



Keppel Corporation Limited    Tel: (65) 62706666  
(Co Reg No. 196800351N)    Fax: (65) 64136452  
1 HarbourFront Avenue  
#18-01 Keppel Bay Tower  
Singapore 098632  
www.kepcorp.com

## PROPOSED ACQUISITION OF SHARES IN AERMONT CAPITAL S.À R.L

### 1. Introduction

Keppel Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, Keppel Capital Holdings Pte Ltd (“**KCH**”), has on 29 November 2023 entered into an agreement (the “**Agreement**”) with Aermont Capital Group SCSp (the “**Seller**”) and the Company (each of the Seller, the Company and KCH, a “**Party**”), for KCH to acquire all of the issued voting shares<sup>1</sup> in the share capital of Aermont Capital S.à r.l (“**Aermont S.à r.l**”) (the “**Proposed Transaction**”) in two tranches as follows:

- (a) an initial acquisition of shares representing 50 per cent. of the issued voting shares in the capital of Aermont S.à r.l which, prior to Phase 1 Closing (as defined below), will be reorganised to constitute class A shares (the “**Phase 1 Shares**”). Subject to fulfilment of the Phase 1 Conditions (as defined below), Phase 1 Closing (as defined below) is expected to take place in the first half of 2024; and
- (b) a subsequent acquisition of shares representing the remaining 50 per cent. of the issued voting shares in the capital of Aermont S.à r.l which, prior to Phase 1 Closing, will be reorganised to constitute class B shares (the “**Phase 2 Shares**”, and together with the Phase 1 Shares, the “**Sale Shares**”). Subject to fulfilment of the Phase 2 Conditions (as defined below), Phase 2 Closing (as defined below) is expected to take place in the first half of 2028.

### 2. Information on the Aermont Group

#### 2.1 General Information

Established in 2007, Aermont S.à r.l and its subsidiaries (the “**Aermont Group**”) is an asset management group focused on real estate and real estate related investment activities in Europe. It is a leader in opportunistic real estate investments with a proactive operator-oriented approach emphasising prime assets and leading businesses across core Western European markets. As at 30 June 2023, Aermont had a total funds under management of S\$24 billion<sup>2</sup> across four active funds and a single asset vehicle. Aermont’s investments have included

<sup>1</sup> The Seller will retain a single class C share in Aermont S.à r.l. The class C share is a special class of economic tracking share with limited class voting rights and the Seller has agreed to waive its general voting rights in relation to this class C share.

<sup>2</sup> Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM as at 30 June 2023.

assets and businesses in the office, student accommodation, workforce housing, luxury hospitality and production studio infrastructure sectors, among others.

## 2.2 Financial Information of the Proposed Transaction

### 2.2.1 Book Value

Based on the unaudited consolidated financial statements of Aermont Group for the financial year ended 31 December 2022 (“**Aermont FY2022 Financial Statements**”), the book value of the Sale Shares as at 31 December 2022 is approximately €57,100,000.

### 2.2.2 Net Tangible Asset Value

Based on the Aermont FY2022 Financial Statements, the net tangible asset (“**NTA**”) value of the Sale Shares as at 31 December 2022 is approximately €57,100,000.

### 2.2.3 Latest Available Open Market Value

The open market value of the Sale Shares is not available as the Sale Shares are not listed or traded on any securities exchange. No valuation of the Sale Shares was commissioned for the purpose of the Proposed Transaction.

## 3. Key Terms of the Proposed Transaction

### 3.1 Phase 1 Acquisition

#### 3.1.1 Phase 1 Closing

The completion of the acquisition by KCH of the Phase 1 Shares (the “**Phase 1 Closing**”) shall take place on the later of: (i) the first business day after 1 January 2024; and (ii) 10 business days following the business day immediately following the date on which all the Phase 1 Conditions (as defined below) have been fulfilled and/or waived, or such other date as may be agreed in writing by the Seller and KCH, provided that the Fund Termination Condition (as defined below) is fulfilled or waived immediately prior to the Phase 1 Closing (the date on which Phase 1 Closing actually occurs, the “**Phase 1 Closing Date**”).

#### 3.1.2 Conditions Precedent

Phase 1 Closing is subject to and conditional upon the fulfilment or waiver of, *inter alia*, the following salient conditions precedent on or before 31 March 2024 (or such later date as may be notified by the Company or Aermont to the other Parties, provided that such later date shall be no later than 31 August 2024) (the “**Long-Stop Date**”):

- (i) in so far as the Proposed Transaction constitutes a concentration subject to appraisal by the European Commission under the EU Merger Regulation<sup>3</sup>, the European Commission adopting (or being deemed to have adopted) all decisions and approvals necessary to allow the Phase 1 Closing;

---

<sup>3</sup> “**EU Merger Regulation**” means Council Regulation (EC) No 139/2004.

