, and (in the case of a Performance-related Award) the difficulty with which the Performance Condition(s) may be achieved within the Performance Period.

4.1.4 Details of Awards

The Committee shall decide, in relation to each Award:

- (a) the Participant;
- (b) the Award Date;
- (c) the number of Shares which are the subject of that Award;
- (d) in the case of a Performance-related Award;
 - (i) the Performance Period during which the prescribed Performance Condition(s) is (are) to be satisfied;
 - (ii) the prescribed Performance Condition(s); and
 - (iii) the extent to which Shares which are the subject of that Award shall be Released on the prescribed Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;
- (e) the Vesting Period(s) of the Award, if any;
- (f) the Vesting Date(s) of the Award, if any;
- (g) the Release Schedule of the Awards, if any; and
- (h) any other condition which the Committee may determine in relation to the Award.

An Award Letter confirming the Award and specifying the details of the Award will be sent to each Participant as soon as reasonably practicable after the making of an Award.

4.1.5 Events prior to Vesting

Special provisions for the Vesting and lapsing of Awards apply in certain circumstances, which include, amongst others, the following:

- (a) in the event of misconduct (including a breach of any laws of a country in which a company within the Group or an Associated Company operates) on the part of the Participant or where the Participant has committed any misfeasance, fraud or breach of trust or duty in relation to the Group, any company within the Group or an Associated Company (including in violation of the Company's policies and compliance standards), (in each case) as determined by the Committee in its discretion;

- (b) where the Participant had (in the opinion of the Committee), at any time, engaged in conduct that violated the Company's policies and compliance standards, which violation had directly or indirectly caused, resulted in and/or contributed to, or is likely (in the opinion of the Committee) to cause, result in and/or contribute to (whether directly or indirectly) any financial loss or reputational harm to the Group, any company within the Group or an Associated Company or which (in the opinion of the Committee) may be detrimental to the interests of the Group, any company within the Group or an Associated Company;
- (c) where the Participant had (in the opinion of the Committee)
 - (i) knowingly permitted any subordinate over whom the Participant had, at the material time, oversight responsibilities, to engage in; or (ii) failed to exercise reasonable supervisory responsibilities over any such subordinate who engaged in, conduct that violated the Company's policies and compliance standards, which violation had directly or indirectly caused, resulted in and/or contributed to, or is likely (in the opinion of the Committee) to cause, result in and/or contribute to (whether directly or indirectly) any financial loss or reputational harm to the Group, any company within the Group or an Associated Company or which (in the opinion of the Committee) may be detrimental to the interests of the Group, any company within the Group or an Associated Company;
- (d) where the Participant is a Group Employee or an Associated Company Employee, upon the Participant ceasing to be in the employment of the relevant company within the Group or the relevant Associated Company, as the case may be, for any reason whatsoever (other than as specified in sub-paragraphs (g), (i) and (j) below);
- (e) upon an order being made or a resolution being passed for the winding-up of the Company on the basis, or by reason, of its insolvency;
- (f) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (g) where the Participant being a Group Employee or an Associated Company Employee, ceases to be in the employment of the relevant company within the Group or the relevant Associated Company, as the case may be, by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;

- (v) the company by which he is employed ceasing to be a company within the Group or an Associated Company, as the case may be, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or to an Associated Company, as the case may be; or
- (vi) his transfer to any Ministry, governmental or statutory body or corporation at the direction of the Company or, as the case may be, the relevant Associated Company;
- (h) (where applicable) the transfer of a Participant's employment from the Group to an Associated Company or vice versa;
- (i) the death of a Participant;
- (j) any other event approved by the Committee; or
- (k) a take-over offer for the Shares becoming or being declared unconditional, a scheme for the reconstruction or amalgamation of the Company being sanctioned by the court or a resolution for a members' solvent voluntary winding up being made (other than for amalgamation or reconstruction).

Upon the occurrence of any of the events specified in sub-paragraphs (a), (b), (c), (d), and (e), an Award then held by a Participant shall, as provided in the rules of the KCL RSP 2020 and to the extent not yet Released or (even if Released) not yet Vested, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in sub-paragraphs (f), (g), (h), (i) and (j) above, the Committee may, in its discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period (if any) and/or each Vesting Period and subject to the provisions of the KCL RSP 2020.

Upon the occurrence of the event specified in sub-paragraph (k) above, the Committee will consider, at its discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Vesting Period(s) or Performance Period which has (have) elapsed, and in the case of Performance-related Awards, the extent to which the Performance Condition(s) has (have) been satisfied.

4.1.6 Size and Duration of the KCL RSP 2020

The total number of New Shares which may be issued pursuant to Awards granted under the KCL RSP 2020 on any date, when added to the total number of new Shares issued and issuable in respect of:

- (a) all Awards granted under the KCL RSP 2020;

- (b) all Awards granted under the KCL PSP 2020; and
- (c) all Shares, options or awards granted under any other share scheme of the Company then in force,

shall not exceed 5% of the total number issued Shares of the Company (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of the Award.

