

FUND MANAGEMENT AND INVESTMENT PLATFORMS

Keppel connects investors with sustainability solutions and real assets through diverse fund products across the risk-return spectrum.

The Fund Management and Investment platforms focus on raising capital, creating fund products, managing asset portfolios and driving capital deployment decisions across asset classes, to achieve quality investment returns for our clients.

PROGRESS IN 2023

- Raised about \$2.3 billion in equity, completed \$2.5 billion in acquisitions, and divested \$0.5 billion of assets.
- Grew FUM to \$55 billion in 2023, from \$50 billion in 2022¹.
- Expanding asset management capabilities beyond Asia Pacific through proposed acquisition of leading European real estate manager Aermont Capital.
- Achieved US\$575 million first close for Keppel Core Infrastructure Fund and launched Fund II of Keppel Asia Infrastructure Fund.
- Secured initial equity commitments of \$300 million for China-focused sustainable urban renewal programme.
- Secured private investors to invest in Keppel's share of the Bifrost Cable System.
- Consolidated 100% ownership of Keppel Credit Fund Management (formerly Pierfront Capital Fund Management).

FOCUS FOR 2024/2025

- Drive organic growth through new funds for infrastructure, sustainable urban renewal, education, data centres and private credit.
- Continue to evolve and grow deal pipeline of more than \$14 billion as at end-2023.
- Complete acquisition of initial 50% stake in Aermont Capital and co-create new fund products.
- Explore opportunities to acquire other platforms to bolster asset management capabilities including in Infrastructure and Connectivity.

The global economy continued to face turbulence in 2023. The confluence of high inflation and interest rates, restrictive monetary policies, geopolitical conflicts in Ukraine and the Middle East, and volatile financial markets precipitated a challenging environment for fundraising and dealmaking activities.

Asset transactions in 2023 were constrained by wide bid-ask gaps as prospective buyers held back in view of the increasing cost of capital, and the risks of asset devaluation from rising capitalisation rates in certain asset classes such as office and retail. With inflation rates easing in most major economies, several major central banks are expected to start reducing policy rates by 2H 2024. Market liquidity is thus expected to gradually improve in the latter half of 2024, presenting more opportunities for dealmaking.

Amid the volatile environment, a growing pool of investors, including sovereign wealth funds and pension funds, are seeking to allocate capital to real assets with inflation-protected cash flows. The aggregate capital raise for alternative assets is projected to grow from about US\$4.3 trillion in 2010 to US\$26.5 trillion in 2028, representing a 5.2x increase¹.

Keppel is uniquely placed as a global asset manager with a strong track record in asset management of over 20 years, complemented by its deep domain knowledge and operating capabilities in real assets across the Infrastructure, Real Estate and Connectivity segments. Keppel has extensive experience in engineering, developing, and operating specialised assets in Singapore and across the world. Limited Partners (LPs) of the private

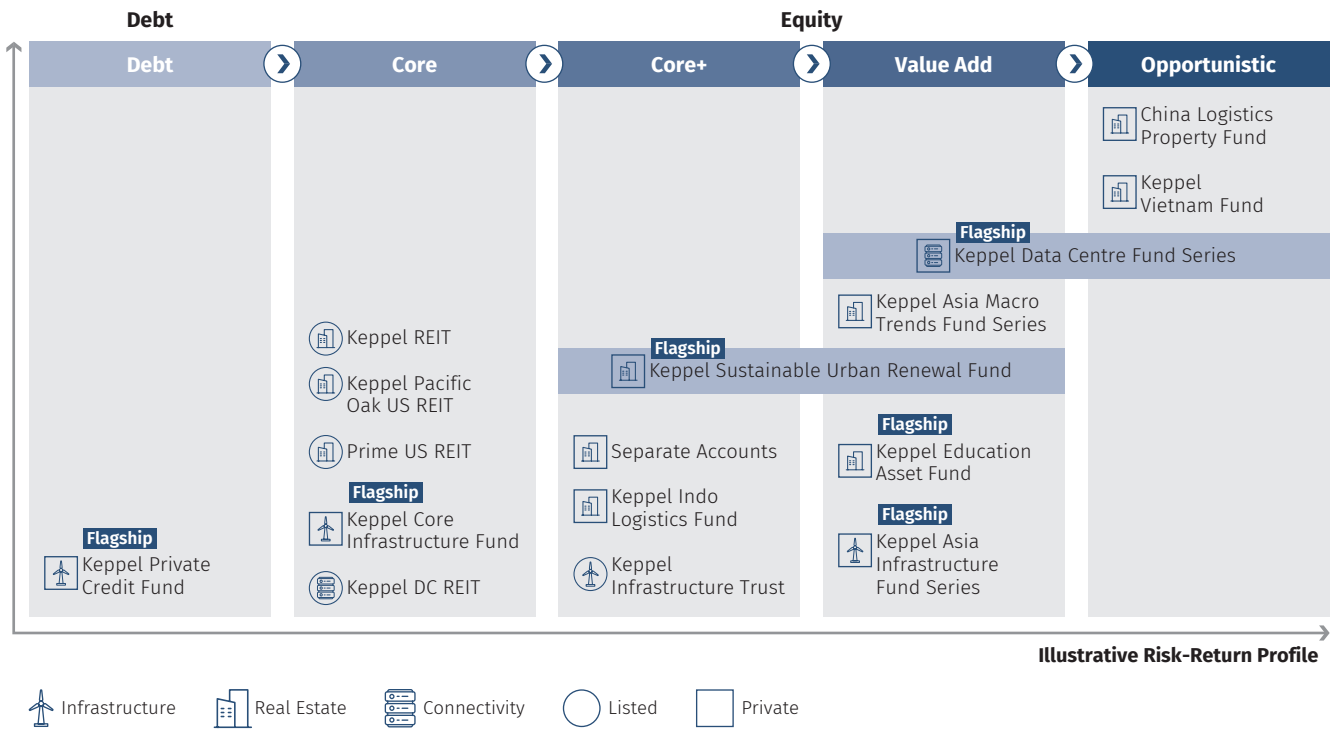
¹ Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM.

¹ Source: Preqin, January 2024

Operating & Market Review

Fund Management and Investment Platforms

CONNECTING INVESTORS WITH REAL ASSET OPPORTUNITIES ACROSS THE RISK-RETURN SPECTRUM



funds managed by Keppel can thus enjoy exclusive access to strategic real assets in Keppel’s proprietary pipeline, many of which offer critical infrastructure, connectivity and prime real estate solutions, including those that produce strong inflation-protected cash flows.

Keppel’s ability to deploy capital across the capital stack, be they perpetual vehicles (such as REITs and business trusts), private funds or bespoke mandates, allows Keppel to offer investors diverse fund products and multiple access points across the risk-return spectrum.

Keppel, through its Fund Management and Investment platforms, is a signatory of the United Nations-supported Principles for Responsible Investment and is committed to adopting and implementing the six Principles, where possible. Keppel also considers various environmental,

ASSETS UNDER MANAGEMENT ¹ (\$ billion)			FUNDS UNDER MANAGEMENT ² (\$ billion)			ASSET MANAGEMENT FEES ³ (\$ million)		
	End-2022	End-2023		End-2022	End-2023		End-2022	End-2023
Infrastructure	16.1	19.9	Infrastructure	11.0	15.0	Infrastructure	72.0	86.0
Real Estate	38.4	39.3	Real Estate	31.0	32.0	Real Estate	154.0	157.0
Connectivity	8.0	8.5	Connectivity	8.0	8.0	Connectivity	41.0	40.0
Total	62.5	67.7	Total	50.0	55.0	Total	267.0	283.0

¹ Includes carrying values of identified assets on the balance sheet, as well as gross asset values of certain identified underlying assets held in joint ventures, that can be potentially converted into fee-bearing FUM. Notes receivables (vendor notes issued by Asset Co) amounting to c.\$4.3 billion is included.

² Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM.

³ Includes 100% fees from subsidiary managers, joint ventures and associated entities, as well as share of fees based on a shareholding stake in an associate with which Keppel has a strategic alliance.

social and governance (ESG) factors across its investment vehicles, to ensure material ESG risks and opportunities are managed throughout the life cycle of the investments.

In 2023, Keppel secured \$283 million in asset management fees, up 6% year on year. During the year, our private funds and listed real estate and business trusts raised about \$2.3 billion in equity and completed \$2.5 billion in acquisitions. We also achieved several fundraising milestones in 2023, as our Fund Management Platform built on existing fund series as well as developed new, attractive fund products targeted at global institutional investors. We achieved the first closing of our flagship open-ended infrastructure fund, the Keppel Core Infrastructure Fund (KCIF), and the closing of a China-focused programme as part of Keppel's Sustainable Urban Renewal (SUR) strategy.

