

OTHER INFORMATION

Group Five-Year Performance

	2019	2020	2021 [#]	2022 [#]	2023 [#]
Selected Profit & Loss Account Data					
(\$ million)					
Revenue	7,580	6,574	6,611 [^]	6,620 [^]	6,967 [^]
Operating profit	877	8	1,129 [^]	565 [^]	1,076 [^]
Profit before tax	954	(255)	1,611 [^]	1,095 [^]	1,214 [^]
Net profit from Continuing Operations	707	(506)	1,248	839	885
Net profit from Discontinued Operations	–	–	(225)	88	3,182
Net profit attributable to shareholders of the Company	707	(506)	1,023	927	4,067
Selected Balance Sheet Data					
(\$ million)					
Fixed assets, investment properties & right-of-use assets	6,684	6,972	6,830	5,501	5,781
Associated companies, joint ventures and investments	7,121	7,355	7,525	8,324	8,474
Notes receivables, stocks, debtors, cash, long term assets & other assets	15,834	15,161	15,851	6,146	10,687
Disposal group and assets classified as held for sale	–	1,009	528	9,530	362
Intangibles	1,683	1,609	1,589	1,564	1,534
Total assets	31,322	32,106	32,323	31,065	26,838
Less :					
Creditors and other current liabilities	7,325	7,470	7,049	3,522	3,372
Liabilities directly associated with disposal group and assets classified as held for sale	–	115	38	4,224	307
Borrowings & lease liabilities	11,657	12,603	12,017	10,380	11,139
Other non-current liabilities	694	762	778	1,026	1,003
Net assets	11,646	11,156	12,441	11,913	11,017
Share capital & reserves	11,211	10,728	11,655	11,178	10,307
Perpetual Securities	–	–	401	401	402
Non-controlling interests	435	428	385	334	308
Total equity	11,646	11,156	12,441	11,913	11,017
Per Share					
Earnings (cents) (Note 1) :					
Before tax	48.8	(14.3)	73.7	67.4	242.4
After tax	38.9	(27.8)	56.2	52.1	227.6
Total distribution (cents)	20.00	10.0	33.0	33.0	269.7 [^]
Net assets (\$)	6.17	5.90	6.41	6.38	5.85
Net tangible assets (\$)	5.25	5.02	5.53	5.49	4.98
Financial Ratios					
Return on shareholders' funds (%) (Note 2) :					
Profit before tax	7.9	(2.4)	12.0	10.5	40.3
Net profit	6.3	(4.6)	9.1	8.1	37.9
Dividend cover (times)	1.9	(2.8)	1.7	1.6	0.9
Net gearing (times)	(0.85)	(0.91)	(0.68)	(0.78)	(0.90)
Employees					
Average headcount (number)	18,297	18,452	16,393	17,238 ⁻	12,245 ⁻
Wages & salaries (\$ million)	1,187	1,166	1,151	1,162 ⁻	827 ⁻

* Includes the dividend *in specie* of Seatrium shares and KREIT units.

[#] On 27 February 2023 and 28 February 2023, the Asset Co Transaction and the Proposed Combination were completed respectively. Consequent to the completion, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the performance of Keppel O&M, as a separate reportable operating segment, excluding certain out-of-scope assets, for the period from 1 January to 28 February 2023 and the gain arising from the Proposed Combination, and the comparative full year ended 31 December 2022 and 31 December 2021, were reported as discontinued operations.

[^] Numbers are for continuing operations.

⁻ Excluding discontinued operations, FY2023's average headcount and wages & salaries for continuing operations is 5,455 and \$733m respectively; FY2022's average headcount and wages & salaries for continuing operations is 5,678 and \$698m respectively.

Notes:

- Earnings per share are calculated based on the Group profit by reference to the weighted average number of shares in issue during the year.
- In calculating return on shareholders' funds, average shareholders' funds has been used.