The Committee currently does not intend, in any given year, to grant Awards under the KCL RSP 2020 such that the aggregate number of New Shares to be allotted and issued pursuant to the New Share Plans would comprise more than 0.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), from time to time (the “**Annual Limit**”). However, the Company may issue to Participants one-off transformation incentive awards tied to highly-stretched performance targets from time to time, in which event the aggregate number of New Shares to be allotted and issued pursuant to the New Share Plans may exceed the Annual Limit. If, however, the Annual Limit is not fully utilised in any given year, the balance of the unutilised Annual Limit may be used by the Company to make grants of Awards in subsequent years for the duration of the New Share Plans.

Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares purchased from the market (including Shares held in treasury) which may be delivered pursuant to Awards granted under the KCL RSP 2020 will not be subject to any limit as such methods of settlement do not involve the issuance of any new Shares.

The KCL RSP 2020 shall continue in force for a period of ten (10) years commencing on the date the KCL Restricted Share Plan is terminated, provided always that the KCL RSP 2020 may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The expiry or termination of the KCL RSP 2020 shall not affect Awards granted to Participants whether such Awards have been released (fully or partially) by the Committee.

4.1.7 Operation of the KCL RSP 2020

Subject to prevailing legislation and guidelines issued by the Singapore Exchange, the Company will deliver Shares to Participants upon vesting of their Awards, either by way of an issue of New Shares, deemed to be fully paid upon their issuance and allotment, or the delivery of existing Shares (including treasury shares).

In determining whether to issue New Shares or to deliver existing Shares to Participants, the Company will take into account factors such as (but not limited to) the amount of cash available, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of the various modes of settlement.

The financial effects of the above methods are discussed in paragraph 8 below. The Company has the flexibility, and if the circumstances require, to approve the release of an Award, wholly or partly, in the form of cash rather than Shares.

New Shares allotted and issued, and existing Shares procured by the Company for transfer, pursuant to the Release of an Award shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

In the case of Performance-related Awards, the Committee shall have the discretion to determine whether a Performance Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make reference to the audited results of the Company, the Group or an Associated Company, as the case may be, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further the right to amend the Performance Condition(s) if the Committee decides that a changed performance target would be a fairer measure of performance. In the event that the Committee determines in its discretion that the Participant has not satisfied the Performance Condition or if the Participant is no longer eligible to participate in the KCL RSP 2020, such Award shall lapse and be of no value.

4.2 Summary of Rules of the KCL PSP 2020

4.2.1 Eligibility

Under the rules of the KCL PSP 2020, the following persons shall be eligible to participate in the KCL PSP at the discretion of the Committee:

- (a) Group Employees who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Committee from time to time; and
- (b) Associated Company Employees who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Committee from time to time and who, in the opinion of the Committee, have contributed or have the potential to contribute to the success of the Group.

Controlling shareholders of the Company and their associates, and Non-executive Directors will not be eligible to participate in the KCL PSP 2020.

4.2.2 Awards

Awards under the KCL PSP 2020 represent the right of a Participant to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, upon the Participant achieving the Performance Condition(s) within the Performance Period. Awards are released (fully or partially) once the Committee is satisfied that the Performance Condition(s) has (have) been achieved.

4.2.3 Participants

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the KCL PSP 2020 shall be determined at the discretion of the Committee, which shall take into account such criteria as it considers fit, including (but not limited to) his rank, job performance, years of service, potential for future development, his contribution to the success and development of the Group, and the extent of effort with which the prescribed Performance Condition(s) may be achieved within the prescribed Performance Period.

4.2.4 Details of Awards

The Committee shall decide, in relation to each Award:

- (a) the Participant;
- (b) the Award Date;
- (c) the number of Shares which are the subject of the Award;
- (d) the Performance Period during which the prescribed Performance Condition(s) is (are) to be satisfied;
- (e) the prescribed Performance Condition(s);
- (f) the extent to which Shares which are the subject of that Award shall be Released on the prescribed Performance Condition(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period; and
- (g) any other condition which the Committee may determine in relation to the Award.

An Award Letter confirming the Award and specifying the details of the Award will be sent to each Participant as soon as reasonably practicable after the making of an Award.

4.2.5 Events prior to Vesting

Special provisions for the Vesting and lapsing of Awards apply in certain circumstances, which include, amongst others, the following:

- (a) in the event of misconduct (including a breach of any laws of a country in which a company within the Group or an Associated Company operates) on the part of the Participant or where the Participant has committed any misfeasance, fraud or breach of trust or duty in relation to the Group, any company within the Group or an Associated Company (including in violation of the Company's policies and compliance standards), (in each case) as determined by the Committee in its discretion;
- (b) where the Participant had (in the opinion of the Committee), at any time, engaged in conduct that violated the Company's policies and compliance standards, which violation had directly or indirectly caused, resulted in and/or contributed to, or is likely (in the opinion of the Committee) to cause, result in and/or contribute to (whether directly or indirectly) any

financial loss or reputational harm to the Group, any company within the Group or an Associated Company or which (in the opinion of the Committee) may be detrimental to the interests of the Group, any company within the Group or an Associated Company;

