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SUBSCRIPTION FOR 30% INTEREST IN GIMI MS CORPORATION

Keppel Corporation Limited (“**Keppel**” or the “**Company**”) wishes to announce that First FLNG Holdings Pte. Ltd. (“**FFH**”), an indirect wholly-owned subsidiary of the Company held through Keppel Capital Holdings Pte. Ltd., has entered into a conditional share subscription agreement¹ (the “**SSA**”) with Gimi MS Corporation (“**Gimi MS**”) and Golar LNG Limited (“**Golar**”) to subscribe for 30% of the total issued ordinary share capital of Gimi MS (the “**Subscription**”) for a subscription price representing 30% of the costs incurred by, or on behalf of, the Project (as defined below) at the time of completion of the Subscription (“**Completion**”).

Gimi MS is a newly incorporated company which plans to undertake the development, construction and operation of a floating liquefied natural gas facility (“**FLNG**”) to receive, liquefy and process natural gas and store and offload liquefied natural gas to be located in Block C8, offshore Mauritania and the Saint Louis Offshore Profound Block, offshore Senegal (the “**Project**”). With the funds from the subscription of shares by its shareholders, Gimi MS will acquire and own the Moss LNG carrier *GIMI* which will be converted into an FLNG vessel by Keppel Shipyard Limited, another wholly-owned subsidiary of the Company. Concurrent to the entry of the SSA, Gimi MS has also executed a 20-year FLNG lease and operate agreement with a subsidiary of BP p.l.c. in relation to the Project.

Keppel and Golar have previously successfully partnered on the Hilli Episeyo, the world's first FLNG conversion project. This transaction reflects Keppel's confidence in the prospects of the FLNG sector and the Company believes that this investment will provide an attractive risk-adjusted return.

Completion is subject to and conditional upon certain conditions, including, *inter alia*:

- (i) Gimi MS obtaining debt financing commitments of at least US\$700 million to partially fund the anticipated capital cost of the Project; and
- (ii) each of the other Project related documents being entered into on terms reasonably satisfactory to each of FFH and Golar.

On Completion, FFH will enter into a shareholders' deed with Golar and Gimi MS. The shareholders' deed governs the relationship between Golar, FFH and Gimi MS with respect to the conduct of business to be undertaken by Gimi MS. Under the terms of the shareholders' deed, Gimi MS may issue cash calls on a *pro rata* basis to the shareholders, namely Golar and FFH, for future funding requirements for the construction, deployment and commissioning of *GIMI* based on an anticipated project budget limit of approximately US\$1.3 billion exclusive of financing costs. FFH is committed to invest up to an estimated maximum total of US\$250 million in connection with the Project inclusive of the subscription price.

¹ Under the same agreement, Golar will concurrently subscribe for 70% of the total issued ordinary share capital of Gimi MS for a subscription price equal to 70% of the costs incurred by, or on behalf of, the Project at the time of Completion.

The Company will make a further announcement upon Completion.

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

The aforementioned transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the current financial year.