Group Five-Year Performance

2023*

Group revenue from continuing operations of \$6,967 million was \$347 million or 5% higher than 2022. Revenue from the Infrastructure segment increased by \$556 million or 13% to \$4,846 million. The increase was led by higher electricity sales, partly offset by lower gas sales and lower progressive revenue recognition from environmental projects in 2023. Asset management fee revenue was higher year-on-year mainly due to higher management fees arising from better performance achieved by KIT managed by Keppel, and the effect of the change in its fee structure that took effect in 2H 2022. These were partly offset by lower acquisition fees in 2023. Revenue from the Real Estate segment decreased by \$232 million to \$764 million largely due to lower revenue from property trading projects in China as a result of fewer units completed and handed over during the period, partly offset by higher contributions from property trading projects in Singapore. Asset management fee revenue remained stable year-on-year. Revenue from the Connectivity segment increased by \$18 million to \$1,351 million mainly due to M1 reporting higher mobile and enterprise revenues, including contribution from the newly acquired Glocomp Systems (M) Sdn Bhd, partly offset by lower handset sales, and lower revenue from the logistics business following the divestment of the logistics portfolio in South-East Asia in July 2022. Asset management fee revenue remained stable year-on-year.

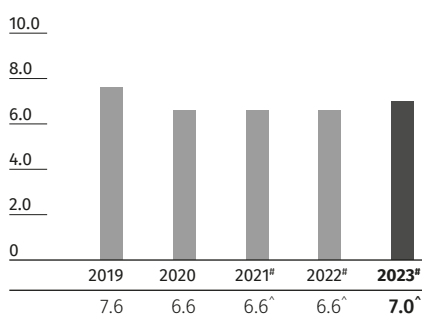
Group net profit from continuing operations of \$885 million was \$46 million or 6% higher than 2022. Excluding the DIS loss, net profit rose by 19% year-on-year to \$996 million. The Infrastructure segment registered a net profit of \$699 million in 2023, which was \$402 million or 135% higher than the \$297 million net profit recorded in 2022. Underpinned by higher net generation and margins, the integrated power business delivered stronger results for the year. The segment also saw higher returns from sponsor stakes in the form of higher distributions and fair value gains in 2023, while there was provision for supply chain cost escalation in the environment business in 2022. These were partially offset by higher interest expense, and lower share of results following a dilution of interest in an associated company in 2H 2022. Asset management net profit was higher year-on-year mainly due to higher fee revenue which was partly offset by higher overheads. Net profit from the Real Estate segment decreased by \$149 million to \$315 million. Excluding the DIS loss, the segment's net profit was \$38 million or 8% lower year-on-year, mainly due to lower fair value gains from investment properties, lower contribution from property trading projects in China, as well as higher net interest expense. These were partly offset by higher contribution from the Sino-Singapore Tianjin Eco-City, higher gains from asset monetisation, and fair value gains from investments. The Real Estate Division completed the monetisation of 7 assets across Vietnam, India, Philippines, China, Myanmar and Singapore in the current year, as compared to the monetisation of 2 assets in China in 2022. Asset management net profit was lower year-on-year mainly due to higher overheads. The Connectivity segment's net profit of \$127 million was \$29 million higher than that in 2022, mainly due to improved earnings contribution from M1, gain from divestment of interest in SVOA Public Company Limited, and lower losses from the logistics business following the divestment of Keppel Logistics SEA in July 2022. These were partly offset by lower fair value gains on data centres, and fair value losses on investments. Asset management net profit remained stable year-on-year. Net loss from Corporate Activities was \$256 million as compared to \$20 million in 2022. In the prior year, significant fair value gains were recognised from investments in new technology and start-ups, in particular, Envision AESC Global Investment L.P.. The fair value gains from investments were lower, while net interest expense and overheads were higher year-on-year.

The Group's taxation increased mainly due to higher taxable profit from the Infrastructure segment, which was partially offset by lower taxable profit from the Real Estate segment. Taking into account income tax expenses, non-controlling interests and profit attributable to holders of perpetual securities, the Group's net profit from continuing operations attributable to shareholders for 2023 was \$885 million, and \$996 million if the DIS loss were excluded. Including discontinued operations, the Group's net profit attributable to shareholders was \$4,067 million, which was \$3,140 million higher than in the prior year.