- (c) where the Participant had (in the opinion of the Committee) (i) knowingly permitted any subordinate over whom the Participant had, at the material time, oversight responsibilities, to engage in; or (ii) failed to exercise reasonable supervisory responsibilities over any such subordinate who engaged in, conduct that violated the Company's policies and compliance standards, which violation had directly or indirectly caused, resulted in and/or contributed to, or is likely (in the opinion of the Committee) to cause, result in and/or contribute to (whether directly or indirectly) any financial loss or reputational harm to the Group, any company within the Group or an Associated Company or which (in the opinion of the Committee) may be detrimental to the interests of the Group, any company within the Group or an Associated Company;
- (d) where the Participant is a Group Employee or an Associated Company Employee, upon the Participant ceasing to be in the employment of the relevant company within the Group or the relevant Associated Company, as the case may be, for any reason whatsoever (other than as specified in sub-paragraphs (g), (i) and (j) below);
- (e) upon an order being made or a resolution being passed for the winding-up of the Company on the basis, or by reason, of its insolvency;
- (f) the bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (g) where the Participant being a Group Employee or an Associated Company Employee, ceases to be in the employment of the relevant company within the Group or the relevant Associated Company, as the case may be, by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed ceasing to be a company within the Group or an Associated Company, as the case may be, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or to an Associated Company, as the case may be; or
 - (vi) his transfer to any Ministry, governmental or statutory body or corporation at the direction of the Company or, as the case may be, the relevant Associated Company;

- (h) (where applicable) the transfer of a Participant's employment from the Group to an Associated Company or vice versa;
- (i) the death of a Participant;
- (j) any other event approved by the Committee; or
- (k) a take-over offer for the Shares becoming or being declared unconditional, a scheme for the reconstruction or amalgamation of the Company being sanctioned by the court or a resolution for a members' solvent voluntary winding up being made (other than for amalgamation or reconstruction).

Upon the occurrence of any of the events specified in sub-paragraphs (a), (b), (c), (d), and (e), an Award then held by a Participant shall, as provided in the rules of the KCL PSP 2020 and to the extent not yet Released or (even if Released) not yet Vested, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in sub-paragraphs (f), (g), (h), (i), and (j) above, the Committee may, in its discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the KCL PSP 2020.

Upon the occurrence of the event specified in sub-paragraph (k) above, the Committee will consider, at its discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period which has elapsed and the extent to which the Performance Condition(s) has (have) been satisfied.

4.2.6 Size and Duration of the KCL PSP 2020

The total number of New Shares which may be issued pursuant to Awards granted under the KCL PSP 2020 on any date, when added to the total number of New Shares issued and issuable in respect of:

- (a) all Awards granted under the KCL PSP 2020;
- (b) all Awards granted under the KCL RSP 2020; and
- (c) all Shares, options or awards granted under any other share scheme of the Company then in force,

shall not exceed 5% of the total number issued Shares of the Company (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of the Award.

The Committee currently does not intend, in any given year, to grant Awards under the KCL PSP 2020 such that the aggregate number of New Shares to be allotted and issued pursuant to the New Share Plans would comprise more

than the Annual Limit. However, the Company may from time to time issue to Participants one-off transformation incentive awards tied to highly-stretched performance targets, in which event the aggregate number of New Shares to be allotted and issued pursuant to the New Share Plans may exceed the Annual Limit. If, however, the Annual Limit is not fully utilised in any given year, the balance of the unutilised Annual Limit may be used by the Company to make grants of Awards in subsequent years for the duration of the New Share Plans.

Subject to applicable laws and the rules of the Listing Manual, the number of existing Shares purchased from the market (including Shares held in treasury) which may be delivered pursuant to Awards granted under the KCL PSP 2020 will not be subject to any limit as such methods of settlement do not involve the issuance of any new Shares.

The KCL PSP 2020 shall continue in force for a period of ten (10) years commencing on the date the KCL Performance Share Plan is terminated, provided always that the KCL PSP 2020 may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The expiry or termination of the KCL PSP 2020 shall not affect Awards granted to Participants whether such Awards have been released (fully or partially) by the Committee.

4.2.7 Operation of the KCL PSP 2020

Subject to prevailing legislation and guidelines issued by the Singapore Exchange, the Company will deliver Shares to Participants upon vesting of their Awards, either by way of an issue of New Shares, deemed to be fully paid upon their issuance and allotment, or the delivery of existing Shares (including treasury shares).

In determining whether to issue New Shares or deliver existing Shares to Participants, the Company will take into account factors such as (but not limited to) the amount of cash available, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of the various modes of settlement.

The financial effects of the above methods are discussed in paragraph 8 below. The Company has the flexibility, and if the circumstances require, to approve the release of an Award, wholly or partly, in the form of cash rather than Shares.

New Shares allotted and issued, and existing Shares procured by the Company for transfer, pursuant to the Release of an Award shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

The Committee shall have the discretion to determine whether a Performance Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make reference to the audited results of the Company, the Group or an Associated

Company, as the case may be, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further the right to amend the Performance Condition if the Committee decides that a changed performance target would be a fairer measure of performance. In the event that the Committee determines in its sole discretion that the Participant has not satisfied the Performance Condition or if the Participant is no longer eligible to participate in the KCL PSP 2020, such Award shall lapse and be of no value.

