

Media Release

Keppel and Aibel consortium secures major contract for DoIWin5 converter stations

- Keppel's share of the contract is worth about S\$560m
- *It is Keppel O&M's first major project in the renewable energy sector since 2010 and represents an area of growth*

Singapore 7 May 2019 - A consortium comprising Keppel Offshore & Marine Ltd (Keppel O&M)'s wholly-owned subsidiary, Keppel FELS Limited (Keppel FELS), and Aibel AS, has secured a contract from TenneT Offshore GmbH, a grid operator in the Netherlands and Germany, for the design, engineering, procurement, construction, installation and commissioning of a 900MW offshore HVDC (High Voltage Direct Current) converter station and an onshore converter station. Keppel FELS' share of the contract is worth about S\$560m.

Together with its subcontractor ABB (ASEA Brown Boveri), the consortium will also undertake the installation and start-up operations of the offshore and onshore converter stations on site at Germany.

Scheduled to be completed in 2024, the two converter stations will be part of the DoIWin cluster servicing offshore wind farms in the German sector of the North Sea. The offshore converter station will be located approximately 130km from the onshore converter station and they will provide grid connection for the offshore wind power plants to transmit and supply electricity to approximately a million households in Germany.

Mr Chris Ong, CEO of Keppel O&M said, "This is Keppel O&M's first major project of this scale and extends our track record in supporting the renewable energy industry. We see opportunities in this segment as the offshore renewables market is expected to increase significantly over time with increasing concerns over climate change. Keppel O&M is able to leverage our expertise in offshore energy infrastructure to offer customised and high quality solutions across the offshore wind farm value chain.

"We are pleased to be selected by TenneT, a leading European transmission system operator, for this large-scale offshore wind project with our partner Aibel. Together with ABB, the consortium is able to provide a comprehensive and cost effective solution for TenneT. Keppel had previously completed a mobile application barge for an offshore substation in Germany as well as an offshore wind turbine installer."

President & CEO of Aibel, Mr Mads Andersen added, "Keppel and Aibel have cooperated on a project basis for several years, and we are pleased to jointly land this contract. It is a result of our strong complementary capabilities and we look forward to executing this project for TenneT to their satisfaction. Aibel is proud to be the preferred supplier in the offshore wind segment and strengthening our position in the ongoing energy industry transformation."

The offshore converter station is a 900MW Gravity Based Structure (GBS) based on Aibel's patented design and will be equipped with living quarters, a helideck and lifting cranes. When completed, it will be able to receive power from three offshore wind farms and convert High Voltage Alternating Current (HVAC) to High Voltage Direct Current (HVDC) before sending it to the onshore converter station via subsea cables. The onshore converter station will then convert the HVDC back to HVAC and transmit to the grid.

Mr Tim Meyerjürgens, COO of TenneT, said, "With DoWin5 we open a new chapter in offshore grid connection technology: For the first time we will realize a direct connection between the wind turbines and TenneT's offshore platform without any further substations. We are convinced to have found an experienced partner with the consortium of Aibel and Keppel FELS with whom TenneT will be able to accomplish this innovative project successfully."

According to Bloomberg New Energy Finance, annual installed capacity in the offshore wind sector is projected to increase from 4.5GW in 2018 to 12GW in 2030, resulting in a total cumulative capacity of 115GW in 2030. The global offshore wind installation CAGR is forecasted at 16% from 2017 to 2030.

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

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About Keppel Offshore & Marine

Keppel Offshore & Marine Ltd (Keppel O&M) is a global leader in offshore rig design, construction and repair, ship repair and conversion, and specialised shipbuilding. Its participation in the offshore wind energy sector is highly synergistic to its core business and it is able to tap on its expertise offshore energy infrastructure in developing integrated solutions across the value chain of offshore wind farms, including offshore substations, foundations, installation and support vessels as well as accommodation platform solutions.

Keppel O&M first entered the offshore wind market in 2010 when the group secured a contract to build an electrical transformer and maintenance platform for a German offshore wind farm. This was followed by the commercialisation of its proprietary KFELS MPSEP (multi-purpose self-elevating platform) concept, Keppel's first offshore wind turbine installation vessel.

About TenneT

TenneT is a leading European electricity transmission system operator (TSO) with its main activities in the Netherlands and Germany. With over 23,000 kilometres of high-voltage connections we ensure a secure supply of electricity to 41 million end-users. We employ approximately 4,500 people, have a turnover of EUR 4.2 billion and an asset value totalling EUR 22 billion. TenneT is one of Europe's major investors in national and cross-border grid connections on land and at sea, bringing together the Northwest European energy markets and enabling the energy transition. We make every effort to meet the needs of society by being responsible, engaged and connected.

Taking power further

About Aibel AS

Aibel is a leading service company within the upstream oil & gas and offshore wind industries.

We provide our clients with optimal and innovative solutions within engineering, construction, modifications and maintenance throughout the entire life cycle. Aibel's 4,000 skilled employees are located close to our customers at the company's offices in Norway and South East Asia. In addition, we operate two modern yards in Haugesund (Norway) and Laem Chabang (Thailand) with complete prefabrication and construction capabilities.

For more information, please contact:

Media

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

Investor Relations

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