

Our Business Model

Keppel's horizontally integrated business model enhances the resilience of our earnings.

Keppel's differentiated model as a horizontally integrated asset manager and operator distinguishes us from other companies which are pure financial investors or operators. It allows us to derive multiple earnings streams from the Fund Management, Investment and Operating platforms, across the life cycles of the real assets that we invest in, develop, operate or manage.

Leveraging our strong track record in real assets, Keppel is focused on scaling up our recurring asset management and operating income streams while progressively pivoting away from lumpy earnings, e.g., from property development, thus enhancing the resilience and visibility of our earnings.

Our horizontal reporting structure reflects Keppel's multiple earnings streams and highlights the growth and scalability of our recurring income.

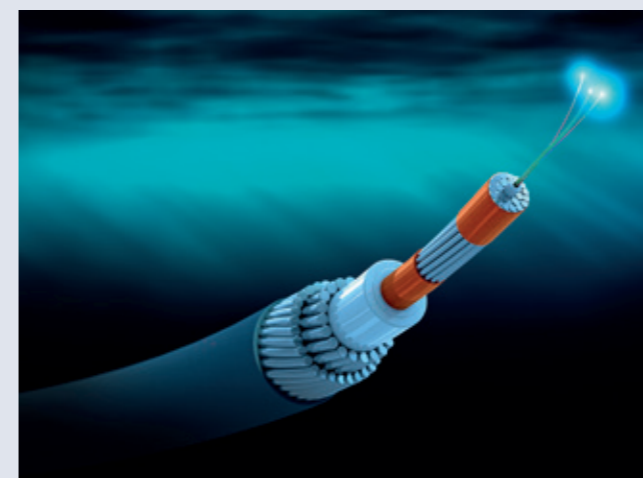
RECURRING		OTHERS			
	Asset Management Income	Operating Income	Valuation Items	Development/EPC	Capital Recycling
<p>88%</p> <p>of net profit from continuing operations was from recurring income in FY 2023, vs 60% in FY 2022</p>	<ul style="list-style-type: none"> • Management fees • Performance fees • Transaction fees 	<ul style="list-style-type: none"> • Sale of gas, electricity, utilities • Leasing income • Operations & maintenance • Facility management • Property management • Investment income 	<ul style="list-style-type: none"> • Property valuation • Mark-to-market gains/losses 	<ul style="list-style-type: none"> • Engineering, procurement and construction (EPC) • Development 	<ul style="list-style-type: none"> • Disposal gains/losses • Gains from enbloc sales
<p>54%</p> <p>growth in recurring income year on year, from \$503 million to \$773 million</p>	<p>Keppel earns recurring fees from managing listed real estate and infrastructure trusts and private funds.</p>	<p>Keppel earns recurring income from operations, including from the sale of gas, electricity and utilities; leasing and managing assets; as well as providing telecommunication services.</p>	<p>Keppel recognises gains/losses from revaluation of investment properties or from mark-to-market investments.</p>	<p>Keppel earns from EPC contracts, property trading and asset development.</p>	<p>Beyond gains from divestments or enbloc sales, capital recycling allows Keppel to allocate capital to investments with higher returns, leveraging our asset-light model.</p>



Keppel applies its Sustainable Urban Renewal (SUR) solutions to enhance the efficiency, sustainability performance and valuation of its real estate assets under management. (In picture: The Bank of Korea's Sogong Annex Facility in Seoul, which is undergoing SUR asset enhancements.)



Keppel is a strong operator with a track record for engineering, developing and operating specialised assets, including Keppel Merlimau Cogen, a 1,300 MW Combined Cycle Gas Turbine power plant in Singapore.



Keppel is in a unique position to offer Limited Partners access to proprietary assets, such as the Bifrost Cable System, which it is developing together with Facebook (now Meta) and PT. Telekomunikasi Indonesia International.



Keppel integrates its capabilities in district heating and cooling, solar energy and electric vehicle charging to offer Energy-as-a-Service, a subscription-based solution to help businesses decarbonise their operations.