- (ii) in so far as the Proposed Transaction constitutes a concentration subject to appraisal by the European Commission under the FSR<sup>4</sup>, the European Commission adopting all necessary decisions and approvals necessary (or the European Commission having not taken decision within the relevant time limits under the FSR) to allow the Phase 1 Closing;
  - (iii) in respect of the Phase 1 Closing, the approval (or deemed approval) of the Financial Conduct Authority in the United Kingdom (the “**FCA**”) for the acquisition of control of Aermont Capital LLP under the Financial Services and Markets Act 2000 of the United Kingdom (the “**FSMA**”);
  - (iv) the approval of the Commission de Surveillance du Secteur Financier in the Grand Duchy of Luxembourg (the “**CSSF**”) for any person acquiring or increasing a direct or indirect qualifying holding (as defined under the applicable law) of Aermont Capital Management S.à r.l. upon Phase 1 Closing;
  - (v) the approval of the limited partners of the funds managed by Aermont Group, for the change in control arising as a result of the Proposed Transaction; and
  - (vi) there has not been a no-fault or for "cause" removal of the manager or general partner (or any other entity acting in a similar capacity) of any of the funds managed by Aermont Group (the “**Fund Termination Condition**”),
- (together the “**Phase 1 Conditions**”).

### 3.1.3 Consideration

The maximum consideration payable by KCH to the Seller for the Phase 1 Shares (the “**Phase 1 Consideration**”) is **€356,855,000**, payable as follows:

- (i) on or around the entry into the Agreement<sup>5</sup>, a deposit of **€30,770,000**;
- (ii) on Phase 1 Closing, an amount of not more than **€249,160,000**, comprising:
  - (a) an amount equal to €249,160,000 less the Phase 1 Share Consideration Amount referred to in (b) below; and
  - (b) an amount of up to **€153,850,000**<sup>6</sup> (the “**Phase 1 Share Consideration Amount**”), which may, at the election of KCH, be satisfied either in cash or the transfer and/or issue of ordinary Shares (the “**Phase 1 Consideration Shares**”), at an issue price per Share equal to the volume weighted average price of the Shares transacted on the SGX-ST on the 30 market days (the “**30-Day VWAP**”) preceding the Phase 1 Closing Date, provided always that the number of Phase 1 Consideration Shares to be issued shall not exceed 5 per cent. of

<sup>4</sup> “**FSR**” means Regulation (EU) 2022/2560 of 14 December 2022 on foreign subsidies distorting the internal market, together with its secondary legislation, associated regulatory rules and any legislation amending, augmenting or replacing the same from time to time.

<sup>5</sup> Payable within two business days of the date of the Agreement.

<sup>6</sup> The Phase 1 Share Consideration Amount is capped at the lowest of (i) €153,850,000; (ii) 5 per cent. of the market capitalisation of the Company based on the volume weighted average price of the ordinary shares of the Company (the “**Shares**”) transacted on the SGX-ST on the 30 market days immediately preceding the Phase 1 Closing; and (iii) on the occurrence of certain events set out in the Agreement, zero.

the total number of Shares in issue (excluding treasury shares) as at the Phase 1 Closing Date; and

- (iii) post Phase 1 Closing, up to **€76,925,000** in post-closing adjustments comprising:
  - (a) where the Phase 1 Consideration Shares have been issued or transferred to the Seller at Phase 1 Closing: (1) an additional amount of up to 10 per cent of the Phase 1 Share Consideration Amount<sup>7</sup> (the “**Phase 1 Share Additional Amount**”) after taking into account the prevailing value of the Phase 1 Consideration Shares (including any realised value of the Phase 1 Consideration Shares); and (2) the Seller will be subject to certain restrictions under the Agreement in relation to the volume and sale price at which it may realise the value of the Phase 1 Consideration Shares between the Phase 1 Closing Date and the date falling six months thereafter; and
  - (b) up to €61,540,000, if PATMI<sup>8</sup> for the Aermont Group for the financial year ending 31 December 2024 exceeds an agreed target pursuant to the Agreement.

In addition to the above, the Agreement provides for certain post-closing adjustments<sup>9</sup> to be made based on the actual net cash position (as determined in accordance with the Agreement) of Aermont S.à r.l as at the Phase 1 Effective Time<sup>10</sup>, relative to an agreed retained net cash position of Aermont S.à r.l, where (a) if such actual net cash is higher than such agreed retained net cash, then, Aermont S.à r.l will distribute the excess amount to the Seller; and (b) if such actual net cash is lower than such agreed retained net cash, then the Seller shall pay 50 per cent. of the difference to KCH.

## 3.2 Phase 2 Acquisition

### 3.2.1 Phase 2 Closing

The completion of the acquisition by KCH of the Phase 2 Shares (the “**Phase 2 Closing**”) shall take place 10 business days following the later of: (i) the business day immediately following the date on which the Phase 2 Conditions (as defined below) have been fulfilled and/or waived; and (ii) an agreed date on which certain parameters have been determined in accordance with the Agreement, or such other date as may be agreed in writing by the Seller and KCH, provided that all the Phase 2 Conditions remain fulfilled at that date (the date on which Phase 2 Closing actually occurs, the “**Phase 2 Closing Date**”). It is expected that Phase 2 Closing will, subject to the various conditions having been fulfilled or waived, take place only in the first half of 2028.