5. CLAWBACK RIGHT

- 5.1 The grant of each Award, each release of Shares and each payment in lieu of Shares which would otherwise have been released to the Participant under the New Share Plans is subject to, and conditional upon, the Company's right of clawback ("**Clawback Right**").
- 5.2 The Clawback Right can be exercised at any time during the clawback period ("**Clawback Period**"), which is six (6) years following the relevant Vesting Date(s), where applicable, in accordance with the Release Schedule specified in respect of the Award, subject to extension in accordance with the rules of the New Share Plans.
- 5.3 The Clawback Right can be exercised by the Committee at its discretion under any of the following circumstances:
- (a) the Participant had (in the opinion of the Committee), at any time, engaged in any misconduct (including a breach of any laws of a country in which a company within the Group or an Associated Company operates) or committed any misfeasance, fraud or breach of trust or duty in relation to the Group, any company within the Group or an Associated Company (including in violation of the Company's policies and compliance standards), (in each case) as determined by the Committee in its discretion; and/or
 - (b) the Participant had (in the opinion of the Committee), at any time, engaged in conduct that violated the Company's policies and compliance standards, which violation had directly or indirectly caused, resulted in and/or contributed to, or is likely (in the opinion of the Committee) to cause, result in and/or contribute to (whether directly or indirectly) any financial loss or reputational harm to the Group, any company within the Group or an Associated Company or which (in the opinion of the Committee) may be detrimental to the interests of the Group, any company within the Group or an Associated Company; and/or
 - (c) the Participant had (in the opinion of the Committee) (i) knowingly permitted any subordinate over whom the Participant had, at the material time, oversight responsibilities, to engage in; or (ii) failed to exercise reasonable supervisory responsibilities over any such subordinate who engaged in, conduct that violated the Company's policies and compliance standards, which violation had directly or indirectly caused, resulted in and/or contributed to, or is likely (in the opinion of the Committee) to cause, result in and/or contribute to (whether directly or indirectly) any financial loss or reputational harm to the Group, any company within the Group or an Associated Company or which (in the opinion of the Committee) may be detrimental to the interests of the Group, any company within the Group or an Associated Company.

- 5.4 The Committee has the discretion to determine the amount which the Participant is required to return to the Company, subject to a limit being the aggregate of the following (based on all Awards granted to such Participant which remain within the Clawback Period):
- (a) the prevailing value of all the Shares (being (i) the closing price of the Shares on the Singapore Exchange on (A) in respect of existing Shares which are Credited to the Participant, the date on which the Shares are Credited to the Participant, or (B) in respect of New Shares Credited to the Participant, the date on which the New Shares are listed on the Singapore Exchange, or (ii) if the Committee is of the opinion that the closing price as determined above is not representative of the value of the Shares, such other reference price as the Committee may determine in its discretion) which have been Released to such Participant on or prior to the Clawback Determination Date; and
 - (b) the total of the payments made to such Participant (in lieu of Shares which would otherwise have been Released to the Participant under the New Share Plans) on or prior to the Clawback Determination Date.
- 5.5 The Clawback Right is, for the avoidance of doubt, enforceable against all Participants including Participants whose Awards have fully Vested and/or been Released, and including Participants who have ceased to be employed by a company within the Group or an Associated Company (as the case may be).
- 5.6 The Clawback Right is in addition, and without prejudice, to any right or remedy that the Company has vis-à-vis a Participant (whether under the New Share Plans, contract, tort or any other theory of law).

6. ADJUSTMENTS AND MODIFICATIONS

6.1 Adjustment Events

If a variation in the issued ordinary share capital or reserves of the Company (whether by way of a bonus issue, rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, or if the Company shall make a declaration of a special dividend (whether in cash or *in specie*), then the Committee may as it deems appropriate determine whether:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the New Share Plans,

shall be adjusted and, if so, the manner in which such adjustment shall be made, provided that any such adjustment shall be made in a way that a Participant will not receive a benefit that a Shareholder does not receive.

Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the Singapore Exchange during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

Any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

6.2 Modifications

Each of the New Share Plans may be modified and/or altered at any time and from time to time by a resolution of the Committee, except that:

- (a) in relation to the KCL PSP 2020, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of Participants who, if their Awards were Released to them upon the Performance Condition(s) specified in their respective Award Letters being satisfied in full, would become entitled to not less than three-quarters of the aggregate number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Condition(s) for all such outstanding Awards being satisfied in full;
- (b) in relation to the KCL RSP 2020, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of Participants who, if their Awards were Released to them upon the expiry of the Vesting Period(s) specified in their respective Award Letters, would become entitled to not less than three-quarters of the aggregate number of all the Shares which would fall to be Vested upon Release of all outstanding Awards under the KCL RSP 2020 upon the expiry of all the Vesting Period(s) applicable to all such outstanding Awards;
- (c) no alteration shall be made to particular definitions and certain rules of the New Share Plans to the advantage of the holders of the Awards except with the prior approval of Shareholders in general meeting; and
- (d) no modification or alteration shall be made without the prior approval of the Singapore Exchange and such other regulatory authorities as may be necessary.

Additionally, the Committee may at any time by resolution (and without other formality, save for the prior approval of the Singapore Exchange) amend or alter the New Share Plans in any way to the extent necessary to cause the New Share Plans to comply with, or take into account, any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the Singapore Exchange).

