



## **Joint Media Release**

### **Keppel Group and Sovico Group to cooperate on sustainable energy and urbanisation solutions in Vietnam**

*Signed MOUs for the development and roll-out of energy and environmental solutions for large-scale decarbonisation, as well as for smart and sustainable urban development and township management services in Vietnam*

**Singapore, 25 February 2022** – The Keppel Group and Sovico Group, through their respective subsidiaries, have signed two Memoranda of Understanding (MOUs) to collaborate to explore the development and roll-out of energy and environmental solutions, as well as identify, develop, operate and manage smart and sustainable projects in Vietnam's key gateway cities, starting with Ho Chi Minh City (HCMC) and Hanoi. The MOUs were signed today in the presence of H.E. Nguyễn Xuân Phúc, President of the Socialist Republic of Vietnam, who is on a state visit to Singapore.

This collaboration marks a milestone in the strategic partnership between two leading corporations – leveraging the strengths of Keppel, a powerhouse of solutions for sustainable urbanisation, as well as Sovico Group's proven track record and presence across a wide range of businesses including banking and finance, real estate, aviation and energy.

Mr Loh Chin Hua, CEO of Keppel Corporation, said, "Keppel is pleased to extend our collaboration with Sovico Group to provide sustainable energy and urbanisation solutions for Vietnam. Keppel has been investing in Vietnam for over three decades, and we are glad to contribute further to Vietnam's development. The signing of the two MOUs is very much in line with Keppel's Vision 2030, where we seek to provide solutions for sustainable urbanisation, including energy and environmental solutions, as well as masterplanning and the development of smart and sustainable cities."

Mr. Pham Khac Dung, Vice President of Sovico Group, affirmed, "Sovico Group supports the efforts of the United Nations towards sustainable development and is committed to extend our cooperation with like-minded partners across the globe. The partnership with Keppel further strengthens Sovico's development strategy. We are pleased and honoured to join Keppel in growing the Vietnam-Singapore strategic partnership to new heights; and expanding cooperation into new growth areas on the basis of promoting solutions for people and people-centred developments, as well as creating environmentally friendly developments that contribute to the prosperity and sustainable development of the two economies."

### **Sustainable energy and decarbonisation solutions**

Keppel Infrastructure Holdings Pte Ltd, through its wholly-owned subsidiary Keppel Energy Ventures Pte Ltd, signed an MOU with Sovico Group to harness sustainability-related technologies and develop end-to-end sustainable energy solutions, which include renewables, electrification, energy efficiency as well as the treatment of domestic solid waste, in support of Vietnam's transition to a green and carbon-neutral economy.

The collaboration will, in particular, focus on scalable decarbonisation solutions such as the electrification of vehicles and charging infrastructure, smart microgrids, sustainable energy-from-

waste and Energy-as-a-Service (EaaS), aimed at achieving large-scale greenhouse gas emissions reduction.

The parties will also collaborate on harnessing the vast renewable energy potential in Vietnam for the development of sustainable fuel for sectors like power, industrial, maritime transportation and aviation, where carbon emissions may be harder to abate. For the aviation sector, the sustainable fuel can be supplied to VietJet Air, which is majority owned by Sovico, for a start, and subsequently rolled out to other airlines. This synergistic development comes on the back of Keppel Infrastructure's work to explore the feasibility of producing green ammonia in Australia for export to meet the rapidly growing demand for carbon-free energy<sup>1</sup>. Green ammonia can be used as a direct feedstock in green energy generation, or as a hydrogen carrier to provide green hydrogen solutions.

Keppel Infrastructure's EaaS, the first of its kind in the region, is a long-term subscription service with zero or minimal upfront capital investment, which includes power, energy storage and the installation and operation of photovoltaic solar panels, super-efficient chiller systems as well as smart electric vehicle charging stations. The initial roll-out in Vietnam will leverage Sovico Group's large-scale commercial centres, office buildings, resorts, retail and urban residential areas across the country as well as extend to their eco-system of customers and partners.