---

<sup>7</sup> Payable within ten business days following the date on which the Seller provides its calculation of the Phase 1 Share Additional Amount.

<sup>8</sup> “PATMI” means profits after tax and minority interests.

<sup>9</sup> Payable within ten business days of the finalisation of the closing accounts, in accordance with the terms of the Agreement.

<sup>10</sup> “Phase 1 Effective Time” means, if Phase 1 Closing occurs on or before 29 February 2024, 23:59 on 31 December 2023; or if Phase 1 Closing occurs after 29 February 2024, 23:59 on the final day of the most recent quarter of the financial year to have been completed prior to Phase 1 Closing.

### 3.2.2 Conditions Precedent

The Phase 2 Closing is subject to and conditional upon the fulfilment or waiver of, *inter alia*, the following salient conditions precedent:

- (i) the Phase 1 Closing having occurred;
- (ii) in so far as the Phase 2 Closing constitutes a concentration subject to appraisal by the European Commission under the EU Merger Regulation, the European Commission adopting (or being deemed to have adopted) all decisions and approvals necessary to allow the Phase 2 Closing;
- (iii) in so far as the Phase 2 Closing constitutes a concentration subject to appraisal by the European Commission under the FSR, the European Commission adopting all necessary decisions and approvals necessary (or the European Commission having not taken decision within the relevant time limits under the FSR) to allow the Phase 2 Closing;
- (iv) if required in respect of the Phase 2 Closing, the approval of any relevant government entity in respect of any applicable mandatory merger control, antitrust, competition, or foreign investment approvals that come into force and/or become relevant between the date of the Agreement and the Phase 2 Closing Date;
- (v) if required in respect of the Phase 2 Closing, the approval (or deemed approval) of the FCA for the acquisition of control of Aermont Capital LLP under the FSMA; and
- (vi) if required in respect of the Phase 2 Closing, the approval of CSSF for any person acquiring or increasing a direct or indirect qualifying holding (as defined under the applicable law) of Aermont Capital Management S.à r.l. upon the Phase 2 Closing,

(together the “**Phase 2 Conditions**”).

### 3.2.3 Consideration

The maximum consideration payable by KCH to the Seller for the Phase 2 Shares (the “**Phase 2 Consideration**”) is **€575,000,000**, payable on Phase 2 Closing as follows:

- (i) an amount (the “**Phase 2 Cash Payment**”) comprising the Phase 2 Base Consideration<sup>11</sup>, less the Phase 2 Share Consideration Amount (as defined below in (ii)); and
- (ii) the Phase 2 Share Consideration Amount<sup>12</sup>, which may, at the election of KCH, be satisfied either in cash or the transfer and/or issue of ordinary Shares (the

<sup>11</sup> “**Phase 2 Base Consideration**” means an amount up to the lower of: (i) €575,000,000 less the Estimated Phase 2 Retained Net Cash Amount; and (ii) an amount based on certain agreed parameters in relation to Aermont S.à r.l. as determined in accordance with the Agreement.

<sup>12</sup> “**Phase 2 Share Consideration Amount**” means an amount equal to the lowest of (i) 50 per cent. of the Phase 2 Base Consideration; (ii) 5 per cent. of the market capitalisation of the Company based on the volume weighted average price of Shares transacted on the SGX-ST on the 30 market days immediately preceding the Phase 2 Closing; and (iii) on the occurrence of certain events set out in the Agreement, zero.

“**Phase 2 Consideration Shares**”), at an issue price per Share equal to the 30-Day VWAP of the Shares prior to the Phase 2 Closing Date, provided always that the number of Phase 2 Consideration Shares to be issued shall not exceed 5 per cent. of the total number of Shares in issue (excluding treasury shares) as at the Phase 2 Closing Date; and

- (iii) 50 per cent. of an amount to be determined by the Seller, following consultation with the Purchaser, prior to the Phase 2 Closing Date in respect of the estimated retained net cash requirements of Aermont Group (such estimated retained net cash amount, the “**Estimated Phase 2 Retained Net Cash Amount**”).

In addition, the Agreement provides certain post-closing adjustments<sup>13</sup> to be made based on the actual retained net cash position (as determined in accordance with the Agreement) of Aermont S.à r.l as at the Phase 2 Effective Time<sup>14</sup>, where (a) if such actual retained net cash position is higher than the Estimated Phase 2 Retained Net Cash Amount, KCH shall pay 50 per cent. of the excess to the Seller; and (b) if such actual retained net cash position is lower than the Estimated Phase 2 Retained Net Cash Amount, the Seller shall pay 50 per cent of the difference to KCH.