7. DISCLOSURES IN ANNUAL REPORTS

The following disclosures or appropriate negative statements (as applicable) will be made by the Company in its annual report for so long as the New Share Plans continue in operation:

- (a) the names of the members of the Committee administering the New Share Plans;
- (b) in respect of the following Participants of the New Share Plans:
 - (i) Directors of the Company; and

- (ii) Participants (other than those in paragraph 7(b)(i) above) who have received Shares pursuant to the Release of Awards granted under the New Share Plans which, in aggregate, represent 5% or more of the aggregate of:
 - (A) the total number of New Shares available under the New Share Plans collectively; and
 - (B) the total number of existing Shares delivered pursuant to the Release of Awards under the New Share Plans collectively,

the following information:

- (aa) the name of the Participant;
 - (bb) the aggregate number of Shares comprised in Awards granted under the New Share Plans to such Participant during the financial year under review;
 - (cc) the aggregate number of Shares comprised in Awards granted under the New Share Plans since the commencement of the New Share Plans to the end of the financial year under review;
 - (dd) the following particulars relating to Awards which have been Released under the New Share Plans since the commencement of the New Share Plans to the end of the financial year under review:
 - (i) the number of New Shares issued to such Participant during the financial year under review; and
 - (ii) the number of existing Shares transferred to such Participant during the financial year under review; and
 - (ee) the aggregate number of Shares comprised in Awards under the New Share Plans which are outstanding as at the end of the financial year under review; and
- (c) in relation to the New Share Plans, the following particulars:
- (i) the aggregate number of Shares comprised in Awards granted under the New Share Plans since the commencement of the New Share Plans to the end of the financial year under review;
 - (ii) the aggregate number of Shares comprised in Awards which have been Released under the New Share Plans during the financial year under review and in respect of such Awards, the proportion of:
 - (A) New Shares issued; and
 - (B) existing Shares transferred and, where existing Shares were purchased for transfer, the range of prices at which such Shares have been purchased,upon the Release of the Awards granted under the New Share Plans; and
 - (iii) the aggregate number of Shares comprised in Awards under the New Share Plans which have not been Released as at the end of the financial year under review.

8. FINANCIAL EFFECTS OF THE NEW SHARE PLANS

The accounting treatment of the Awards granted under the New Share Plans would be in accordance with Singapore Financial Reporting Standards (International) 2, Share-based Payment. Participants may receive Shares or their equivalent cash value, or combinations thereof. In the event that the Participants receive Shares, the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards would be recognised as a charge to the profit and loss account over the period between the Award Date and the Vesting Date of an Award. The total amount of the charge over the Vesting Period is determined by reference to the fair value of each Award granted at the Award Date and the number of Shares vested at the Vesting Date, with a corresponding credit to reserve account. Before the end of the Vesting Period, at each balance sheet date, the estimate of the number of Awards that are expected to vest by the Vesting Date is revised, and the impact of the revised estimate is recognised in the profit and loss account with a corresponding adjustment to equity. After the Vesting Date, no adjustment to the charge to the profit and loss account is made.

The amount charged to the profit and loss account would be the same whether the Company settles the Awards using New Shares or existing Shares. The amount of the charge to the profit and loss account also depends on whether or not the Performance Condition attached to an Award is a "market condition"; that is, a condition which is related to the market price of the Shares. If the Performance Condition is a market condition, the probability of the Performance Condition being met is taken into account in estimating the fair value of the Shares granted at the Award Date, and no adjustments to amounts charged to profit and loss account are made if the market condition is not met. On the other hand, if the Performance Condition is not a market condition, the probability of the condition being met is not taken into account in estimating the fair value of the Shares granted at the Award Date. Instead, it is subsequently considered at each accounting date in assessing whether the Awards would vest. Thus, where the vesting conditions do not include a market condition, there would be no charge to the profit and loss account if the Awards do not ultimately vest.

The following sets out the financial effects of the New Share Plans.

8.1 Share Capital

The New Share Plans will result in an increase in the Company's issued ordinary share capital only if New Shares are issued to Participants. The number of New Shares issued will depend on, *inter alia*, the size of the Awards granted under the New Share Plans. In any case, the New Share Plans provide that the aggregate number of New Shares to be issued under the New Share Plans will be subject to a limit of 5% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) on the date preceding the date of the relevant Award. If, instead of issuing New Shares to Participants, existing Shares are purchased for delivery to Participants, the New Share Plans will have no impact on the Company's issued ordinary share capital.

8.2 NTA

As described below in the paragraph on EPS, the New Share Plans are likely to result in a charge to the Company's profit and loss account over the period from the Award

Date to the Vesting Date of the Awards. The amount of the charge will be computed in accordance with the accounting method as stated in paragraph 8 above. If New Shares are issued under the New Share Plans, there would be no effect on the NTA. However, if instead of issuing New Shares to Participants, existing Shares are purchased for delivery to Participants or the Company pays the equivalent cash value, the NTA would decrease by the cost of the existing Shares delivered or the cash payment, respectively.

