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MEDIA RELEASE

Keppel enters into an agreement to undertake solar farm development in Australia

22 December 2020, Singapore – Keppel Renewable Energy Pte Ltd (Keppel Renewable Energy), a wholly-owned subsidiary of Keppel Corporation, has signed an agreement[1] to acquire a 45% stake in Harlin Solar Pty Ltd (Harlin Solar) to develop a large-scale, greenfield solar farm in Queensland, Australia. This is Keppel Renewable Energy's first solar farm project. It is in line with Keppel's Vision 2030, which puts sustainability at the core of the Group's strategy, and envisages the Group growing its renewable energy portfolio as it contributes to the accelerating energy transition.

Keppel Renewable Energy's partners in Harlin Solar are Mr Anthony Youssef, a veteran developer in Queensland, Australia, as well as New Energy Development, an Australian Renewable Energy company involved in projects globally. The acquisition is subject to approval by Australia's Foreign Investment Review Board.

Keppel Renewable Energy will acquire the 45% stake for a nominal sum of AUD$540 (approximately S$545). In addition, it will provide a loan of up to AUD$3.24 million (approximately S$3.28 million) to Harlin Solar for funding development costs of the project. Upon reaching certain agreed development milestones, Keppel has options to acquire all the remaining stakes in Harlin solar for an aggregate maximum consideration of AUD$52.35 million (approximately S$53.01 million).

Keppel Renewable Energy will take the lead role in the development and management of the construction and operation of the solar farm. This includes undertaking the grid connection studies, assessing the site and technology requirements, sourcing for off-takers as well as project management of the EPC (Engineering, Procurement, Construction) of the solar farm.

The project will be located on a more than 2,000-ha site. To maximise energy yield, Keppel Renewable Energy intends to employ the most modern solar module technology such as bifacial panels as well as adopt single axis trackers, which will enable the panels to follow the path of the sun. Expected to have a capacity of at least 500 MW, the project will generate enough energy to power more than 142,000 average Australian homes. This would mean a

[1] Through KRE Anchorage Pte Ltd, a wholly-owned subsidiary of Keppel Renewable Energy

saving of some 800 kilotonnes of carbon emissions per year as compared to the power generated for the current Queensland energy grid.

Construction of the solar farm is projected to commence in 2022 and be completed in 2023. When operationally ready, the solar farm will be connected to the national energy market (NEM) for public consumption and will also provide renewable energy through the NEM to businesses seeking sustainable energy solutions, including Keppel-related companies in Australia.

Mr Chris Ong, Managing Director of Keppel Renewable Energy, said, "This project reflects Keppel's continuing journey to support the world's energy needs through renewables. It is part of Keppel's Vision 2030, which includes a long-term target of growing the Group's portfolio of renewable energy assets to 7 GW by 2030.

"Keppel Renewable Energy will collaborate with other business units and harness the technical and commercial capabilities across the Group to develop, own and operate renewable energy infrastructure in a cost-efficient, safe and reliable manner. We can also work with the Group's asset management platforms, such as the Keppel Asia Infrastructure Fund, to help fund the project."

The solar farm development project is expected to contribute to the economic development of the Queensland area, bringing jobs to the region and adding indirect economic opportunities for local businesses.

Demand for renewable energy continues to gain momentum around the world. In line with global trends, the Australian renewables industry is set for growth, supported by abundant renewable energy resources as well as conducive regulatory policies and investment climate. Australia is committed to meet the Paris Agreement target of reduction on emission levels by 2030 [2]. To work towards this goal, State-based targets have been implemented with Queensland targeting to meet 50% of its energy demands from renewables by 2030[3].

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

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[2] Australian Government, Department of the Prime Minister and Cabinet, "Tackling climate change, energy productivity and improving our environment": www.pmc.gov.au/domestic-policy/tackling-climate-change-energy-productivity-and-improving-our-environment

[3] Queensland Government, Department of Resources, "Achieving our renewable energy targets": www.dnrme.qld.gov.au/energy/initiatives/achieving-our-renewable-energy-targets

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About Keppel Renewable Energy

Keppel Renewable Energy is a wholly-owned subsidiary of Keppel Corporation, 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.

Keppel Renewable Energy undertakes the development and operation of renewable energy infrastructure. Keppel Renewable Energy has a broad range of technical skills and expertise such as site assessment, photovoltaic plant design; wind farm micro siting; structuring power purchase agreements; developing utility scale project feasibility; selecting the right technology; and contracting the Engineering, Procurement and Construction providers. In addition, Keppel Renewable Energy can collaborate with like-minded partners with complementary resources to co-develop solar and wind projects.

Keppel Renewable Energy is also able to leverage Keppel Offshore & Marine in the design, engineering and construction of offshore assets such as substations and installation vessels. In addition, it can draw on the asset management capabilities of Keppel Capital and harness platforms such as the Keppel Asia Infrastructure Fund to help fund projects.