### 3.3 Payments in Euros

The consideration for the Sale Shares is payable in Euros.

### 3.4 Maximum Consideration for the Proposed Transaction

- 3.4.1 Assuming that the maximum consideration for the Phase 1 Shares and the Phase 2 Shares are payable and there are no adjustments required for the net cash position as at the Phase 1 Effective Time and the Phase 2 Effective Time, the maximum consideration payable by KCH for the Proposed Transaction would be **€356,855,000** in respect of the Phase 1 Closing (the “**Phase 1 Maximum Consideration**”) and **€575,000,000** in respect of the Phase 2 Closing, the sum of which being **€931,855,000** (equivalent to approximately **\$1,351,189,750**) (the “**Maximum Consideration**”)<sup>15</sup>.

#### 3.4.2 Factors Taken into Consideration and Source of Funds

The Phase 1 Consideration and Phase 2 Consideration were arrived at after arm’s length negotiations, on a willing buyer, willing seller basis, taking into account, *inter alia*, the applicable transaction multiples and trading multiples involving companies comparable to Aermont S.à r.l. The Company will finance the Phase 1 Consideration and Phase 2 Consideration from various sources including unutilised banking facilities and internal cash resources and, if deemed appropriate at the relevant time by the board of directors of the Company (“**Board**”), via an issue and/or transfer of Shares in relation to the Phase 1 Share Consideration Amount and the Phase 2 Share Consideration Amount. At this time, the Board is of the view that it is likely that the Phase 1 Share Consideration Amount and the Phase 2 Share Consideration Amount

---

<sup>13</sup> Payable within ten business days of the finalisation of the closing accounts in respect of Phase 2 Closing, in accordance with the terms of the Agreement.

<sup>14</sup> “**Phase 2 Effective Time**” means 23:59 on the final day of the most recent quarter of the financial year to have been completed prior to the Phase 2 Closing Date.

<sup>15</sup> Based on an exchange rate of 1 EUR to 1.45 SGD. For the purposes of this announcement, all applicable conversions from EUR to SGD (and vice versa) are made using this rate.

will be satisfied by way of a transfer of Shares held in treasury. The final decision will be determined by the Board at a time closer to the Phase 1 Closing Date and Phase 2 Closing Date, after having taken into consideration, market conditions and the prevailing market price of the Shares.

### **3.5 Warranties**

Pursuant to the Agreement, the Seller has made certain warranties to KCH in connection with KCH's acquisition of the Phase 1 Shares and/or the Phase 2 Shares.

KCH has taken out a warranty and indemnity insurance policy for its own benefit in respect of certain claims for breaches of the warranties given by the Seller under the Agreement. The Seller will remain liable for breaches of other provisions under the Agreement.

### **3.6 Guarantee and Indemnity from the Company**

Pursuant to the Agreement, the Company has irrevocably and unconditionally:

- 3.6.1** guaranteed to the Seller the punctual performance of certain of KCH's obligations under the Agreement;
- 3.6.2** undertaken that, if KCH fails to pay certain amounts due under or in connection with the Agreement, the Company shall, immediately on the Seller's demand, pay such amount; and
- 3.6.3** agreed that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, the Company will indemnify the Seller on demand against any Loss (as defined in the Agreement) suffered by the Seller as a result of KCH not performing such obligation.

**3.7** On Phase 1 Closing, the Seller, KCH and the Company and Aermont S.à r.l will also be entering into a shareholders' agreement (the "**SHA**") to govern their shareholding in the Aermont Group. Pursuant to the SHA, the Company will also irrevocably and unconditionally guarantee to the Seller the punctual performance of certain of KCH's obligations under the SHA.

### **3.8 Termination**

#### **3.8.1 Right to Terminate**

The Agreement may be terminated in the following circumstances:

- (i) by each of KCH and the Seller in the event that all the Phase 1 Conditions have not been fulfilled and/or waived (as the case may be) on or before the Long-Stop Date;
- (ii) by the non-defaulting Party, in the event that the non-defaulting Party has elected to defer the Phase 1 Closing or Phase 2 Closing (as applicable) following the other Party's failure to comply with certain obligations under the Agreement (the "**Material Obligations**"), and the defaulting Party fails to comply with its Material Obligations at such deferred Phase 1 Closing or Phase 2 Closing (as the case may be); and

- (iii) at any time between the Phase 1 Closing Date and the Phase 2 Closing Date:
- (a) by KCH, if certain events in relation to the Seller (as set out in the SHA) occur and such event is not resolved in accordance with the SHA; and
  - (b) by the Seller, if certain events in relation to KCH (as set out in the SHA) occur and such event is not resolved in accordance with the SHA.

### **3.8.2 Effect of Termination**

In the event of termination of the Agreement, no Party shall have any claim against the other Parties under the Agreement, save in respect of any rights and liabilities which have accrued before termination or under any of the provisions of the Agreement intended to survive termination.