Keppel's global Funds Under Management (FUM) stood at \$55 billion as at end-2023, up from \$50 billion as at end-2022¹. We will continue to work towards our FUM target of \$100 billion by end-2026 and to accelerate growth towards the 2030 FUM target of \$200 billion through both organic growth and opportunistic acquisitions.

In a major step forward in the Company's strategy to be a global asset manager and operator, in November 2023, we announced the proposed acquisition of Aermont Capital (Aermont), a leading European real estate manager. The acquisition of Aermont would significantly expand Keppel's asset management business beyond the Asia Pacific, giving us an immediate and strong foothold in Europe, as well as broaden our global network of Limited Partners. When Phase 1 of the Aermont acquisition is completed, Keppel's FUM would grow to about \$79 billion, close to 80% of our interim target of \$100 billion by end-2026.

In 2023, Keppel also acquired the remaining 50% interest in Keppel Credit Fund Management (formerly Pierfront Capital Fund Management)

and consolidated our ownership of the private debt platform. This is in line with Keppel's strategy to seize opportunities from the rising demand for alternative lending solutions and the growing Asian private debt space.

Keppel harnesses its deep operating capabilities to provide LPs with exclusive access to attractive infrastructure, real estate and connectivity assets.

INFRASTRUCTURE

Infrastructure is expected to be one of the fastest-growing asset classes in the years ahead, driven by strong underlying megatrends, particularly decarbonisation and the push for renewables in the global energy transition. There are also vast opportunities for private capital to augment governments' budgets stretched by the COVID-19 pandemic, to help expand renewable energy capacity globally, transition away from fossil fuels, and accelerate zero- and low-emission technologies.

As an asset class, infrastructure is highly defensive and attractive in today's volatile environment, with its ability to provide steady cash flows while passing through rising costs amid an inflationary environment. Recent mergers and acquisitions (M&As) involving global financial asset managers and infrastructure operators attest to the robust investor demand for this asset class. Keppel, with its established track record as an infrastructure asset manager and operator, is well positioned to capture opportunities and add value to investors through its investment products.

In 2023, we achieved the first closing of KCIF, our flagship open-ended infrastructure fund with initial capital and co-investment commitments of US\$575 million out of a target size of US\$2.5 billion. KCIF will focus on highly defensive and essential infrastructure assets across developed markets in the Asia Pacific, which will provide stable,

¹ Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM.

Spotlight

KEPPEL'S REAL ESTATE PLATFORM IN EUROPE



Aermont's emphasis on value adding and active management, as well as its operator-oriented approach to portfolio management, are a strong fit with Keppel's strengths as an asset manager and operator.

In November 2023, we announced the proposed acquisition of leading European real estate manager, Aermont Capital (Aermont), marking a pivotal step in Keppel's transformation to be a global asset manager and operator. To be executed over two phases in 2024 and 2028 respectively, the transaction brings together two like-minded asset managers with complementary capabilities to accelerate growth and enhance the value proposition to private fund investors.

The highly synergistic acquisition will expand Keppel's asset management capabilities beyond Asia Pacific to Europe, where Aermont's geographic footprint and

investment strategies complement Keppel's capabilities with minimal overlaps. It will expand Keppel's blue-chip clientele through Aermont's longstanding relationships with over 50 global LPs. It will also bolster Keppel's talent pool with an experienced senior team with a proven track record and extensive networks in Europe, and whose values, culture and operator-oriented approach to creating long-term value are a strong fit with Keppel.

Established in 2007, Aermont is an independent asset management business and a leader in opportunistic real estate investments, with a proactive operator-oriented approach

emphasising prime assets and leading businesses across core Western European markets. As at end-December 2023, Aermont had a total FUM of \$24 billion across four active funds and a single asset vehicle¹.

Following the acquisition of the initial 50% stake in Phase 1, Keppel will focus on maintaining and supporting Aermont's success while working with its team to jointly develop new fund products and initiatives, leveraging Keppel's expertise in alternative assets such as private credit funds and data centres. With further value add from Keppel, Aermont has the potential to grow its FUM from \$24 billion to approximately \$60 billion by 2030¹.

¹ Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM.

long-term, predictable cash flows. These include assets with proven operating track records, long concessions with credit-worthy counterparties and those that are regulated. With its private funds – KCIF, the Keppel Asia Infrastructure Fund Series and Keppel Private Credit Fund – as well as SGX-listed Keppel Infrastructure Trust (KIT), Keppel is able to provide investors with a spectrum of investment opportunities across the capital stack and cater to different risk profiles.

Tapping into the growing need for renewable energy, Keppel, together with KIT, jointly acquired a 16.3% stake in Fäbodliden II, a 17 MW Swedish onshore wind farm in 2023. Along with the additional 26 MW of grid capacity awarded to Borkum Riffgrund 2, which is partially owned by KIT and Keppel, these assets will expand Keppel's wind energy portfolio to 1 GW. KIT has also announced its proposed acquisition of a 45% stake in a solar portfolio with a projected combined generation capacity of 585 MW from Enpal, a German renewable energy company, marking KIT's first acquisition in the solar energy sector.

REAL ESTATE

With the built environment making up about 40% of global carbon

emissions, sustainable real estate is fast becoming a key priority for future investments. Older, less sustainable buildings are becoming increasingly undesirable and difficult to finance and are at risk of becoming stranded assets in the future, thereby boosting demand for new or retrofitted buildings that are more energy-efficient. To manage their carbon footprints, more companies are also planning to exit less carbon-efficient commercial spaces. These trends present opportunities for Keppel to harness its strong operating capabilities and implement SUR initiatives on the assets in the REITs and private funds managed by Keppel, to help improve the efficiency, sustainability performance and valuation of these commercial buildings.

Following the successful acquisition of INNO88 Tower in Seoul, Keppel Asia Macro Trends Fund IV partnered with a Co-investment Programme committed by a leading Korean financial institution to jointly acquire the Bank of Korea's Sogong Annex Facility (now known as K-Finance Tower). Keppel is implementing its SUR solutions to refurbish and modernise K-Finance Tower and seeks to capitalise on the healthy office leasing demand and limited supply in Seoul to generate attractive returns.

Keppel also continued to seek opportunities in alternative asset classes that are more resilient compared to commercial real estate which is facing headwinds in certain markets. In 2023, the Keppel Education Asset Fund (KEAF) acquired two education assets in Sydney, Australia, bringing Keppel's total portfolio in Australia to AU\$4.8 billion of infrastructure, prime commercial and data centre assets. Besides Australia, KEAF also increased its stake in a premium K12 international school in Singapore, further strengthening its foothold in a market where demand is strong.

Keppel continues to source for deals to capitalise on rising trends in the real estate market, including the increased focus on green and sustainable buildings, rising income in the Asian middle-class and the growing opportunities for the living sector, including Build-to-Rent apartments, Purpose-Built Student Accommodation and Senior Living apartments.

CONNECTIVITY

Demand for data centre capacity is growing exponentially, as more businesses and consumers use over-the-top platforms, cloud computing and artificial intelligence. With over a decade of operational expertise, Keppel is well positioned to capture arising opportunities to create value for the investors of our data centre private funds and listed REIT. To meet the demand for more sustainable data centres, Keppel is leveraging its innovative proprietary solutions to optimise the data centre power usage effectiveness of its assets. With the ability to provide renewable energy for its assets, Keppel can support customers' net zero ambitions while future-proofing data centre infrastructure.

During the year, Keppel also secured private investors to invest in a 60% share of the Company's stake in Bifrost Cable System, the first subsea fibre cable system directly connecting Singapore to the West Coast of North America via Indonesia through the Java Sea and Celebes Sea.



Keppel leverages its operational expertise in data centres and power to future-proof data centre infrastructure by deploying artificial intelligence and machine learning, as well as incorporating sustainable design and energy-efficiency solutions.

OPERATING PLATFORM

Keppel harnesses its deep operating capabilities to create alternative real assets and solutions serving the energy transition, sustainable development and digital connectivity.

The Operating Platform is horizontally integrated with the Fund Management and Investment platforms and helps to drive value creation by developing, operating and optimising assets.

Keppel's Operating Platform possesses deep capabilities in engineering, developing and operating assets. It delivers critical solutions and services across Infrastructure, Real Estate and Connectivity to address some of the world's most pressing challenges in the face of climate change and rapid urbanisation and increasing digitalisation. These offerings span power, renewables, clean energy, decarbonisation and sustainability solutions, green buildings as well as digital infrastructure.

Horizontally integrated with the Fund Management and Investment platforms, the Operating Platform contributes its expertise to create, operate and optimise real assets across the investment cycle. Working in concert, the platforms drive superior asset performance and investment outcomes for Keppel's private funds and listed real estate and business trusts, while advancing the

Company's asset-light strategy and recurring income growth.