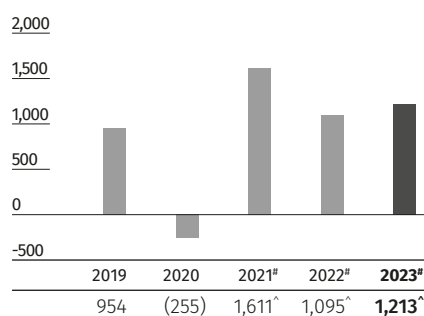
The discontinued operations recorded a net profit of \$3,182 million, comprising 2 months performance from Keppel Offshore & Marine (KOM), excluding certain out-of-scope assets, for the period 1 January to 28 February 2023, as well as a gain on disposal of approximately \$3.3 billion following the completion of the disposal of KOM at the end of February 2023. In contrast, the net profit from discontinued operations of \$88 million in 2022 had included gains from the divestment of Keppel Smit Towage Pte Limited and Maju Maritime Pte Ltd, as well as the cessation of the depreciation for the relevant assets classified under disposal group held for sale.

* On 3 May 2023, the Group announced the next phase of Vision 2030 plans, embarking on a major reorganisation to accelerate the transformation into a global alternative real asset manager and operator. The Group reorganised its operations into a simplified horizontally integrated model with four reportable segments, namely Infrastructure, Real Estate, Connectivity and Corporate Activities. Comparative information for FY2022 are re-presented accordingly. Review of performance for FY2019 to FY2022 are not re-segmented.

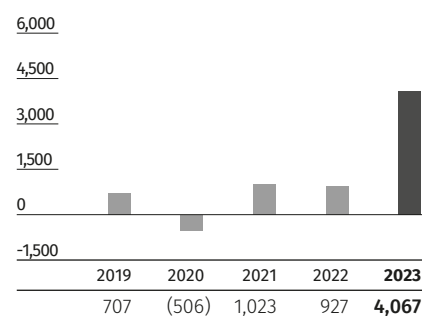
Revenue (\$ billion)



Pre-Tax Profit (\$ million)



Net Profit (\$ million)



[#] On 27 February 2023 and 28 February 2023, the Asset Co Transaction and the Proposed Combination were completed respectively. Consequent to the completion, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the performance of Keppel O&M, as a separate reportable operating segment, excluding certain out-of-scope assets, for the period from 1 January to 28 February 2023 and the gain arising from the Proposed Combination, and the comparative full year ended 31 December 2022 and 31 December 2021, were reported as discontinued operations. Including discontinued operations, revenue for FY2021 was \$8,625 million and pre-tax profit for FY2021 was \$1,335 million.

[^] Numbers are for continuing operations.

2022

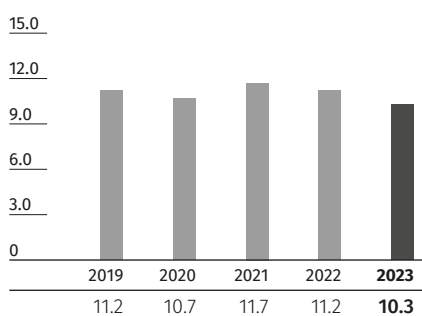
Group revenue from continuing operations of \$6,620 million was at about the same level as 2021. Revenue from Energy & Environment increased by \$670 million or 19% to \$4,230 million led by higher electricity and gas sales, and higher revenue recognition from Keppel Seghers' projects abroad. Revenue from Urban Development decreased by \$725 million to \$904 million mainly due to lower revenue from property trading projects in China as a result of fewer units completed and handed over during the year. Revenue from Connectivity increased by \$31 million to \$1,291 million mainly due to M1 reporting higher mobile and enterprise revenue, including contribution from the newly acquired Glocomp Systems (M) Sdn Bhd, partly offset by lower handset sales, and lower revenue from the logistics business following the divestment of the logistics portfolio in South-East Asia and Australia in July 2022. Revenue from Asset Management increased by \$33 million to \$195 million mainly due to higher acquisition fees and management fees resulting from increased acquisitions completed.