### **Urban development**

Keppel Land Limited (Keppel Land)<sup>2</sup>, Keppel Urban Solutions, Sovico Group and Phu Long Real Estates Joint Stock Company (Phu Long), a member of Sovico Group, have signed an MOU to cooperate in urban development which covers collaboration<sup>3</sup> on smart and sustainable projects across Vietnam and the provision of related urban solutions and services, including masterplanning and infrastructure planning, placemaking and township management services to create highly liveable, vibrant spaces and digitally-connected communities, starting with Mailand Hanoi City.

This strategic collaboration comes on the back of the binding heads of agreement entered into by Keppel Land Vietnam Properties Pte. Ltd.<sup>4</sup>, Keppel Vietnam Fund and its co-investor through jointly held special purpose vehicles, together with Phu Long and its subsidiary<sup>5</sup>, in relation to the acquisition of a 49% interest in three residential land plots, totalling 14.2 hectares, in Mailand Hanoi City, which was announced in January 2022<sup>6</sup>.

According to statistics from the Ministry of Foreign Affairs of Vietnam, Singapore has become the largest foreign investor in Vietnam with 402 newly licensed projects and newly registered capital of US\$11.4 billion since early 2020 to-date. Notwithstanding the impact of COVID-19, the Vietnam-Singapore strategic partnership is expanding with increased partnerships and cooperations in many fields yielding positive results.

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<sup>1</sup> <https://www.keppcorp.com/en/media/media-releases-sgx-filings/international-partnership-to-investigate-green-ammonia-supply-from-australias-hydrogen-hubs/>

<sup>2</sup> The MOU has been entered into by Keppel Land Vietnam Company Limited, a wholly-owned subsidiary of Keppel Land Limited.

<sup>3</sup> As part of the MOU, Keppel Urban Solutions and Phu Long will enter into an agreement for the masterplanning, urban design as well as development of a smart and sustainable solutions roadmap for Mailand Hanoi City.

<sup>4</sup> Keppel Land Vietnam Properties Pte. Ltd. is a wholly-owned subsidiary of Keppel Land Limited.

<sup>5</sup> The binding heads of agreement was entered into with Phu Long and a subsidiary of Phu Long, being An Khanh New City Development Joint Venture Company Limited

<sup>6</sup> <https://www.keppcorp.com/en/media/media-releases-sgx-filings/keppel-land-and-phu-long-to-develop-three-residential-sites-in-saigon-south-ho-chi-minh-city-6713/>



The abovementioned transactions are not expected to have any material impact on the earnings per share and net tangible asset per share of Keppel Corporation Limited for the financial year ended 31 December 2021 and the current financial year.

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### **About Keppel Corporation**

Keppel Corporation is one of Singapore's flagship multinational companies with a global footprint in more than 20 countries. Keppel provides solutions for sustainable urbanisation, focusing on four key areas comprising energy & environment, urban development, connectivity and asset management. With sustainability at the core of its strategy, Keppel harnesses the strengths and expertise of its business units to develop, operate and maintain real assets, which provide diverse solutions that are good for the planet, for people and for the Company.

### **About Sovico**

Sovico Group is a strategic partner of UNESCO (the United Nations Educational, Scientific and Cultural Organization) and the United Nations towards sustainable development for investment cooperation, economic development in Vietnam and globally. Sovico Group is a leading investment group in Vietnam, operating with the goal of providing international quality products and services in the fields of banking and finance, aviation, digital transformation, energy, urban areas, resorts, etc. to meet the needs of customers and integrate into the global economy.

### **For more information, please contact:**

For Keppel:

Media

Mr Roy Tan  
Assistant General Manager  
Group Corporate Communications  
Keppel Corporation  
Tel: (65) 6413 6421  
Email: roy.tan@kepcorp.com

Investor Relations

Ms Ivana Chua  
Deputy General Manager  
Group Corporate Communications  
Keppel Corporation Limited  
Tel: (65) 6413 6436  
Email: ivana.chua@kepcorp.com

For Sovico Group:

Media:

Ms Thu Thuy  
Assistant Vice President  
Group Corporate Communications  
Tel: (84) 0913541386  
Email: thuthuy@sovicogroup.com

Investor Relations

Mr Desmond Lin  
Deputy CEO of Sovico Group  
Tel: (84)028-38274456  
Email: desmondlin@sovicogroup.com