The Infrastructure Division has a strong international track record for developing and managing critical infrastructure such as power generation, waste-to-energy, district cooling and water treatment plants, as well as providing related services for a spectrum of energy and environmental needs. Keppel, through the Infrastructure Division, is the first company in Singapore to successfully import renewable energy. It is also developing the Keppel Sakra Cogen Plant, the country's first-to-market hydrogen-ready power plant. To help companies decarbonise their operations, the Infrastructure Division also offers Energy-as-a-Service, a subscription service that bundles solutions such as district cooling, solar energy, electric vehicle charging and smart energy management.

The Real Estate Division, with its extensive experience in Asian real estate, provides innovative urban space solutions spanning sustainable urban renewal, senior living, urban living, retail and large-scale integrated developments. The Real Estate Division leverages its operating capabilities to help build quality asset pipelines as well as contribute towards asset enhancement initiatives leveraging its sustainable urban renewal solutions to create value for Keppel's private funds and listed REITs.

The Connectivity segment, which comprises the Data Centres and Networks Division and M1, possesses deep expertise in designing, developing and operating high-quality data centres and subsea cable systems, as well as providing 5G network

and solutions to consumers and enterprises. As a leader in data centres, the Data Centres and Networks Division is developing higher-capacity and more sustainable digital infrastructure to support rapid digitalisation. In doing so, the Division helps to build quality asset pipelines as well as operate specialised assets for Keppel's private funds and listed data centre REIT.

M1 is Singapore's first digital network operator, providing a suite of communications services, including mobile, fixed line and fibre offerings, to over two million customers. As a cloud native digital platform, M1 harnesses its strong synergies with the operating divisions to offer smarter bundled solutions and enterprise services that help customers in their digital transformation.

INFRASTRUCTURE

5.9 GW

Energy portfolio comprising 4 GW of renewables and 1.9 GW of gas projects

REAL ESTATE

\$39.3b

In real estate assets under management¹

CONNECTIVITY

32 Data Centres

Assets across Asia Pacific and Europe

¹ Includes carrying values of identified assets on the balance sheet, as well as gross asset values of certain identified underlying assets held in joint ventures, that can be potentially converted into fee-bearing FUM. Notes receivables (vendor notes issued by Asset Co) amounting to c.\$4.3 billion is included.

INFRASTRUCTURE

We provide compelling end-to-end solutions spanning power, renewables, clean energy and decarbonisation, which are essential for sustainable development.

PROGRESS IN 2023

- First to import renewable energy under LTMS-PIP, with ~270 GWh imported by end-2023.
- Grew proportion of long-term power contracts (3 years and above) from about 36% of total contracted generation capacity as at end-June 2023 to about 60% as at end-December 2023.
- Made good progress on the construction of the Keppel Sakra Cogen Plant, Singapore's first-to-market hydrogen-ready power plant.
- Signed MOUs with international partners including GenZero, Masdar, and AM Green to explore various low-carbon energy solutions such as hydrogen, ammonia, and bioenergy.
- Gained strong traction in EaaS solutions, securing \$1.6 billion worth of contracts in 2023.

FOCUS FOR 2024/2025

- Grow the integrated power business and explore strategic opportunities to provide longer-term energy solutions.
- Continue to maintain a robust and balanced portfolio of long-term power contracts with stable recurring income.
- Fortify Keppel's leadership in the Singapore power sector through low carbon electricity import.
- Further develop pipeline of strategic infrastructure assets for private funds and listed infrastructure trust.
- Continue to execute projects well and safely, including the Keppel Sakra Cogen power plant.
- Continue to expand market share for proprietary EaaS and WTE solutions.



Infrastructure is expected to be one of the fastest-growing asset classes, supported by global trends such as the energy transition and the push for decarbonisation. At the United Nations Climate Change Conference (COP 28) in 2023, there were calls to triple renewable energy capacity globally, transition away from fossil fuels, and accelerate zero- and low-emission technologies. With extensive global engineering, development and operating experience, Keppel's Infrastructure segment is at the forefront of providing sustainability solutions and services in areas such as renewables, clean energy and decarbonisation.

The global energy transition and climate action are driving demand for Keppel's renewables, clean energy, decarbonisation and environmental solutions.

As part of a horizontally integrated value chain, Keppel's Infrastructure Division works with the Fund Management and Investment platforms to build quality asset pipelines for Keppel's private funds and listed infrastructure trust. Focused on an asset-light model with recurring income, the Infrastructure Division provides Energy-as-a-Service (EaaS) solutions on subscription, enabling firms to decarbonise their assets and operations with minimal upfront

investments. The Division also confers significant strategic advantages to the Real Estate and Connectivity segments by working with them to future-proof their assets and solutions with low-carbon energy.

INTEGRATED POWER BUSINESS

The Singapore Wholesale Electricity Market (SWEM) was volatile in 1H 2023 amidst geopolitical tensions, increased electricity demand and inflationary pressures, which resulted in high electricity prices. However, following measures put in place by the Energy Market Authority (EMA) to stabilise the energy market and enhance Singapore's energy security and resilience, electricity prices have stabilised since 2H 2023. Despite the volatile market conditions, Keppel's integrated power business performed strongly, bolstered by growth in contracts and improved operational efficiency.

Keppel's market position in the SWEM expanded, with its commercial and industrial retail market share increasing to 15% (excluding SP Services) as at December 2023. In addition, Keppel signed a multi-year Power Purchase Agreement with GlobalFoundries (GF) in January 2024 to provide 150 to 180 MW of electricity annually to power GF's Singapore site commencing May 2024. Come 2026, GF will also be a significant offtaker from the upcoming hydrogen-ready Keppel Sakra Cogen Plant, contracting about 25% of the plant's total generation capacity

Operating & Market Review

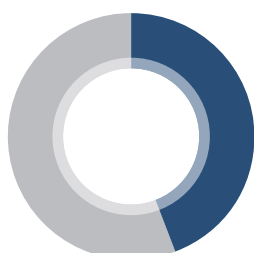
Operating Platform – Infrastructure

ENERGY PORTFOLIO (GW)



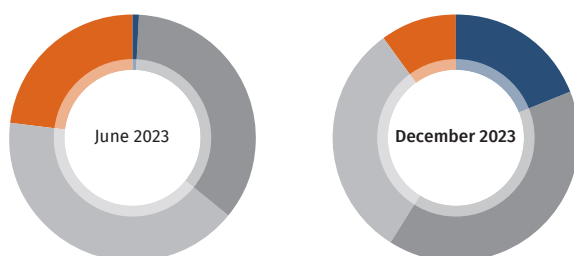
● Gas	1.9
● Renewables – Hydro	0.1
● Renewables – Wind	1.0
● Renewables – Solar	2.9
Total	5.9

LONG-TERM SUPPLY & SERVICE CONTRACTS (\$ billion) as at 31 December 2023



● Operations & Maintenance	1.9
● EaaS	2.4
Total	4.3

POWER CONTRACTS¹ (%)



	June 2023	December 2023
● >10 years	1.0	19.0
● 3-10 years	35.0	40.0
● 1-3 years	41.0	31.0
● <1 year	23.0	10.0
Total	100.0	100.0

¹ Based on Keppel’s existing generation capacity.

for over 15 years. By the end of 2023, about 60% of Keppel’s contracted generation capacity was locked in for three years and above, a sharp increase from just 36% six months prior in June 2023.

As the first and only licensed company to start importing low-carbon power via the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project (LTMS-PIP) in 2022, Keppel is well-placed to help pioneer the decarbonisation of Singapore’s power sector. In 2023, Keppel was awarded two conditional approvals from EMA to import low-carbon electricity from renewable energy sources in Cambodia and Indonesia respectively. Keppel’s Infrastructure Division will continue working with its partners to finalise the technical, commercial, and regulatory aspects of its electricity import projects, with the goal of providing reliable and competitive low-carbon electricity to customers.

While market conditions may continue to be volatile, Keppel’s integrated power business is largely insulated against fluctuations in energy prices, bolstered by its end-to-end value chain. To sustain growth and performance, Keppel will also continue to actively pursue opportunities to provide longer-term energy solutions which will contribute to multiple recurring income streams.

DECARBONISATION & SUSTAINABILITY SOLUTIONS

Energy-as-a-Service

Decarbonisation technologies play a crucial role in the energy transition, but they often require heavy capital investments which can be prohibitive for businesses. Keppel’s Infrastructure Division provides EaaS, a cost-effective, subscription-based solution, to help drive widespread adoption of cleaner energy solutions.

The EaaS solution, which integrates Keppel’s capabilities in district cooling, solar energy and electric vehicle (EV) charging, has gained strong traction since its introduction in late 2022. About \$1.6 billion worth of EaaS contracts were secured in 2023, out of a total of \$2.4 billion worth of EaaS contracts secured as at end-December 2023. These include Keppel’s appointment as the District Cooling operator for the upcoming Jurong Lake District in Singapore which has a total design capacity of over 29,000 Refrigeration Tonnes, as well as new contracts from across China, Thailand and Vietnam.

