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UPDATE ON DISCUSSIONS WITH BRAZILIAN AUTHORITIES

Keppel Corporation Limited ("**KCL**" or the "**Company**") refers to its media release on 23 December 2017 in relation to the global resolution with criminal authorities in the U.S., Brazil and Singapore, the Joint Release by the Singapore Attorney-General's Chambers ("**AGC**") and the Corrupt Practices Investigation Bureau ("**CPIB**") dated 23 December 2017 in relation to the conditional warning issued to Keppel Offshore & Marine Ltd ("**KOM**") in respect of the global resolution (the "**Conditional Warning Announcement**").

As stated in the Conditional Warning Announcement, pursuant to the Conditional Warning, KOM has committed to certain undertakings and out of the total criminal fine of approximately US\$ 422 million in respect of the global resolution, was to pay to Singapore (i) US\$ 52,777,122.50 within 90 days from the date of the Conditional Warning (which has since been paid), and (ii) a further US\$ 52,777,122.50 within three years from the date of the Conditional Warning (less any penalties paid by KOM to specified Brazilian authorities during this period).

As stated in the Company's annual report for the financial year ended 31 December 2019 (pages 72 and 151), discussions with Brazilian authorities are currently ongoing.

It has been brought to the Company's attention that the Office of the Comptroller General of Brazil ("**CGU**") has published a notice in the Official Gazette ("**Notice**") to the effect that CGU has initiated an administrative enforcement procedure ("**AEP**") against KOM, Prismatic Services Ltd., Keppel Fels Ltd., Keppel FELS Brasil S.A., and BrasFELS S.A., in relation to alleged irregularities under the Brazilian Anti-Corruption Statute, and appointed two CGU officials to form a panel to preside over the proceedings. The Company has been advised that, following the issuance of the Notice, the CGU would carry out further internal investigations, and the panel has to thereafter decide whether any summons is to be served on the defendants, and if so, the defendants will then have 30 days thereafter to file a defence. Neither the Notice nor any summons has been served on any of the foregoing entities to-date.

The Notice does not provide any factual particulars and the Company is therefore currently unable to assess the matter or its impact, if any. The Company understands from CGU that the AEP will not affect the ongoing negotiations with the Brazil authorities, and that the CGU is considering suspending the AEP pending these ongoing discussions.

The Company will make further announcements as and when there are material developments on the above matter.

11 June 2020