Group net profit from continuing operations of \$839 million was \$409 million or 33% lower than that in 2021. Energy & Environment registered a net profit of \$172 million in 2022, reversing the net loss of \$189 million in 2021, which had included an impairment of \$318 million relating to the Group's exposures to KrisEnergy, partially offset by share of Floatel's net restructuring gain of \$215 million. For the current year, the segment recorded higher electricity and gas sales and contributions from Keppel Seghers' projects abroad, higher share of results from an associated company in Europe, and lower share of losses from Floatel. These were partially offset by the provision for supply chain cost escalation in the environment business. Net profit from Urban Development decreased by \$481 million to \$282 million mainly due to lower contributions from property trading projects in China, lower fair value gains from investment properties, as well as lower gains from enbloc sales. The segment completed the disposals of Upview and Sheshan Riviera projects in Shanghai in the current year, as compared to the recognition of gains from the disposals of the Dong Nai project in Vietnam, Serenity Villas project in Chengdu, and China Chic project in Nanjing, and divestment of a partial interest in Tianjin Fushi Real Estate Development Co Ltd in 2021. Connectivity's net profit of \$37 million was \$27 million lower than that in 2021. This was mainly due to the absence of gains from the divestment of interests in Keppel Logistics (Foshan) and Wuhu Sanshan Port Company Limited in 2021, and lower fair value gains on data centres, which was partly offset by higher net profit from M1. Net profit from Asset Management increased by \$10 million to \$311 million mainly due to higher fair value gains on investment properties recorded by Keppel REIT, and higher fee income arising from acquisitions completed. These were partly offset by mark-to-market losses from investments, as well as lower fair value gains on data centres recorded by Keppel DC REIT and private funds. Net profit from Corporate & Others decreased by \$272 million to \$37 million mainly due to lower fair value gains on investments and lower investment income. In the prior year, the segment recorded significant distribution income and fair value gains from its investments in new technology and start-ups, in particular, Envision AESC Global Investment L.P..

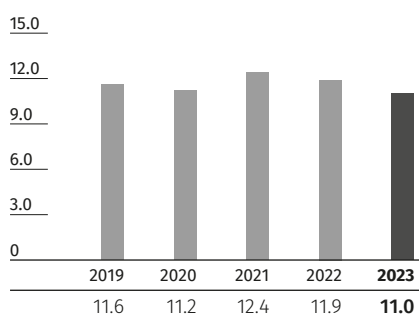
The Group's taxation decreased year-on-year mainly due to lower taxable profit from Urban Development. Taking into account income tax expenses, non-controlling interests and profit attributable to holders of perpetual securities, the Group's net profit from continuing operations attributable to shareholders for 2022 was \$839 million. All segments were profitable including Energy & Environment which had registered a loss in 2021. Including discontinued operations, the Group's net profit attributable to shareholders was \$927 million, which was \$96 million lower year-on-year.

The discontinued operations recorded a net profit of \$88 million, as compared to the net loss of \$225 million in 2021. In addition to revenue recognition from new projects and higher progressive revenue recognition on existing projects, the offshore & marine business recorded higher investment income, gains from the divestment of Keppel Smit Towage Pte Limited and Maju Maritime Pte Ltd, and partial write-back of impairments made in 2020 on certain legacy rigs. These were partly offset by the provisions made for cost overruns on certain projects in Keppel's O&M's yard in the US, mainly arising from shortage of manpower, higher-than-expected labour costs, as well as COVID-related supply chain disruptions. Apart from the yard in the US, the projects in Keppel O&M's other yards, including the FPSOs projects with Petrobras, are progressing well and are on-track and within budget. The Group has also ceased depreciation for the relevant assets classified under the disposal group held for sale. Major jobs delivered by the offshore & marine business in 2022 include a jackup, an FSRU conversion repair, an LNG carrier repair, two Trailer Suction Hopper Dredgers (TSHD), jumboisation of a TSHD, two offshore substations, a wind turbine installation vessel upgrade and fabrication of leg component for an offshore wind turbine installation vessel.

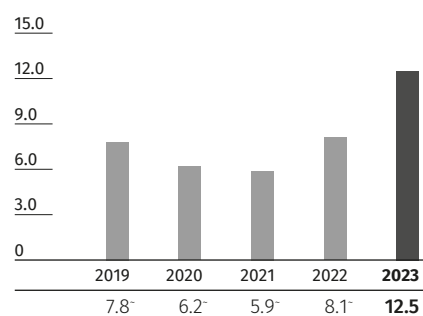
Shareholders' Funds (\$ billion)



Total Equity (\$ billion)



Market Capitalisation (\$ billion)