Keppel manages two state-of-the-art operation nerve centres in Singapore and Vietnam, which underpin the efficiency, reliability and scalability of Keppel’s EaaS solutions. At these centres, the Infrastructure Division can remotely monitor and optimise all its energy assets in real-time, leveraging digital technology, artificial intelligence and machine learning.

Meanwhile, Keppel’s EV charging brand, Volt, has expanded its network to over 200 chargers as at end-December 2023, riding on strong growth in the adoption of electric vehicles in Singapore.

More recently in February 2024, Keppel was appointed to design and build a large-scale solar photovoltaic (PV) system at Changi Airport, which Keppel will own and operate for 25 years. The solar PV system can generate enough solar energy to allow Changi Airport Group to reduce its carbon emissions by about 20,000 tonnes each year.

Further afield, Keppel will seek opportunities to offer EaaS alongside its real estate and connectivity solutions to drive asset-light growth.

Environment

Keppel's proven waste-to-energy (WTE) technology enables effective solid waste management and energy recovery, and also helps cities avoid methane emissions which might arise if the waste was sent directly to landfills. More details on the avoided emissions arising from Keppel's solutions will be disclosed in Keppel's Sustainability Report to be published in May 2024.

In 2023, Keppel made good progress constructing the Hong Kong Integrated Waste Management Facility (IWMF) and Singapore's Tuas Nexus IWMF, which attained about 80% and over 50% completion respectively by year-end. Keppel has successfully delivered the prefabricated modules for the Hong Kong IWMF, the first to adopt the modularisation method of construction within the global WTE industry.

In the UK, Keppel secured the renewal of the five-year Technical Support Agreement for the Runcorn Phase 1 & 2 Energy-from-Waste (EfW) facilities. Designed and built by Keppel, the combined Runcorn EfW is one of the largest and most efficient EfW projects in the UK.

Keppel's \$4.3 billion infrastructure supply and service contract backlog as at end-2023 provides earnings visibility over the next 10-15 years.

As a leader in environmental solutions, Keppel is working on integrating carbon capture technology with its WTE plants to create a carbon-negative solution for waste management. During the year, Keppel successfully completed feasibility and pre-Front End Engineering Design (FEED) studies for the integration of a large-scale carbon capture facility with the Runcorn EfW. As the original designer and builder of the Runcorn EfW, Keppel is well positioned to advise on the possible synergies between the Runcorn EfW facility and the proposed carbon capture facility.

Meanwhile, in Singapore, Keppel and the National Environment Agency are in advanced stages of a joint study on the feasibility of implementing carbon capture technology at selected WTE plants in Singapore.

New Energy

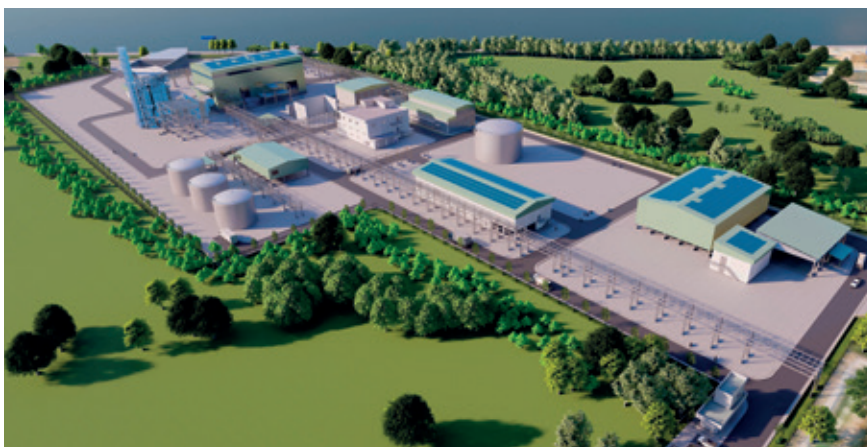
Keppel is intensifying its work with international partners on supply chains for low-carbon hydrogen and hydrogen-derived fuels, such as

green ammonia, as part of Keppel's plans to capitalise on the growth of the hydrogen economy.

In May 2023, Keppel joined the Central Queensland hydrogen project (CQ-H2) to develop one of the largest green hydrogen projects in Australia as part of an international consortium. FEED studies for the CQ-H2 project have kickstarted with support from the Australian Renewable Energy Agency. Leveraging the green hydrogen feedstock from CQ-H2, Keppel is developing a downstream green ammonia project in Gladstone with Incitec Pivot Limited, which can produce up to 850,000 tonnes per annum of green ammonia for Australia as well as international export.

In Singapore, Keppel signed a Memorandum of Understanding (MOU) with ExxonMobil to explore low-carbon hydrogen and ammonia for scalable commercial and industrial applications that can support both Jurong Island's sustainability goals and Singapore's hydrogen strategy. The collaboration would help to realise the vast potential of low carbon ammonia as a fuel as well as feedstock for refinery and petrochemical operations.

Besides low-carbon solutions, Keppel is also actively engaging its partners on various sustainability solutions including bioenergy. In 2023, Keppel signed separate MOUs with GenZero, Masdar and AM Green to explore projects in areas such as biomethane, biomethanol and Sustainable Aviation Fuel. Bioenergy, a form of renewable energy generated from organic materials such as purpose-grown crops and organic waste, is poised to play a pivotal role in the ongoing energy transition and offers numerous advantages to decarbonise hard-to-abate industries such as aviation and the heavy-duty transport sector.



When completed, the hydrogen-ready Keppel Sakra Cogen Plant will be the most cutting-edge and energy efficient power plant in Singapore, which will translate into superior performance, including lower emission intensity and higher operational flexibility.

REAL ESTATE

We provide sustainable and innovative urban space solutions, focusing on sustainable urban renewal and senior living.

PROGRESS IN 2023

- Announced monetisation of \$830 million of residential and commercial assets in Singapore and the region.
- Implementing sustainable urban renewal initiatives in eight projects across Asia Pacific, with combined asset value of \$7.5 billion.
- Launched Sindora Living, a senior living operating platform for Asia, and opened Keppel's flagship assisted living community in Nanjing, China.
- Signed Memoranda of Understanding with DBS and UOB to provide REaaS solutions to businesses and assets owners in Asia.

FOCUS FOR 2024/2025

- Accelerate asset monetisation and unlock capital that can be re-invested for growth and higher returns, leveraging Keppel's asset-light model.
- Work on securing new sustainable urban renewal projects in existing markets in Asia.
- Continue expanding senior living footprint through exploring opportunities in priority markets of China and Singapore, as well as other markets in Asia Pacific, Europe and the US.



Keppel’s innovative SUR solutions integrate people, AI-driven technology and processes to bolster the sustainability performance of commercial buildings.

With decades of real estate development and management experience in Asia, Keppel harnesses its deep operating capabilities to create value for investors, customers and governments through its end-to-end value chain. Keppel’s Real Estate Division works with the Fund Management and Investment platforms to build quality asset pipelines and leverages its Sustainable Urban Renewal (SUR)

and faster-to-market solution compared to demolition and redevelopment. It also allows asset owners to cater to evolving user preferences by upgrading their buildings to be smarter, better connected and more sustainable.

Drawing on its strong operating capabilities in real estate, Keppel has developed an innovative SUR initiative, which integrates people, processes and AI-driven technology to open up new possibilities in the rejuvenation of older commercial buildings. Keppel’s SUR solutions deploy the latest technologies to reduce buildings’ operational and embodied carbon, driving energy and water efficiency and extending the lifespan of aging buildings. SUR also uses spatial programming to implement intelligent workspace solutions and introduces best-in-class amenities and placemaking activities to support changing work preferences. Given their versatility, Keppel’s SUR solutions and methodology can also be applied to the design, development and operation of new buildings.

capabilities to perform asset enhancement initiatives for Keppel’s private funds and listed trusts. As part of Keppel’s asset-light business model, the Real Estate Division also provides Real Estate-as-a-Service (REaaS) solutions such as SUR to help businesses decarbonise their assets and operations.

SUSTAINABLE URBAN RENEWAL
The built environment is responsible for some 40% of the world’s carbon emissions, and its decarbonisation is one of the most cost-effective ways to mitigate climate change. Retrofitting existing assets can be a greener, less costly

Keppel’s SUR solutions are being implemented in eight assets, namely Keppel Bay Tower, Ocean Financial Centre and Keppel South Central in Singapore; The Kube and Park Avenue Central in Shanghai, China; Saigon Centre in Ho Chi Minh City, Vietnam; INNO88 Tower in Seoul, South Korea, and Kohinoor in Pune, India.