The deposit of €30,770,000 will be refunded by the Seller to KCH in the event of termination (other than in circumstances where there has been a material breach by KCH of its obligations to use all reasonable efforts to ensure the fulfilment of the regulatory conditions as soon as reasonably practicable).

## **4. Rationale and Benefits of the Proposed Transaction**

The Proposed Transaction presents a unique and strategic opportunity for the Group to acquire a leading European real estate manager at an attractive valuation, and is expected to bring about the following benefits:

- Strategic part of the Group's growth ambitions as global asset manager and operator: The acquisition will enable the Group to expand its asset management capabilities beyond Asia Pacific to Europe, where Aermont's geographic footprint and investment strategies complement Keppel's capabilities with minimal overlaps. This move will strengthen Keppel's value proposition to global LPs.
- Accelerating growth: The acquisition will add an initial S\$24 billion<sup>16</sup> to the Group's current FUM of about S\$53 billion<sup>13</sup>, marking significant progress towards the Group's FUM target of S\$100 billion in 2026. Importantly, Aermont Group, with additional value add from the Group, has the potential to further grow its FUM by up to 2.5 times to approximately S\$60 billion by 2030 through the co-creation of European credit funds, data centre funds and various private investment vehicles.
- Expanding network of blue-chip LPs: Both the Group and Aermont S.à r.l Group will benefit from access to a wider combined network of LPs. The acquisition will expand the Group's blue-chip clientele through Aermont Group's longstanding relationships with over 50 global LPs, including public pension funds, sovereign wealth funds and endowments and foundations from Europe, North America, Asia and the Middle East, the majority of whom are new to the Group.
- Deepening talent pool: The acquisition will bolster the Group's talent pool with an experienced senior team with a proven track record and extensive networks in Europe,

---

<sup>16</sup> Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM as at 30 June 2023.



and whose values, culture and operator-oriented approach to creating long term value are a strong fit with the Group.

## 5. Discloseable Transaction

### 5.1 Rule 1006 Relative Figures

#### 5.1.1 Phase 1 Closing

The relative figures for the Proposed Transaction, in respect of only the Phase 1 Closing, computed on the applicable bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the “Listing Manual”) are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of the assets to be disposed of, compared with the Group’s net asset value	Not applicable <sup>(4)</sup>
(b)	Net profits attributable to the Phase 1 Shares, compared with the Group’s net profits for 1H23 <sup>(1)</sup>	<b>0.6%</b>
(c)	The Phase 1 Maximum Consideration, compared with the Company’s market capitalisation <sup>(2)</sup>	<b>4.6%</b>
(d)	Number of equity securities to be issued as consideration compared with the number of equity securities previously in issue <sup>(3)</sup>	<b>2.0%</b>
(e)	Aggregate volume or amount of provide and probable reserves to be disposed of, compared with the aggregate of the Group’s provide and probable reserves	Not applicable <sup>(5)</sup>

#### Notes:

- (1) “Net Profits” refers to profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Figures are based on the unaudited consolidated financial statements of the Group for the six months ended 30 June 2023 (“1H23”). Net profit for Aermont Group is based on the unaudited consolidated financial statements of the Aermont Group for the six months ended 1H23.
- (2) The Company’s market capitalisation is approximately S\$11,204 million, calculated based on the total number of shares (excluding treasury shares) multiplied by the volume weighted average price of S\$6.36 per Share on the market day preceding the date of the Agreement.
- (3) This assumes that the number Shares to be issued as part of the Phase 1 Consideration shall be determined based on a Phase 1 Share Consideration Amount of approximately €154 million and an issue price of S\$6.288 per Share (such price being the 30-Day VWAP of the Shares prior to the date of the Agreement). This is an illustrative value only, as the reference price for the Phase 1 Consideration Shares will be based on the 30-Day VWAP of the Shares prior to the Phase 1 Closing Date. However, the Company notes that the number of shares will not exceed 5 per cent. of the total number of Shares in issue (excluding treasury shares) as at the Phase 1 Closing Date and the Company does not intend for the number of shares to be issued for Phase 1 Closing to exceed 20 per cent. of the issued Shares as at the date of this Announcement.
- (4) Not applicable as the Proposed Transaction does not relate to a disposal of assets.

- (5) Not applicable as Rule 1006(e) of the Listing Manual only applies to a disposal of mineral, oil or gas assets by a mineral, oil and gas company.
- (6) Where figures in EUR have been compared, an exchange rate of 1 EUR to 1.45 SGD has been applied.