8.3 EPS

The New Share Plans are likely to result in a charge to earnings over the period from the Award Date to the Vesting Date, computed in accordance with the accounting method as stated in paragraph 8 above, as well as an increase in the number of Shares issued if New Shares are issued for the New Share Plans.

It should be noted that the delivery of Shares to Participants under the New Share Plans will generally be contingent upon the Participants meeting prescribed Performance Conditions.

8.4 Dilutive Impact

It is expected that the dilutive impact of the New Share Plans on the NTA per Share and EPS will not be significant.

The New Share Plans provide that the aggregate number of New Shares to be issued under the New Share Plans will be subject to a limit of 5% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) on the date preceding the date of the relevant Award. This is less than the 10% limit applicable to the total number of New Shares which may be issued and existing Shares which may be delivered, under the Existing Share Plans. In addition, as stated in paragraphs 4.1.6 and 4.2.6 above, the Committee currently does not intend, in any given year, to grant Awards under the New Share Plans such that the aggregate number of New Shares to be allotted and issued pursuant to the New Share Plans would comprise more than 0.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time. Accordingly, there will be no significant dilution of Shareholders' shareholding percentages as a result of the introduction of the New Share Plans.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDER

9.1 **Interests of Directors.** Based on the Register of Directors' Shareholdings as at the Latest Practicable Date, the interests of the Directors in the Shares are as follows:

Director	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Lee Boon Yang	322,000	0.02	–	–	322,000	0.02
Loh Chin Hua	1,790,772	0.10	38,500	n.m.f. ⁽²⁾	1,829,272	0.10
Alvin Yeo Khirn Hai	51,225	n.m.f. ⁽²⁾	42,000	n.m.f. ⁽²⁾	93,225	n.m.f. ⁽²⁾
Tan Ek Kia	51,825	n.m.f. ⁽²⁾	–	–	51,825	n.m.f. ⁽²⁾
Danny Teoh Leong Kay	83,825	n.m.f. ⁽²⁾	–	–	83,825	n.m.f. ⁽²⁾
Till Bernhard Vestring	81,000	n.m.f. ⁽²⁾	–	–	81,000	n.m.f. ⁽²⁾
Veronica Eng Siang Yang	28,000	n.m.f. ⁽²⁾	–	–	28,000	n.m.f. ⁽²⁾
Jean-Francois Manzoni	1,000	n.m.f. ⁽²⁾	–	–	1,000	n.m.f. ⁽²⁾
Teo Siong Seng	–	–	–	–	–	–
Tham Sai Choy	155,570	0.01	–	–	155,570	0.01
Penny Goh	30,000	n.m.f. ⁽²⁾	–	–	30,000	n.m.f. ⁽²⁾

Notes:

(1) Based on the total issued and paid-up ordinary share capital of 1,820,557,767 Shares as at the Latest Practicable Date.

(2) No meaningful figure.

9.2 No Directors were granted RSP Awards and PSP Awards under the Existing Share Plans since its commencement save as follows:

RSP Award

Name	Date of grant of RSP Award	No. of Shares granted under the RSP Awards	No. of Shares allotted pursuant to vesting of RSP Awards
Loh Chin Hua	29 Jun 2012	76,762	76,762
	28 Mar 2013	87,995	87,995
	31 Mar 2014	150,000	150,000
	31 Mar 2015	150,000	150,000
	29 Apr 2016	180,000	180,000
	23 Feb 2018	272,352	272,352
	15 Feb 2019	262,403	174,934
	17 Feb 2020	301,887	100,629

PSP Award

Name	Date of PSP Award	No. of Shares granted under the PSP Awards	Number of Shares allotted pursuant to vesting of PSP Awards
Loh Chin Hua	29 Jun 2012	0 to 116,465	47,400
	28 Mar 2013	0 to 139,757	22,400
	31 Mar 2014	0 to 270,000	0
	31 Mar 2015	0 to 330,000	0
	29 Apr 2016	0 to 450,000	177,000
	28 Apr 2017	0 to 495,000	201,300
	30 Apr 2018	0 to 480,000	–
	30 Apr 2019	0 to 547,500	–
	31 Mar 2020	0 to 547,500	–

PSP-TI Award

Name	Date of PSP-TI Award	No. of Shares granted under the PSP-TI Awards	Number of Shares allotted pursuant to vesting of PSP-TI Awards
Loh Chin Hua	29 Apr 2016	0 to 1,125,000	–

9.3 **Interests of Substantial Shareholder.** Based on the Register of Substantial Shareholders as at the Latest Practicable Date, the interests of the substantial Shareholder in the Shares are as follows:

Substantial Shareholder	Direct Interest		Number of Shares Indirect Interest		Total Interest	
	No.	% ⁽¹⁾	No.	% ⁽¹⁾	No.	% ⁽¹⁾
Temasek Holdings (Private) Limited	371,408,292	20.40	15,321,137 ⁽²⁾	0.84	386,729,429	21.24

Notes:

- (1) Based on the total issued and paid-up ordinary share capital of 1,820,557,767 Shares as at the Latest Practicable Date.
- (2) Temasek Holdings (Private) Limited is deemed interested in an aggregate of 15,321,137 Shares in which its subsidiaries and associated companies have direct or deemed interests.