^{*} Based on adjusted share prices. Source: Bloomberg

Group Five-Year Performance

2021

Group revenue of \$8,625 million was \$2,051 million or 31% higher than the preceding year. Revenue from Energy & Environment increased by \$1,631 million or 41% to \$5,574 million, led by higher electricity and gas sales, higher progressive revenue recognition from the Tuas Nexus Integrated Waste Management Facility project in Singapore which was secured in April 2020, higher progressive revenue recognition from the Hong Kong Integrated Waste Management Facility project, as well as higher revenue from the offshore & marine business. These were partially offset by the completion of Keppel Marina East Desalination Plant project in June 2020, as well as the absence of revenue from the Doha North Sewage Treatment Works due to the cessation of the operation and maintenance contract in July 2020. The higher revenue in the offshore & marine business was mainly due to higher revenue recognition from certain ongoing projects and revenue from new projects in 2021, which were partly offset by cessation of revenue recognition on Awilco contracts and deferral of some projects. Major jobs delivered by the offshore & marine business in 2021 include two LNG bunker vessels, an LNG carrier, a FLNG turret, four Floating Production Storage and Offloading vessel (FPSO) modification and upgrading projects, and a Floating Storage Regasification Unit (FSRU) conversion project. Revenue from Urban Development increased by \$354 million to \$1,629 million mainly due to higher revenue from property trading projects in China and Singapore. Revenue for Connectivity of \$1,260 million was marginally above that of 2020. Higher revenues from the logistics and data centre businesses, and higher handset and equipment sales in M1, were partly offset by the lower service revenue in M1. Revenue from Asset Management increased by \$27 million to \$162 million mainly due to higher fees resulting from increased acquisition and divestment activities, and from additional fund commitments secured during the year.

Group pre-tax profit was \$1,335 million, as compared to pre-tax loss of \$255 million in 2020. All segments recorded improved pre-tax results. The Energy & Environment's pre-tax loss was \$469 million as compared to pre-tax loss of \$1,251 million in 2020. This was largely due to lower impairments and share of Floatel's restructuring gain. Excluding impairments of \$477 million and share of Floatel's restructuring gain of \$269 million, pre-tax loss of the segment was \$261 million, as compared to pre-tax loss of \$269 million (excluding impairments) in 2020. Pre-tax results for the offshore & marine business were better than last year's despite lower government relief measures related to the COVID-19 pandemic. This was mainly driven by savings from overheads reduction and lower share of losses from associated companies, partly offset by higher net interest expense. There was lower contribution from the power & renewables business, as well as loss on hedge ineffectiveness on interest rate swaps following the refinancing plan for an asset. Pre-tax profit from Urban Development increased by \$352 million to \$1,072 million, mainly due to higher contribution from property trading projects in China and Vietnam, as well as gains from the disposal of interests in the Dong Nai project in Vietnam, Serenity Villas project in Chengdu, and China Chic project in Nanjing, and divestment of a partial interest in Tianjin Fushi Real Estate Development Co Ltd. These were partly offset by lower fair value gains from investment properties, impairment provision for a hotel in Myanmar, as well as lower contribution from the Sino-Singapore Tianjin Eco-City. Connectivity's pre-tax profit of \$86 million was \$57 million higher than 2020. This was mainly due to the gains from divestment of interests in Wuhu Sanshan Port Company Limited and in Keppel Logistics (Foshan) following agreement reached with local authorities on the compensation for the closure of Lanshi port, as well as lower net interest expense. These were partly offset by lower contribution from M1, and absence of gain from the disposal of interest in Business Online Public Company Limited in 2020. Pre-tax profit from Asset Management increased by \$23 million to \$327 million. In 2020, there was a mark-to-market gain recognised from the reclassification of the Group's interest in KIT from an associated company to an investment following the loss of significant influence over KIT. Excluding the reclassification gain, pre-tax profit was \$154 million higher than 2020. For 2021, the segment recorded higher fee income arising from acquisitions and divestments completed, and from additional fund commitments secured during the year. In addition, there was recognition of mark-to-market gains from investments, higher dividend income from KIT, as well as fair value gains on investment properties and data centres from Keppel REIT, Keppel DC REIT, Alpha Data Centre Fund and Keppel Data Centre Fund II. In 2020, there was the recognition of gains from the sale of units in Keppel DC REIT, divestment of interest in Gimi MS Corporation, and mark-to-market losses from investments. Corporate & Others recorded pre-tax profit of \$319 million in 2021 as compared to pre-tax loss of \$57 million in the prior year. This was mainly due to fair value gain instead of loss on investments, and higher investment income. The fair value gains were largely from investments in new technology and start-ups, in particular, Envision AESC Global Investment L.P..