Operating & Market Review

Operating Platform – Real Estate

The Division is expanding its SUR offerings in Asia Pacific and also actively working with Keppel’s private funds to offer SUR capabilities as part of asset enhancement initiatives that can help to bolster the efficiency, sustainability performance and valuations of their asset portfolios.

During the year, Keppel partnered Singapore banks DBS and UOB to jointly develop and provide businesses across the region with a comprehensive suite of sustainability and digitalisation solutions to support their decarbonisation

journeys. Through these collaborations, Keppel can offer SUR-related solutions including spatial programming and workplace solutions to businesses and asset owners can help improve their building performance and uplift asset values.

Looking ahead, the Division will continue to pursue a strong pipeline of over 20 assets to retrofit and decarbonise, as well as explore opportunities to offer SUR for a wider range of hospitality, healthcare and industrial assets.

SENIOR LIVING

Many countries are seeing ageing populations amid low fertility rates and longer life expectancies. Coupled with rising affluence and a focus on healthy ageing, the demand for assisted-living communities is growing, particularly in countries such as China and Singapore. Keppel sees opportunities to cater to the large and generally underserved senior populations in these markets, using an asset-light model.

Keppel has built in-house capabilities across the senior living segment,

Spotlight

SINO-SINGAPORE TIANJIN ECO-CITY: A MODEL FOR SUSTAINABLE DEVELOPMENT

The Sino-Singapore Tianjin Eco-City (Eco-City), which marked its 15th anniversary in 2023, is a showcase of Keppel’s strong expertise in sustainability-related solutions, as well as its ability to integrate them to advance sustainable development.

Keppel leads the Singapore consortium, which works with its Chinese partner to guide the 50-50 joint venture, Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd. (SSTEC), in its role as master developer of the Eco-City.

In addition, Keppel also contributes to the Eco-City’s growth by developing green residential and commercial developments, and through joint ventures with its Chinese partners, provides diverse infrastructure solutions such as renewable energy, water treatment and district heating and cooling services.

During the year, SSTEC sold two residential plots and an industrial plot for RMB 1.15 billion, as well as over 1,100 homes in its projects. To attract more green companies to the Eco-City, SSTEC commenced development of the new Green



Keppel drives the growth of the Eco-City by developing green residential and commercial developments, and providing infrastructure solutions such as renewable energy, water treatment and district heating and cooling services.

Innovation Park in the central district of the Eco-City. SSTEC has also signed a collaboration agreement with the Singapore University of Technology and Design to set up a research and innovation centre in the Eco-City, and further enhance the Eco-City as a “living lab” for the innovation and development of green and low-carbon technologies.

At the 15th Sino-Singapore Tianjin Eco-City Joint Steering Council Meeting in December 2023, which

was co-chaired by Deputy Prime Minister and Minister for Finance of Singapore, Lawrence Wong, and Vice Premier of the State Council of the People’s Republic of China, Ding Xuexiang, Singapore and China unveiled a new project collaboration framework that will strengthen the Eco-City’s role as a pathfinder for climate-friendly cities, and broaden bilateral cooperation across the areas of green growth, low-carbon living, ecological resilience, innovation, talent development and governance.

including development and operational expertise, drawing from experience through its investment in Watermark Retirement Communities in the US. Keppel continues to build up a strong ecosystem of clinical, research, recruitment and technology partners to offer differentiated senior living services.

Meanwhile, Keppel opened its flagship project – a 400-bed premier assisted living community in Nanjing, China – under its senior living platform, Sindora Living. Sindora Living redefines senior living by focusing on empowering programmes for seniors of all conditions, with a strong emphasis on personalised life plans, holistic care, and smart management systems with a human heart. The Sindora Living platform and its Nanjing community will serve as a launchpad for Keppel to offer related asset management and operating services in China and other parts of Asia.

REAL ESTATE INVESTMENT

Despite challenging market conditions in 2023, Keppel continued to monetise its real estate portfolio in Asia, announcing \$830 million in asset monetisations. We also sold 3,100 homes across Singapore, China, Vietnam, Indonesia and India.

As part of its asset-light strategy, Keppel is selectively investing in development projects, leveraging its operating capabilities and networks, to connect investors of its private funds with real estate opportunities in Asia. This would in turn enable Keppel to grow its Funds Under Management.

In Singapore, the Division made progress in the development of the iconic Keppel South Central, a next-generation smart and super low energy building located in Tanjong Pagar. When completed in early 2025, the new building will add to Keppel’s asset pipeline of approximately 650,000 square feet of technology-forward spaces – comprising Grade A offices, flexible workspaces, retail and event spaces as well as a diverse range of indoor and outdoor amenities.

As part of Keppel’s refreshed China playbook and pivot away from



Keppel is implementing SUR initiatives across eight projects in Asia Pacific, including the INNO88 Tower in South Korea.

developing and selling homes, Keppel will focus on sustainability-related solutions in sectors benefiting from tailwinds and government support, and where Keppel has strong differentiation and value add. These include Keppel’s focus areas across the energy transition, sustainable urban renewal, senior living and data centres. Keppel is also bringing together partners and investors in China to invest in good projects in the country, as part of the Company’s “China-for-China” asset management strategy.

In Vietnam, strong government emphasis on infrastructure development, an expanding middle-class population and young workforce continue to drive demand for Keppel’s real estate solutions. During the year, the Real Estate Division jointly invested in two residential projects with the Keppel Vietnam Fund and Khang Dien Group in Ho Chi Minh City, where the partners will jointly develop over 200 landed homes and 600 high-rise apartments.

In India, the demand for office space is expected to remain strong due to the return-to-office policy by top IT companies and increasing number of global capability centres. The robust office market, along with a trend of occupiers wanting to shift to quality and sustainable buildings, bodes well for Keppel’s active search to expand its office portfolio across key micro markets in Mumbai, Pune, Bangalore,

Hyderabad, Chennai and the Delhi National Capital Region.

Building on its strong track record in the master development of smart, sustainable urban townships, the Real Estate Division secured consultancy contracts to provide master planning, smart city solutions and estate management advisory services for projects in Jinan and Suzhou in China, as well as Sri Lanka.

Meanwhile, Keppel continued to engage various Singapore government agencies on the feasibility and benefits of nearshore developments as coastal protection solutions, and completed various related technical tests. The Division has also obtained relevant IP certifications for nearshore solutions in Singapore, enabling Keppel to further engage corporates, institutes of higher learning and business partners on potential collaboration.

During the year, Keppel was recognised for its strong sustainability efforts in the real estate space. In the 2023 GRESB Assessment, Keppel’s Real Estate Division was ranked second place in the Diversified – Office/ Residential/Non-listed/Core category for its strong Environmental, Social and Governance (ESG) performance. It also retained its Green Star rating, which recognises entities with commendable scores across the benchmark’s ESG components.

CONNECTIVITY

We connect people, businesses and countries in the digital economy.

PROGRESS IN 2023

- Achieved ready-for-service status for first phase of Building 1 of Keppel Data Centre Campus at Genting Lane.
- Achieved full utilisation at first two phases of Huailai Data Centre in Greater Beijing.
- Continued to make progress on the Floating Data Centre Module (FDCM) and DataPark+, with final investment decision for the FDCM expected in 1H 2024, and actively engaged government agencies on DataPark+.
- Completed close to 50% of overall cable laying operations for Bifrost Cable System.
- M1 achieved nationwide 5G standalone network coverage ahead of schedule in 1Q 2023.
- M1 completed consumer migration to its new cloud native digital platform.
- M1 launched its “solution-in-a-box” offering with a suite of plug-and-play 5G solutions for companies to boost 5G adoption and deployment.

FOCUS FOR 2024/2025

- Accelerate data centre portfolio expansion overseas in Asia Pacific and Europe.
- Continue to develop innovative data centre solutions, such as DataPark+ and the FDCM.
- Target for Bifrost Cable System to go into commercial service by end-2024.
- Pursue subsea cable opportunities in Asia and other emerging markets with Joint Build Partners.
- Grow the enterprise business with more 5G-enabled solutions for enterprises and industries.
- Develop innovative solutions and drive 5G-enabled advancements across industries through collaboration between M1 and Keppel’s operating divisions.



Strong growth in social media and video streaming, the adoption of cloud computing, and emergence of Generative Artificial Intelligence (GenAI), are driving up computing power, bandwidth, and latency requirements worldwide. These in turn underpin the demand for advanced digital infrastructure, such as data centres and fibre networks, as well as 5G connectivity.

access to low-carbon energy provided by Keppel's Infrastructure Division, which helps to power and future-proof its assets and solutions.

DATA CENTRES

Amid climate and energy security concerns, data centre operators are expected to provide higher capacity and rack densities for their clients, while improving carbon emissions and the power usage efficiency of their assets.

Keppel delivers high-quality data centres, subsea fibre cables and 5G connectivity and applications, harnessing the power of its end-to-end value chain.