10. DIRECTORS' RECOMMENDATIONS AND VOTING⁴

10.1 Ordinary Resolution 15

The Non-executive Directors of the Company are of the opinion that the adoption of the KCL RSP 2020 is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 15 as set out in the Notice of Annual General Meeting, being the Ordinary Resolution relating to the proposed adoption of the KCL RSP 2020.

⁴ Please note that a member must appoint the Chairman of the meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the 2020 AGM if such member wishes to exercise his/her/its voting rights at the 2020 AGM.

As Mr Loh Chin Hua, the sole Executive Director of the Company, is eligible to participate in, and is therefore interested in, the KCL RSP 2020, he has refrained from making any recommendation on, and as he is also a Shareholder, shall abstain from voting in respect of, Ordinary Resolution 15 as set out in the Notice of Annual General Meeting.

10.2 Ordinary Resolution 16

The Non-executive Directors of the Company are of the opinion that the adoption of the KCL PSP 2020 is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 16 as set out in the Notice of Annual General Meeting, being the Ordinary Resolution relating to the proposed adoption of the KCL PSP 2020.

As Mr Loh Chin Hua, the sole Executive Director of the Company, is eligible to participate in, and is therefore interested in, the KCL PSP 2020, he has refrained from making any recommendation on, and as he is also a Shareholder, shall abstain from voting in respect of, Ordinary Resolution 16 as set out in the Notice of Annual General Meeting.

11. ABSTENTION FROM VOTING

Any Shareholder who is eligible to participate in the New Share Plans must abstain from voting his Shares in respect of Resolutions 15 and 16 relating to the proposed adoption of the New Share Plans, and the Company will disregard any votes cast by such Shareholder in respect of his Shares on Resolutions 15 and 16. The Chairman of the 2020 AGM will accept appointment as proxy for any other Shareholder to vote in respect of Resolutions 15 and 16, where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of Resolutions 15 and 16.

12. DIRECTORS' RESPONSIBILITY STATEMENT

- 12.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the New Share Plans, the Company and its subsidiaries which are relevant to the proposed New Share Plans, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.
- 12.2 Where any information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

13. INSPECTION OF DOCUMENTS

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Appendix up to and including the date of the 2020 AGM:

- (a) the proposed rules of the KCL RSP 2020; and
- (b) the proposed rules of the KCL PSP 2020.

14. DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

- "Act" or "Companies Act"* : The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time.
- "Adoption Date"* : The date on which the KCL Restricted Share Plan and/or the KCL Performance Share Plan are to be terminated.
- "Annual Report"* : Annual report of the Company for FY2019
- "Annual Limit"* : Has the meaning ascribed to it in paragraph 4.1.6 of this Appendix.
- "associate"* : In the case of the Company,
- (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
 - (i) his immediate family;
 - (ii) the trustees of any trust of which he and his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
 - (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

<i>"Associated Company"</i>	:	A company in which at least twenty (20) per cent. but not more than fifty (50) per cent. of its shares are held by the Company and/or its subsidiaries, or a subsidiary of such company, and over whose management the Company has control (as defined in the Listing Manual), or such other company as may be permitted pursuant to the Listing Manual for the purposes of the New Share Plans.
<i>"Associated Company Employee"</i>	:	Any employee of an Associated Company (including any Associated Company Executive Director).
<i>"Associated Company Executive Director"</i>	:	A director of an Associated Company who performs an executive function.
<i>"Auditors"</i>	:	The auditors of the Company for the time being.
<i>"Award"</i>	:	A contingent award of Shares granted under the KCL RSP 2020 and/or the KCL PSP 2020.
<i>"Award Date"</i>	:	In relation to an Award, the date on which the Award is granted pursuant to the KCL RSP 2020 and/or the KCL PSP 2020.
<i>"Award Letter"</i>	:	A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee.
<i>"Board"</i>	:	The board of directors of the Company for the time being.
<i>"Clawback Determination Date"</i>	:	The date on which the Committee makes the determination to exercise the Clawback Right.
<i>"Clawback Period"</i>	:	Has the meaning ascribed to it in paragraph 5.2 of this Appendix.
<i>"Clawback Right"</i>	:	Has the meaning ascribed to it in paragraph 5.1 of this Appendix.
<i>"Committee"</i>	:	A committee comprising Directors duly authorised and appointed by the Board to administer the New Share Plans.
<i>"Company"</i>	:	Keppel Corporation Limited, a company incorporated in the Republic of Singapore.
<i>"Constitution"</i>	:	The constitution of the Company, as amended from time to time.