Taxation expenses increased by \$71 million mainly due to higher taxable profit at Urban Development. Taking into account income tax expenses, non-controlling interests and profit attributable to holders of perpetual securities, net profit attributable to shareholders was \$1,023 million as compared to net loss of \$506 million in the preceding year. Profits from Urban Development, Asset Management and Connectivity businesses were partly offset by losses at Energy & Environment.

2020

Group revenue of \$6,574 million for 2020 was \$1,006 million or 13% lower than the preceding year. Revenue from Energy & Environment decreased by \$1,026 million or 21% to \$3,943 million led by lower revenue in the offshore & marine business due to slower progress from certain on-going projects as a result of COVID-19 related disruptions, suspension of revenue recognition on Awilco contracts, fewer new contracts secured in 2020 and deferral of some projects, which were partly offset by revenue from new projects. The lower revenue was also due to lower electricity sales, lower progressive revenue recognition from the Hong Kong Integrated Waste Management Facility project, as well as the completion of Keppel Marina East Desalination Plant project in 2Q 2020 in the infrastructure business. Major jobs delivered by the offshore & marine business in 2020 include two jackup rigs, a dual-fuel bunker tanker, a Floating Production Storage and Offloading vessel (FPSO) modification and upgrading project, a LNG Carrier, a Dredger and a Production Barge. Revenue from Urban Development decreased by \$61 million to \$1,275 million mainly due to lower revenue generated from hospitality and commercial properties and lower revenue from property trading projects in Singapore and Vietnam, which were partly offset by higher revenue from property trading projects in China. Revenue for Connectivity grew by \$92 million to \$1,220 million mainly due to M1 which was consolidated from March 2019, partly offset by lower contribution from the logistics business following the divestment of some China logistics assets in November 2019. Revenue from Asset Management decreased by \$10 million to \$135 million mainly due to lower acquisition and divestment fees, partly offset by higher management fees.

Group pre-tax loss for 2020 was \$255 million, as compared to pre-tax profit of \$954 million in 2019. Excluding impairments of \$1,030 million, pre-tax profit of the Group was \$775 million, which was \$302 million or 28% lower than \$1,077 million (excluding impairments) in 2019. Energy & Environment's pre-tax loss was \$1,251 million as compared to pre-tax loss of \$121 million in 2019. Excluding impairments of \$982 million, the pre-tax loss was \$269 million. This was largely due to weaker performance in the offshore & marine business, which had been impacted by slower progress on projects due principally to significant downtime as a result of COVID-19, share of losses from associated companies and joint ventures, higher net interest expense, and fair value loss on investment, which were partially offset by lower overheads and government relief measures related to the COVID-19 pandemic. These were partly offset by higher contributions from the energy infrastructure and environmental infrastructure businesses, as well as the absence of share of loss from KrisEnergy and fair value loss on KrisEnergy warrants as compared to 2019. Pre-tax profit from Urban Development increased by \$44 million to \$720 million mainly due to higher fair value gains from investment properties, higher contribution from property trading projects in China, as well as higher contribution from the Sino-Singapore Tianjin Eco-City. These were partly offset by lower contribution from associated companies and joint ventures. Pre-tax profit of Connectivity was \$29 million, which was \$167 million below that in 2019. This was mainly due to the absence of fair value gain recognised in 2019 from the remeasurement of previously held interest in M1 at acquisition date, as well as lower contribution from M1. These were partly offset by gain from the disposal of interest in Business Online Public Company Limited, and lower losses from the logistics business. Pre-tax profit from Asset Management increased by \$65 million to \$304 million mainly due to mark-to-market gain recognised from the reclassification of the Group's interest in KIT from an associated company to an investment following the loss of significant influence over KIT, gain from sale of units in Keppel DC REIT, gain from divestment of interest in Gimi MS Corporation, as well as dividend income from KIT and higher contribution from Keppel DC REIT. These were partly offset by mark-to-market losses from investments, lower investment income and lower contributions from Keppel REIT and Alpha Data Centre Fund, as well as absence of dilution gain arising from Keppel DC REIT's private placement exercise in 2019.