Keppel's Connectivity segment comprises the Data Centres and Networks Division and M1. The former possesses deep expertise in designing, developing and operating high-quality data centres and subsea cable systems, while M1 provides 5G network and solutions for consumers and enterprises.

As part of a horizontally integrated value chain, the Data Centres and Networks Division works with the Fund Management and Investment platforms to build quality asset pipelines for Keppel's private funds and listed data centre REIT. The Data Centres and Networks Division also benefits from strategic

In Singapore, Keppel DC Singapore 7, the first complex situated within the Keppel Data Centre Campus at Genting Lane, has been in service since 1Q 2023. Meanwhile, the second complex, Keppel DC Singapore 8, achieved structural completion in March 2024, with the first phase of the complex expected to be ready for service in 3Q 2024. For Keppel Data Centre Fund II's data centres in China, the first two phases of Huailai Data Centre in Greater Beijing have achieved full utilisation, while the Shanghai Data Centre was ready for service in early-2024.

Keppel is accelerating the pursuit of data centre projects in new markets across the Asia Pacific, which is one of the fastest-growing regions for digital infrastructure. Home to digitally-connected populations, the Asia Pacific benefits from a high penetration rate of mobile devices and social networking applications, as well as the expansion of 5G networks.

Operating & Market Review

Operating Platform – Connectivity



The proposed DataPark+ is a 1 GW nearshore sustainable data centre campus that is envisioned to be powered by hydrogen and solar energy, and can save nearly 21 billion litres of water annually through the use of seawater for cooling.

In addition to portfolio expansion, Keppel is also exploring ways to future-proof data centre infrastructure by deploying AI and machine learning for predictive failure analyses, as well as incorporating sustainable design and energy-efficiency solutions. To this end, the Data Centres and Networks Division is working with the Infrastructure Division as well as international partners to harness green energy sources that can help to improve the power utilisation and reduce the carbon emissions of Keppel's data centres.

Keppel also continues to explore disruptive innovations, such as the energy-efficient Floating Data Centre Module, which is expected to reach final investment decision in 1H 2024. The Data Centres and Networks Division has also been actively engaging government agencies and authorities to advance the development of DataPark+, a 1 GW nearshore net zero data centre campus concept.

DataPark+ is envisioned to be a self-sustaining, carbon neutral campus that will operate on clean energy derived from a private smart grid powered by sustainable hydrogen and solar energy. DataPark+ is engineered to tap seawater for

its cooling needs. This is estimated to reduce the use of treated water for cooling by about 21 billion litres annually, enough to fill 1,200 Olympic size swimming pools.

Featuring a modular design, DataPark+ can be developed in phases in tandem with demand, and the availability of clean and low carbon energy. By aggregating cooling and power requirements, DataPark+ is designed to greatly enhance the efficiency of data centre operations.

SUBSEA CABLE SYSTEMS

In 2023, the Bifrost Cable System, the largest capacity high-speed transmission cable and subsea connectivity hub across the Pacific Ocean, achieved financial close, with Keppel securing private investors to take a 60% stake in Keppel's share of the fibre pairs.

The construction of Bifrost is progressing well, with key milestones achieved, including the necessary permits and licenses for marine installation. Cable laying operations were close to 50% completed as at end-December 2023, with cable laying activities in the international waters of the Pacific Ocean fully completed. Construction of the landing facilities in Singapore, Indonesia, Mexico, and

the US have commenced. When completed, these landing facilities will integrate the subsea cable with data centre infrastructure, to create an ecosystem of throughput connectivity.

When Bifrost achieves commercial service status, currently expected in end-2024, it will connect Singapore directly to the west coast of North America, bolstering connectivity by providing a route through Indonesia, the Philippines and Guam.

The Data Centres and Networks Division is also working with Keppel's Fund Management and Investment platforms to explore opportunities to invest in and develop more subsea cables in Asia and other emerging markets.

DIGITAL CONNECTIVITY

As part of its multi-year digital transformation, M1 accelerated the rollout of highly personalised services and completed the migration of all its mass consumer customers to its new cloud native digital platform. The new platform supports streamlined digital services, enables an efficient digital experience for customers through automation, enhances sustainability through future-proofing of the business, and optimises resources with cloud native applications.

M1 is looking to harness AI and GenAI to further enhance its productivity and service quality in customer experience and engagement. For instance, it is exploring the integration of ChatGPT with its chatbot, as well as the deployment of Salesforce AI which can help improve information accuracy and service speed of call agents.

M1 completed its nationwide 5G standalone network rollout ahead of schedule in 1Q 2023, and has since achieved nationwide outdoor 5G coverage for all consumers. M1 has implemented over 50 5G solutions in partnerships with various enterprises across the maritime, energy, utilities,

smart estate vehicle and tourism sectors. In 2023, M1 launched its 5G-powered "solutions-in-a-box" offering, the first of its kind in Southeast Asia. The suite of SMART solutions include applications for worker safety to detect risk and forecast accidents, real-time security surveillance and management solutions at sea, autonomous robotics for the inspection of critical assets, and workforce productivity solutions. The solution's plug-and-play approach provides hassle-free integration and deployment of 5G-powered solutions for companies.

M1 drives growth by providing best-in-class 5G solutions to consumers and enterprises through its cloud-native connectivity platform.

In 2023, M1's growing enterprise business saw an increase in revenue of 27% year on year, driven by robust demand for its information and communications technology services, digital connectivity, hybrid multi-cloud offerings, as well as infrastructure and application modernisation services to help enterprise customers with their digital transformation.

In the realm of AI and data management, enterprise customers seek swift, on-demand, and flexible provisioning of graphics processing units (GPUs). M1 is collaborating closely with its key enterprise clients to provide GPU-as-a-Service solutions, enabling enterprises to harness GPU resources to address diverse, multiple workloads with ease, while enjoying substantial cost savings.

M1 continues to harness its strong synergies with Keppel's operating divisions, including bundling enterprise services for colocation data centre clients, as well as enabling smarter product features for several of Keppel's customer-facing services.

KEPPEL BAY FINANCIAL REVIEW TOWER

We will create value through astute asset management, execution excellence and strong financial discipline.

OVERVIEW

Keppel achieved a net profit of close to \$4.1 billion for 2023, more than quadruple that of 2022,

due to the recognition of a disposal gain of approximately \$3.3 billion from the successful divestment of Keppel Offshore & Marine (KOM).

KEY PERFORMANCE INDICATORS

	2023 \$ million	23 vs 22 % +/-	2022 \$ million
Revenue ¹	6,967	5	6,620
Net profit	4,067	339	927
Earnings Per Share	227.6 cts	337	52.1 cts
Return On Equity	37.9%	368	8.1%
Operating cash flow	58	(78)	260
Free cash flow ²	(384)	(6)	(408)
Total dividend per share	\$2.70^{3,4}	n.m.f.	\$0.33
Total cash dividend per share	34.0 cts	3	33.0 cts

n.m.f. denotes no meaningful figure.

¹ Revenue from continuing operations.

² FY 2023's figure included a \$500 million cash component realised as part of the divestment of discontinued operations, which is presented as cash inflow from financing activities in the financial statements. The inclusion herein is for better comparability and understanding of free cash flow.

³ Includes dividend *in specie* of Sembcorp Marine (now Seatrium) shares, which amounted to \$2.19, rounded the nearest two decimal places; calculated based on a division of (a) the cash equivalent amount of the dividend declared by the Company of \$3,845 million, by (b) the Company's issued and paid-up share capital as at the Record Date of 1,751,959,918 Keppel Shares (excluding treasury shares).

⁴ Includes dividend *in specie* of Keppel REIT units; based on the closing market price of \$0.835 per Keppel REIT unit on 6 November 2023, the cash equivalent amount of the dividend declared by the Company was \$294 million, equivalent to \$0.167 per share.



Excluding discontinued operations and the loss from the dividend *in specie* of Keppel REIT units (DIS loss), net profit was \$996 million in 2023, 19% higher than the \$839 million in 2022. All segments were profitable with stronger year on year performance from Infrastructure and Connectivity. In 2023, Infrastructure was the top performer, delivering a net profit of almost \$700 million. Contribution from the Real Estate segment remained resilient with \$426 million in net earnings, despite challenging market conditions in China¹. Net profit from Connectivity grew year on year and accounted for approximately 14% of the net profit from continuing operations. The full-year performance including discontinued operations translated to earnings per share of \$2.28, as compared to \$0.52 in 2022. Correspondingly, Return On Equity (including discontinued operations) (ROE) was 37.9% as compared to 8.1% in 2022.

