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MEDIA RELEASE

Keppel secures repeat order from Awilco for mid-water harsh environment rig worth about US$425million

Singapore, 8 March 2019 - Keppel Offshore & Marine Ltd (Keppel O&M), through its wholly-owned subsidiary, Keppel FELS Limited (Keppel FELS) has secured an order with Awilco Drilling PLC (Awilco) for the construction of a repeat mid-water semisubmersible (semi) drilling rig for harsh environment use, worth about US$425 million.

This follows the exercise of an option by Awilco pursuant to the earlier contract entered into between Keppel FELS and Awilco for a similar rig. As part of that transaction, Awilco has independent options to order up to another two similar rigs to be exercised in 2020 and 2021 respectively.

The terms of this repeat order are subject to the finalisation and entry into definitive agreements between the parties within 15 days of the exercise of the option.

The rig will be built to Moss Maritime's CS60 ECO MW design and is scheduled for completion in 1Q 2022. Similar to the first rig, it is specially designed, configured and outfitted for mid-water operations in water depths up to 1,500m and able to work in the harshest environments of North West Europe, including the Barents Sea.

Mr Tan Leong Peng, Executive Director (Offshore) of Keppel O&M, said, "We are pleased that Awilco has decided to exercise its first option. It demonstrates the confidence in the solutions that Keppel provides, the strength of our partnership, and the growing confidence in the market.

"Work on the first rig is progressing well and we will be able to benefit from economies of scale and cost efficiencies from undertaking a repeat project. For this second rig, we will be able to leverage the engineering and construction process of the first rig to further improve productivity."

When completed, the drilling rig will have a low environmental footprint and be able to operate in harsh environments, including the Norwegian Continental Shelf, the UK Continental shelf and the Barents Sea. Equipped with a hydraulic hoisting system capable of two million pounds of lifting capacity, it also features an optimised 12 point thruster assisted mooring system for vessel station keeping, complete with hybrid power supply and energy saving features.

Mr Sigurd E. Thorvildsen, Chairman of the Board of Awilco Drilling PLC, said, "We have exercised the first of our three options because we see growing demand for such mid-water, harsh environments rigs in North West Europe. Our partnership with the world's leading rig builder, Keppel, enables us to offer our customers confidence in receiving a high specification rig that is purpose-designed, setting a new environmental standard and equipped with the latest

technology. The progress on the first rig has been exemplary and we look forward to receiving this second rig with the hallmark Keppel quality, reliability, timeliness and safety."

Keppel O&M has a strong track record of having delivered 25 semisubmersible rigs since 2000.

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

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About Awilco Drilling
Awilco Drilling PLC is a North Sea Drilling Contractor owning and operating two refurbished and enhanced UK compliant 3rd generation mid-water semi-submersible drilling rigs. In March 2018, the Company ordered one new build rig of Moss CS60 ECO MW design equipped for drilling in harsh environments, including the Barents Sea. The Company is listed at the Oslo Stock Exchange under the ticker code AWDR. Awilco Drilling PLC is registered in England & Wales (07114196).

About Keppel FELS / Keppel Offshore & Marine
Keppel FELS is a subsidiary of Keppel Offshore & Marine Ltd (Keppel O&M), a wholly-owned company of Keppel Corporation Limited. Keppel FELS is a leading designer, builder and repairer of high-performance mobile offshore rigs. Its portfolio of proprietary designs and floating production solutions meets a broad spectrum of operating requirements, including deep waters and harsh environments.

Keppel O&M is a global leader in offshore rig design, construction and repair, ship repair and conversion, and specialised shipbuilding. It integrates and harnesses the experience and expertise of yards and offices in 15 countries to be near customers and markets. Driven by innovation and a capable people with the *Can Do!* spirit, Keppel O&M strives to become a builder of distinction in every aspect of its business. For more information, visit www.keppelom.com.

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