### 5.1.2 Proposed Transaction

The relative figures for the Proposed Transaction, in respect of both the Phase 1 Closing and the Phase 2 Closing, computed on the applicable bases set out in Rule 1006 of the Listing Manual are as follows:

<b>Rule 1006</b>	<b>Bases</b>	<b>Relative Figures (%)</b>
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable <sup>(4)</sup>
(b)	Net profits attributable to the Sale Shares, compared with the Group's net profits for 1H23 <sup>(1)</sup>	<b>1.2%</b>
(c)	The Maximum Consideration, compared with the Company's market capitalisation <sup>(2)</sup>	<b>12.1%</b>
(d)	Number of equity securities to be issued as consideration compared with the number of equity securities previously in issue <sup>(3)</sup>	<b>5.8%</b>
(e)	Aggregate volume or amount of provide and probable reserves to be disposed of, compared with the aggregate of the Group's provide and probable reserves	Not applicable <sup>(5)</sup>

#### Notes:

- (1) "Net Profits" refers to profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Figures are based on the unaudited consolidated financial statements of the Group for 1H23. Net profit for Aermont Group is based on the unaudited consolidated financial statements of the Aermont Group for the six months ended 1H23.
- (2) The Company's market capitalisation is approximately S\$11,204 million, calculated based on the total number of shares (excluding treasury shares) multiplied by the volume weighted average price of S\$6.36 per Share on the market day preceding the date of the Agreement.
- (3) This assumes that the number of Shares to be issued as part of the Phase 1 Consideration and the Phase 2 Consideration shall be determined based on a Phase 1 Share Consideration Amount of approximately €154 million and a Phase 2 Share Consideration Amount of approximately €288 million and an issue price of S\$6.288 per Share (such price being the 30-Day VWAP of the Shares prior to the date of the Agreement). This is an illustrative value only, as the reference price for the Phase 1 Consideration Shares and the Phase 2 Consideration Shares will be based on the 30-Day VWAP of the Shares prior to the Phase 1 Closing Date and the Phase 2 Closing Date respectively. However, the Company notes that the number of Shares to be issued for Phase 1 Closing will not exceed 5 per cent. of the total number of Shares in issue (excluding treasury shares) as at the Phase 1 Closing Date and the number of Shares to be issued for Phase 2 Closing will not exceed 5 per cent. of the total number of Shares in issue (excluding treasury shares) as at the Phase 2 Closing Date. The Company does not intend for the number of Shares to be issued for Phase 1 Closing and Phase 2 Closing to exceed 20 per cent. of the issued Shares as at the date of this Announcement.).
- (4) Not applicable as the Proposed Transaction does not relate to a disposal of assets.

- (5) Not applicable as Rule 1006(e) of the Listing Manual only applies to a disposal of mineral, oil or gas assets by a mineral, oil and gas company.
- (6) Where figures in EUR have been compared, an exchange rate of 1 EUR to 1.45 SGD has been applied.

## **5.2 Discloseable Transaction**

As the relative figures computed under Rule 1006 of the Listing Manual, as set out in paragraphs 5.1.1 and 5.1.2, exceed 5 per cent. but do not exceed 20 per cent., pursuant to Rule 1010 of the Listing Manual, the Proposed Transaction constitutes a “discloseable transaction” as defined in Chapter 10 of the Listing Manual.

## **6. Illustrative Financial Effects**

### **6.1 Bases and Assumptions**

The pro forma financial effects of the Proposed Transaction have been prepared:

- (i) based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2022, being the available financial statements for the most recently completed financial year; and
- (ii) based on the Aermont FY2022 Financial Statements,

and are purely for illustrative purposes only and do not reflect the future actual financial position of the Group following the completion of the Proposed Transaction.

Accordingly, the pro forma financial effects of the Proposed Transaction (a) do not take into account the financial effects of (i) the transfer of, *inter alia*, the legacy rig assets and associated receivables of Keppel Offshore & Marine Ltd. to Rigco Holding Pte. Ltd., (ii) the combination of Keppel Offshore & Marine Ltd. and Sembcorp Marine Ltd. (n.k.a. Seatrium Limited) and (iii) the distribution in specie of shares in Sembcorp Marine Ltd. (n.k.a. Seatrium Limited) by the Company to shareholders of the Company, which completed on 27 February 2023, 28 February 2023 and 1 March 2023 respectively, on the Group, and (b) are based on the financial position of the Group for FY2022 and as at 31 December 2022, prior to such completion.

The pro forma financial effects have also been prepared based on, *inter alia*, the following assumptions:

- (a) in relation to the financial effects on the consolidated NTA of the Group, that the Proposed Transaction (on the basis that all the Sale Shares had been acquired) had been effected on 31 December 2022, being the end of the most recently completed financial year of the Group;
- (b) in relation to the financial effects on the earnings per Share of the Group, that the Proposed Transaction (on the basis that all the Sale Shares had been acquired) had been effected on 1 January 2022, being the beginning of the most recently completed financial year of the Group;