Free cash outflow was \$384 million² in 2023 as compared to the free cash outflow of \$408 million in 2022. This

was mainly due to a lower level of investments and capital expenditures, higher divestment proceeds and dividend income, as well as advances from associated companies and joint ventures, partly offset by an increase in working capital requirements. In addition, as KOM had a net cash balance of \$968 million, the completion of the divestment resulted in a net cash outflow, partially offset by the receipt of a \$500 million cash consideration. Net gearing increased from 0.78x a year ago to 0.90x at the end of 2023 due to higher net debt as well as a lower equity base. Adjusted net debt to EBITDA³ improved to 4.6x, from 5.1x as at the end of 2022 mainly due to higher proportionate increase in EBITDA as compared to the increase in adjusted net debt.

Total dividends for 2023 amounts to about \$2.70 per Keppel share, as compared to \$0.33 per Keppel share in 2022. This comprises a proposed final cash dividend of 19.0 cents per share and an interim cash dividend of 15.0 cents per share paid in the

NET PROFIT

\$4.1b

Highest profit recorded by Keppel in 55 years; more than quadruple that of 2022

¹ Excluding DIS loss of \$111 million.

² Included a \$500 million cash component realised as part of the divestment of discontinued operations, which is presented as cash inflow from financing activities in the financial statements. The inclusion herein is for better comparability and understanding of free cash flow.

³ Adjusted net debt is defined as net debt less carrying value of non-income producing undeveloped land and properties held for sale (completed and under development), while EBITDA refers to profit before depreciation, amortisation, net interest expense and tax.

Financial Review

RECURRING INCOME FROM CONTINUING OPERATIONS

\$773m

Rose 54% year on year; makes up 88% of net profit in 2023 compared to 60% in 2022

third quarter of 2023, as well as the dividends *in specie* of Sembcorp Marine (now Seatrium) shares and Keppel REIT units amounting to \$2.19¹ per share and \$0.167² per share respectively.

MULTIPLE INCOME STREAMS

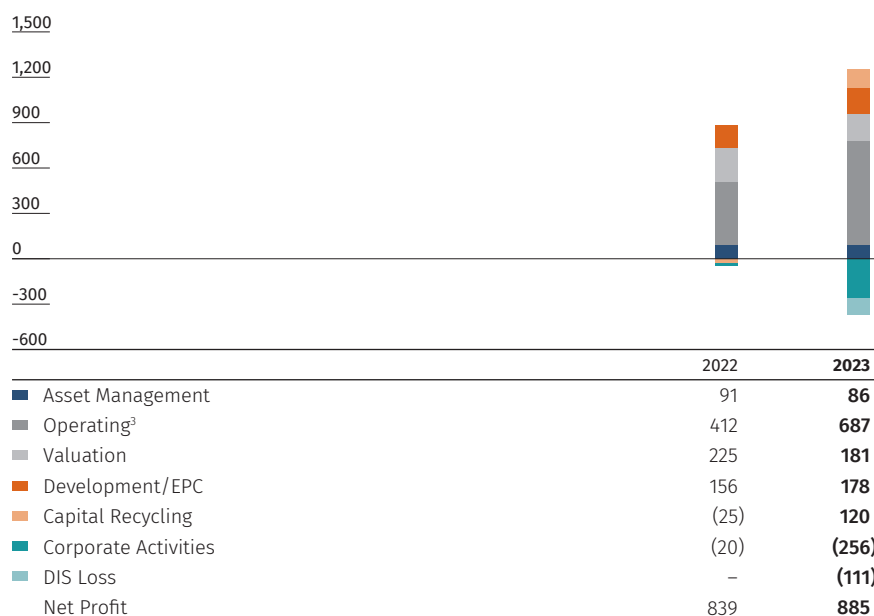
Excluding the results of discontinued operations, net profit from continuing operations was \$885 million, with positive contributions from all income streams. Underpinned by robust operating earnings from Infrastructure, recurring income, which comprises asset management net profit and operating income³, grew 54% to \$773 million from \$503 million a year ago. Valuation gains declined mainly due to lower revaluation gains from investment properties. Development & Engineering, Procurement and Construction (EPC) earnings were 14% higher year on year at \$178 million led by higher contributions from Singapore trading projects and the Sino-Singapore Tianjin Eco-City. Excluding the DIS loss, gains from capital recycling

increased by \$145 million primarily due to completion of several asset monetisations by Real Estate and Connectivity segments. Net loss from Corporate Activities was \$256 million, as compared to \$20 million in FY 2022, mainly due to the impact from the classification of interest expense associated with the vendor notes and lower fair value gains from investments.

SEGMENT OPERATIONS

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 from Infrastructure recognition from environmental projects in 2023. Asset management fee revenue from Infrastructure was higher year on year mainly due to higher management fees arising from better performance achieved by

MULTIPLE INCOME STREAMS (\$ million)



¹ Dividend *in specie* of Sembcorp Marine (now Seatrium) shares rounded to the nearest two decimal places; calculated based on a division of (a) the cash equivalent amount of the dividend declared by the Company of \$3,845 million, by (b) the Company's issued and paid-up share capital as at the Record Date of 1,751,959,918 Keppel Shares (excluding treasury shares).

² Dividend *in specie* of Keppel REIT units; based on the closing market price of \$0.835 per Keppel REIT unit on 6 November 2023, the cash equivalent amount of the dividend declared by the Company was \$294 million, equivalent to \$0.167 per share.

³ Refers to recurring income from operations, including from the sale of gas, electricity and utilities; leasing and managing properties; telecommunication services; as well as investment income and share of recurring operating results of associated companies.

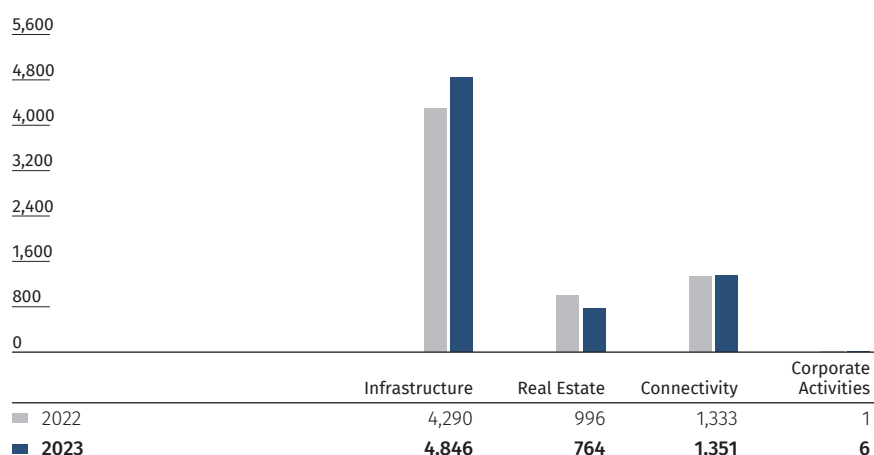
Keppel Infrastructure Trust (KIT) and the change in KIT's fee structure that took effect in 2H 2022. These were partly offset by lower acquisition fees in 2023. Revenue from the Real Estate segment decreased by \$232 million to \$764 million largely due to lower revenue from property trading projects in China as a result of fewer units completed and handed over during the year, partly offset by higher contributions from property trading projects in Singapore. Asset management fee revenue from Real Estate 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 Glocomp Systems (M) Sdn Bhd acquired in May 2022, partly offset by lower handset sales, as well as lower revenue from the logistics business following the divestment of the logistics portfolio in South-East Asia in July 2022. Asset management fee revenue from Connectivity remained stable year on year.

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. In 2022, there was also a provision for supply chain cost escalation in the environment business. The higher returns in 2023 were partially offset by higher interest expense, and lower share of results from an associated company following a dilution of interest in 2H 2022. Infrastructure asset management net profit was higher year on year mainly due to higher fee revenue which was partly offset by higher overheads.

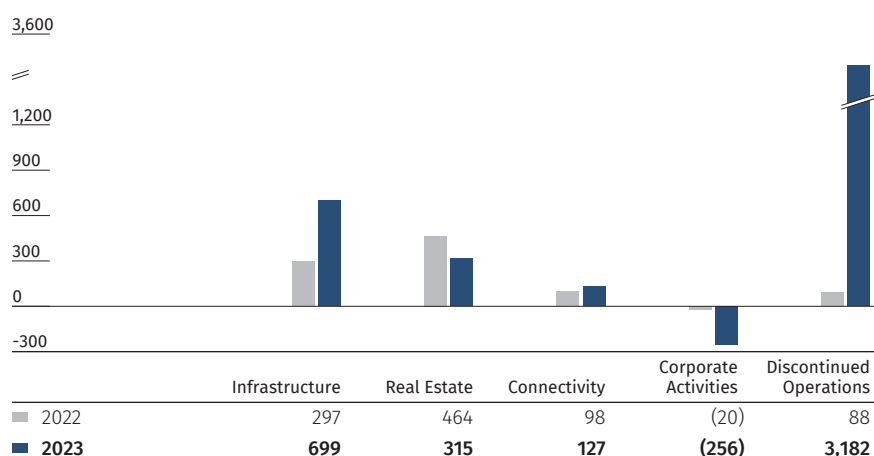
Net profit from the Real Estate segment decreased by \$149 million to

REVENUE¹ (\$ million)



¹ Numbers are for continuing operations.