Taxation expenses increased by \$61 million or 32% mainly due to lower write-backs of tax provision as compared to 2019 and higher taxation from property trading projects in China, partly offset by the deferred tax credit recognised in 2020 in relation to the impairment provisions for contract assets. Non-controlling interests were \$57 million lower than the preceding year. Taking into account income tax expenses and non-controlling interests, net loss attributable to shareholders for 2020 was \$506 million as compared to net profit of \$707 million in the preceding year. Losses in the Energy & Environment business were partly offset by profits from the Urban Development, Asset Management and Connectivity businesses.

2019

Group revenue of \$7,580 million for 2019 was \$1,615 million or 27% higher than in the preceding year. Revenue from Energy & Environment improved by \$647 million or 15% to \$4,969 million mainly due to higher revenue recognition from ongoing projects in the offshore & marine business, increased sales in the power and gas business as well as higher progressive revenue recognition from the Keppel Marina East Desalination Plant project and the Hong Kong Integrated Waste Management Facility project, partly offset by the absence of revenue recognised in 2018 from the sale of jackup rigs to Borr Drilling Limited. Major jobs delivered by the offshore & marine business in 2019 include five jackup rigs, three FPSO/FSRU conversions and four dredgers. Revenue from Urban Development decreased marginally by \$4 million to \$1,336 million mainly due to lower revenue from property trading projects in Singapore, partly offset by higher revenue from property trading projects in China. Revenue from Connectivity increased by \$946 million to \$1,128 million mainly due to the consolidation of M1. Revenue from Asset Management increased by \$26 million to \$145 million as a result of higher asset management and acquisition fees.

Group pre-tax profit for the current year was \$954 million, \$291 million or 23% below the previous year. Energy & Environment's pre-tax loss was \$121 million as compared to pre-tax loss of \$168 million in 2018. The lower loss was mainly due to higher operating results arising from higher revenue, lower impairment provisions and lower net interest expense from the offshore & marine business, as well as higher contributions from energy infrastructure and environmental infrastructure, and lower provision for impairment of an associated company, partly offset by share of losses from associated companies and the absence of write-back of provisions for claims in 2018 in the offshore & marine business, higher fair value loss on KrisEnergy warrants and lower contributions from infrastructure services. Pre-tax profit from Urban Development decreased by \$525 million to \$676 million mainly due to the lower gains from the en-bloc sale of development projects in 2019 (disposal of a partial interest in the Dong Nai project in Vietnam) as compared to 2018 (Keppel China Marina Holdings Pte Ltd, Keppel Bay Property Development (Shenyang) Co. Ltd., Keppel Township Development (Shenyang) Co. Ltd. and Quoc Loc Phat Joint Stock Company), the absence of gain from divestment as compared against 2018 (Aether Limited), lower contribution from property trading projects in Singapore, higher net interest expense and lower share of profit from the Sino-Singapore Tianjin Eco-City, partly offset by higher contribution from property trading projects in China, higher fair value gains on investment properties and higher contribution from associated companies. Pre-tax profit of Connectivity increased by \$191 million to \$196 million mainly due to fair value gain from the remeasurement of the previously held interest in M1 at acquisition date and higher contributions from M1 resulting from the consolidation, partly offset by financing cost and amortisation of intangibles arising from the acquisition of M1 and lower contribution from the logistics business. Pre-tax profit of Asset Management increased by \$19 million to \$239 million mainly due to higher asset management fees and investment income, and higher fair value gains on data centres, partly offset by lower share of associated companies' profits as well as the absence of gain arising from the sale of stake in Keppel DC REIT in 2018.

Taxation expenses decreased by \$92 million or 32% mainly due to lower taxable profits. Non-controlling interests were \$42 million higher than in the preceding year. Taking into account income tax expenses and non-controlling interests, net profit attributable to shareholders for 2019 was \$707 million, a decrease of \$241 million from \$948 million in 2018. Urban Development was the largest contributor to the Group's net profit with a 68% share, followed by Asset Management's 30% and Connectivity's 19%, while Energy & Environment and Corporate & Others contributed negative 14% and negative 3% to the Group's net profit respectively.