- (c) in relation to the financial effects on the gearing of the Group, that the Proposed Transaction (on the basis that all the Sale Shares had been acquired) had been effected on 31 December 2022, being the end of the most recently completed financial year of the Group;
- (d) the Maximum Consideration for the Proposed Transaction has been paid;
- (e) the Phase 1 Consideration Share Amount has been satisfied by the issuance of the Phase 1 Consideration Shares (using treasury shares of the Company) to the Seller at an issue price of S\$6.288 per Share (such price being the 30-Day VWAP of the Shares prior to the date of the Agreement);
- (f) the Phase 2 Consideration Share Amount has been satisfied by the issuance of the Phase 2 Consideration Shares (using treasury shares of the Company) to the Seller at an issue price of S\$6.288 per Share (such price being the 30-Day VWAP of the Shares prior to the date of the Agreement);
- (g) where the Company elects to satisfy the Phase 1 Consideration Amount and the Phase 2 Consideration Share Amount through the issuance of the Phase 1 Consideration Shares and Phase 2 Consideration Shares (as applicable), such issuances will be satisfied by the use of treasury shares of the Company, and to the extent that there is a shortfall in the number of treasury shares available to the Company to satisfy such issuances, the Company will buy back ordinary shares from the market at a value equivalent to the issue price of the Phase 1 Consideration Shares or Phase 2 Consideration Shares (as applicable);
- (h) the potential impact of purchase price allocation under Singapore Financial Reporting Standard (International) 3 *Business Combinations* has not been taken into account; and
- (i) where figures in EUR have been converted to SGD, this is based on an exchange rate of 1 EUR to 1.45 SGD.

## 6.2 NTA

For illustrative purposes only and assuming that the Proposed Transaction, in respect of (i) only the Phase 1 Closing and (ii) both the Phase 1 Closing and the Phase 2 Closing, had been completed on 31 December 2022, the pro forma financial effects of the Proposed Transaction on the consolidated NTA of the Group as at 31 December 2022, are as follows:

	Before the Phase 1 Closing	After the Phase 1 Closing	After the Phase 2 Closing
<b>NTA (S\$ million)</b>			
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied entirely in cash	9,614	9,614	8,345

Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied in Shares <sup>(1)</sup>	9,614	9,837	8,776
<b>Number of issued Shares ('000) as at 31 December 2022</b>			
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied entirely in cash	1,751,960	1,751,960	1,751,960
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied in Shares <sup>(1)</sup>	1,751,960	1,787,437	1,820,558
<b>NTA per Share (\$\$)</b>			
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied entirely in cash	5.49	5.49	4.76
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied in Shares <sup>(1)</sup>	5.49	5.50	4.82

**Notes:**

- (1) This assumes that the number of Shares to be issued as part of the Phase 1 Consideration and the Phase 2 Consideration shall be determined based on a Phase 1 Share Consideration Amount of approximately €154 million and a Phase 2 Share Consideration Amount of approximately €288 million and an issue price of S\$6.288 per Share (such price being the volume weighted average price of the Shares for the 30 Market Days prior to the date of the Agreement). This is an illustrative value only, as the reference price for the Phase 1 Consideration Shares and the Phase 2 Consideration Shares will be based on the volume weighted average price of the Shares for the 30 days prior to the Phase 1 Closing Date and the Phase 2 Closing Date respectively. However, the Company notes that the number of Shares to be issued for Phase 1 Closing will not exceed 5 per cent. of the market capitalisation of the Company as at the Phase 1 Closing Date and the number of Shares to be issued for Phase

2 Closing will not exceed 5 per cent. of the market capitalisation of the Company as at the Phase 2 Closing Date. The Company does not intend for the number of Shares to be issued for Phase 1 Closing and Phase 2 Closing to exceed 20 per cent. of the issued Shares as at the date of this Announcement.)

### 6.3 Earnings per Share

For illustrative purposes only and assuming that the Proposed Transaction, in respect of (i) only the Phase 1 Closing and (ii) both the Phase 1 Closing and the Phase 2 Closing, had been completed on 1 January 2022, the pro forma financial effects of the Proposed Transaction on the Group's earnings per Share, are as follows:

	Before the Phase 1 Closing	After the Phase 1 Closing	After the Phase 2 Closing
<b>Profit attributable to shareholders (\$ million)</b>			
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied entirely in cash	927	926	911
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied in Shares <sup>(1)</sup>	927	936	931
<b>Weighted average number of issued shares ('000) in 2022</b>			
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied entirely in cash	1,777,509	1,777,509	1,777,509
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied in Shares <sup>(1)</sup>	1,777,509	1,787,437 <sup>(2)</sup>	1,820,558 <sup>(2)</sup>

	Before the Phase 1 Closing	After the Phase 1 Closing	After the Phase 2 Closing
<b>Earnings per Share (Singapore cents)</b>			
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied entirely in cash	52.1	52.1	51.3
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied in Shares <sup>(1)</sup>	52.1	52.4	51.1