<i>"controlling shareholder"</i>	:	A person who: <ul style="list-style-type: none"> (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The Singapore Exchange may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company.
<i>"Credited"</i>	:	Means the crediting of Shares which are allotted or transferred on the Release of an Award to a Participant to the securities account of that Participant maintained with the Depository or the securities sub-account of that Participant maintained with a Depository Agent, in each case, as designated by that Participant.
<i>"Director(s)"</i>	:	The directors of the Company for the time being or, where applicable, any one of them.
<i>"EPS"</i>	:	Earnings per Share
<i>"Existing Share Plans"</i>	:	The KCL Performance Share Plan and the KCL Restricted Share Plan.
<i>"Group"</i>	:	The Company and its subsidiaries.
<i>"Group Employee"</i>	:	Any employee of the Company or an employee with the Group (including any Group Executive Director).
<i>"Group Executive Director"</i>	:	A director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function.
<i>"KCL Performance Share Plan"</i>	:	The KCL Performance Share Plan approved by the Company on 23 April 2010, as the same may be modified or altered from time to time.
<i>"KCL PSP 2020"</i>	:	The proposed KCL Performance Share Plan 2020 to be adopted by the Company, as the same may be modified or altered from time to time.
<i>"KCL Restricted Share Plan"</i>	:	The KCL Restricted Share Plan approved by the Company on 23 April 2010, as the same may be modified or altered from time to time.
<i>"KCL RSP 2020"</i>	:	The proposed KCL Restricted Share Plan 2020 to be adopted by the Company, as the same may be modified or altered from time to time.

<i>"KCL Share Option Scheme"</i>	:	The KCL Share Option Scheme, which was adopted at an extraordinary general meeting of the company held on 7 May 1987, and subsequently amended on 1 September 1999 and 24 January 2008.
<i>"Latest Practicable Date"</i>	:	22 April 2020, being the latest practicable date prior to the finalisation of this Appendix.
<i>"Listing Manual"</i>	:	The Listing Manual of the Singapore Exchange, as amended, modified or supplemented from time to time.
<i>"New Share Plans"</i>	:	The KCL RSP 2020 and the KCL PSP 2020.
<i>"New Shares"</i>	:	The new Shares which may be allotted and issued from time to time pursuant to the vesting of Awards granted under the New Share Plans.
<i>"NTA"</i>	:	Net tangible assets (excluding non-controlling interests).
<i>"Participant"</i>	:	A Group Employee or an Associated Company Employee who has been granted an Award.
<i>"Performance-related Award"</i>	:	An Award in relation to which a Performance Condition is specified.
<i>"Performance Condition"</i>	:	In relation to a Performance-related Award, the condition specified on the Award Date in relation to that Award.
<i>"Performance Period"</i>	:	In relation to a Performance-related Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied.
<i>"Proxy Form"</i>	:	The proxy form in respect the 2020 AGM.
<i>"PSP Award"</i>	:	An award granted pursuant to the KCL Performance Share Plan.
<i>"PSP-TI Award"</i>	:	Transformation Incentive Award issued under the KCL Performance Share Plan.
<i>"Record Date"</i>	:	The date fixed by the Company for the purposes of determining entitlements to dividends, rights, allotments or other distributions of holders of Shares.

<i>"Release"</i>	:	<p>Means:</p> <p>(a) in relation to an Award pursuant to the KCL RSP 2020, the release, at the end of each Vesting Period, of the Shares to be released on such date and "Released" shall be construed accordingly; or</p> <p>(b) in relation to an Award pursuant to the KCL PSP 2020, the release at the end of the Performance Period relating to that Award of all or some of the Shares to which that Award relates in accordance with the KCL PSP 2020 and, to the extent that any Shares which are the subject of the Award are not released pursuant to the KCL PSP 2020, the Award in relation to those Shares shall lapse accordingly, and "Released" shall be construed accordingly.</p>
<i>"Release Schedule"</i>	:	<p>In relation to an Award pursuant to the KCL RSP 2020, a schedule in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released at the end of each Vesting Period.</p>
<i>"Released Award"</i>	:	<p>An Award which has been Released in accordance with the New Share Plans.</p>
<i>"RSP Award"</i>	:	<p>An award granted pursuant to the KCL Restricted Share Plan.</p>
<i>"SFA"</i>	:	<p>The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time.</p>
<i>"Shareholder"</i>	:	<p>Means:</p> <p>(a) where the Depository is named in the register of members of the Company as the holder of shares, a Depositor in respect of the number of shares standing to the credit of his name in the Depository Register; and</p> <p>(b) in any other case, a person whose name appears on the register of members maintained by the Company pursuant to Section 190 of the Act and/or any other applicable law.</p>
<i>"Shares"</i>	:	<p>Ordinary shares in the capital of the Company.</p>

<i>"Singapore Exchange"</i>	:	The Singapore Exchange Securities Trading Limited.
<i>"subsidiary holdings"</i>	:	Has the meaning ascribed to it in the Listing Manual.
<i>"Vesting"</i>	:	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and "Vest" and "Vested" shall be construed accordingly.
<i>"Vesting Date"</i>	:	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares shall be Vested pursuant to the New Share Plans.
<i>"Vesting Period"</i>	:	In relation to an Award pursuant to the KCL RSP 2020, a period or periods, the duration of which is to be determined by the Committee on the Award Date, the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date.
<i>"2020 AGM"</i>	:	The annual general meeting of the Company to be held on 2 June 2020.
<i>"S\$" or "\$"</i>	:	Singapore dollars.
<i>"%" or "per cent."</i>	:	Percentage or per centum.

The terms "**Depositor**", "**Depository**", and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or any modification thereof and used in this Appendix shall have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and date in this Appendix is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency in this Appendix is a reference to S\$ unless otherwise stated.

Any discrepancies in figures included in this Appendix between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