**Notes:**

- (1) This assumes that the number of Shares to be issued as part of the Phase 1 Consideration and the Phase 2 Consideration shall be determined based on a Phase 1 Share Consideration Amount of approximately €154 million and a Phase 2 Share Consideration Amount of approximately €288 million and an issue price of S\$6.288 per Share (such price being the volume weighted average price of the Shares for the 30 Market Days prior to the date of the Agreement). This is an illustrative value only, as the reference price for the Phase 1 Consideration Shares and the Phase 2 Consideration Shares will be based on the volume weighted average price of the Shares for the 30 days prior to the Phase 1 Closing Date and the Phase 2 Closing Date respectively. However, the Company notes that the number of Shares to be issued for Phase 1 Closing will not exceed 5 per cent. of the market capitalisation of the Company as at the Phase 1 Closing Date and the number of Shares to be issued for Phase 2 Closing will not exceed 5 per cent. of the market capitalisation of the Company as at the Phase 2 Closing Date. The Company does not intend for the number of Shares to be issued for Phase 1 Closing and Phase 2 Closing to exceed 20 per cent. of the issued Shares as at the date of this Announcement.
- (2) In deriving the illustrative weighted number of shares, all treasury share movements during the financial year ended 31 December 2022 have been assumed to have occurred on 1 January 2022.

## 6.4 Gearing

For illustrative purposes only and assuming that the Proposed Transaction, in respect of (i) only the Phase 1 Closing and (ii) both the Phase 1 Closing and the Phase 2 Closing, had been completed on 31 December 2022, the pro forma financial effects of the Proposed Transaction on the Group's gearing are as follows:

<b>Gearing<sup>(1)</sup></b>	Before the Phase 1 Closing	After the Phase 1 Closing	After the Phase 2 Closing
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied entirely in cash	0.78x	0.82x	0.88x

<b>Gearing<sup>(1)</sup></b>	<b>Before the Phase 1 Closing</b>	<b>After the Phase 1 Closing</b>	<b>After the Phase 2 Closing</b>
Assuming Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount is satisfied in Shares <sup>(2)</sup>	0.78x	0.79x	0.82x

**Notes:**

- (1) Gearing is calculated as Net Debt (including Lease Liabilities) / Total Equity as at 31 December 2022.
- (2) This assumes that the number of Shares to be issued as part of the Phase 1 Consideration and the Phase 2 Consideration shall be determined based on a Phase 1 Share Consideration Amount of approximately €154 million and a Phase 2 Share Consideration Amount of approximately €288 million and an issue price of S\$6.288 per Share (such price being the 30-Day VWAP of the Shares prior to the date of the Agreement). This is an illustrative value only, as the reference price for the Phase 1 Consideration Shares and the Phase 2 Consideration Shares will be based on the 30-Day VWAP of the Shares prior to the Phase 1 Closing Date and the Phase 2 Closing Date respectively. However, the Company notes that the number of Shares to be issued for Phase 1 Closing will not exceed 5 per cent. of the total number of Shares in issue (excluding treasury shares) as at the Phase 1 Closing Date and the number of Shares to be issued for Phase 2 Closing will not exceed 5 per cent. of the total number of Shares in issue (excluding treasury shares) as at the Phase 2 Closing Date. The Company does not intend for the number of Shares to be issued for Phase 1 Closing and Phase 2 Closing to exceed 20 per cent. of the issued Shares as at the date of this Announcement.

## **6.5 Number of Shares following Phase 1 Closing and the Proposed Transaction**

There will no change to the number of Shares if the Phase 1 Share Consideration Amount and the Phase 2 Share Consideration Amount are satisfied in cash.

If both the Phase 1 Share Consideration Amount and Phase 2 Share Consideration Amount are satisfied in Shares, based on the assumptions set out in paragraph 6.1 above, the number of Shares (i) following the completion of Phase 1 Closing will be approximately 1,787,437,000 (excluding approximately 33,121,000 treasury shares), and (ii) following the completion of the Proposed Transaction will be approximately 1,820,558,000 (excluding nil treasury shares).

## **7. Further Information**

### **7.1 Directors' Service Contracts**

No person is proposed to be appointed as director of the Company in connection with the Proposed Transaction. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

### **7.2 Interests of Directors and Controlling Shareholders**

As at the date of this Announcement, other than by virtue of being a director of the Company or KCH and save for their shareholding in the Company, none of the Directors has any interest, direct or indirect, in the Proposed Transaction.

As at the date of this Announcement, based on information available to the Company and save for its shareholding in the Company, the controlling shareholder of the Company, being



Temasek Holdings (Private) Limited, does not have an interest direct or indirect in the Proposed Transaction.

### **7.3 Documents for Inspection**

Copies of the Agreement are available for inspection during normal business hours at the registered office of the Company at 1 Harbourfront Avenue, #18-01, Keppel Bay Tower, Singapore 098632, for a period of three months commencing from the date of this Announcement.

BY ORDER OF THE BOARD

Karen Teo / Samantha Teong  
Company Secretaries  
29 November 2023