NET PROFIT/(LOSS) (\$ million)

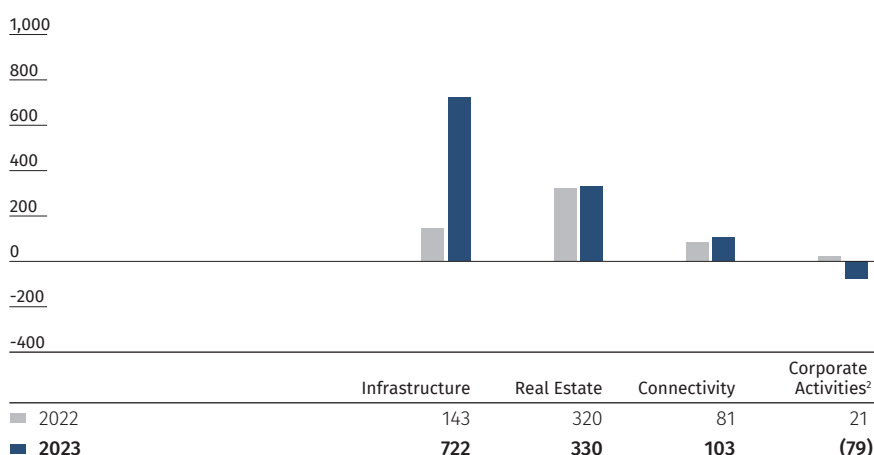


\$315 million. Excluding the DIS loss, the segment's net profit was \$38 million or 8% lower year on year, mainly due to lower fair value gains from investment properties, lower contribution from property trading projects in China, as well as higher net interest expense. These were partly offset by a higher contribution from the Sino-Singapore Tianjin Eco-City, as well as higher gains from asset monetisation and fair value gains from investments. The Real Estate Division completed the monetisation of seven assets across Vietnam, India, the Philippines, China, Myanmar and Singapore in the current year, as compared to the monetisation of two

assets in China in 2022. Asset management net profit was lower year on year mainly due to higher overheads.

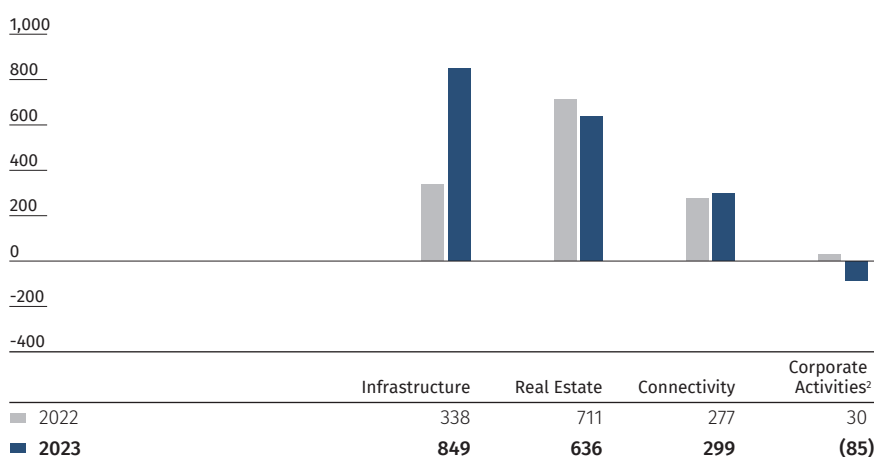
The Connectivity segment's net profit of \$127 million was \$29 million higher than that in 2022, mainly due to improved earnings contribution from M1, a gain from the divestment of SVOA Public Company Limited and lower losses from the logistics business following the divestment of Keppel Logistics SEA 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 from Connectivity remained stable year on year.

Financial Review

OPERATING PROFIT/(LOSS)¹ (\$ million)

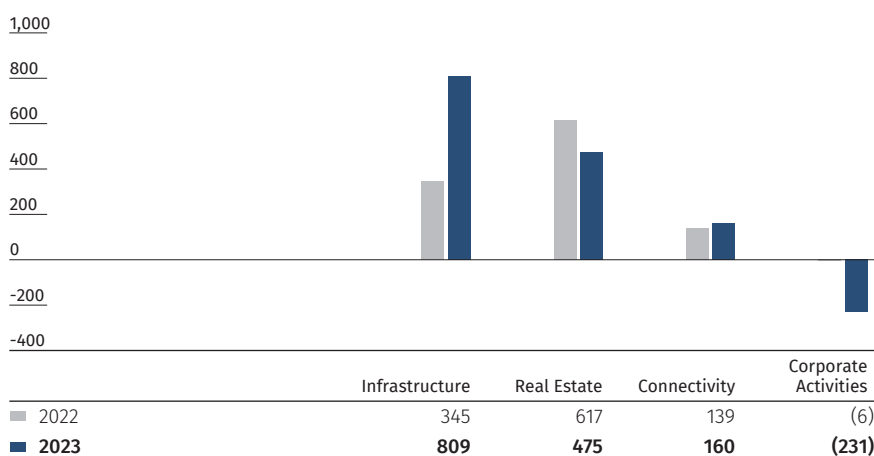
¹ Numbers are for continuing operations.

² Includes elimination.

EBITDA¹ (\$ million)

¹ Numbers are for continuing operations.

² Includes elimination.

PROFIT/(LOSS) BEFORE TAX¹ (\$ million)

¹ Numbers are for continuing operations.

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 (financing costs relating to the vendor notes are reported under Corporate Activities following completion of the Asset Co Transaction in February 2023) and overheads were higher year on year.

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, 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, net profit attributable to shareholders was \$4,067 million, which was \$3,140 million higher than in the prior year.

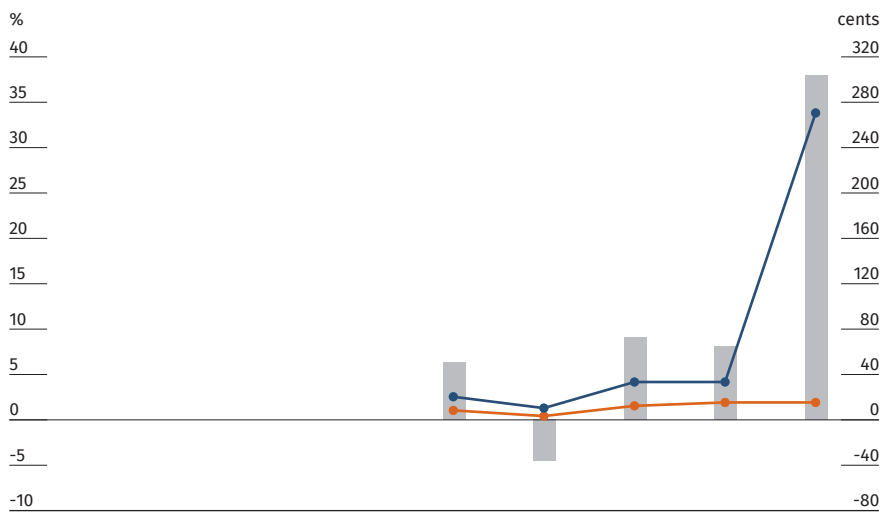
Discontinued operations recorded a net profit of \$3,182 million, comprising two months' performance from KOM, excluding certain out-of-scope assets, for the period from 1 January to 28 February 2023, as well as a gain on disposal of approximately \$3.3 billion following the completion of the disposal 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 held for sale.

SHAREHOLDER RETURNS

ROE was 37.9% in 2023, compared to 8.1% in the previous year.

Taking into account our strong performance, and to reward shareholders for their confidence in the Company, the Company will be

ROE & DIVIDEND



	2019	2020	2021	2022	2023
ROE (%)	6.3	(4.6)	9.1	8.1	37.9
Full Year Dividend (cents)	20	10	33	33	270*
Interim Dividend (cents)	8	3	12	15	15

* Includes dividends *in specie* of Sembcorp Marine (now Seatrium) shares and Keppel REIT units amounting to \$2.19¹ per share and \$0.167² per share respectively.

TOTAL DIVIDENDS

\$2.70 per share

Comprising a total cash distribution of \$0.34 per share and dividends *in specie* of Sembcorp Marine (now Seatrium) shares and Keppel REIT units amounting to \$2.19¹ per share and \$0.167² per share respectively.

distributing total dividends of about \$2.70 per share for 2023, comprising a proposed final cash dividend of 19.0 cents per share and the interim cash dividend of 15.0 cents per share distributed in the third quarter of 2023, as well as the dividends *in specie* of

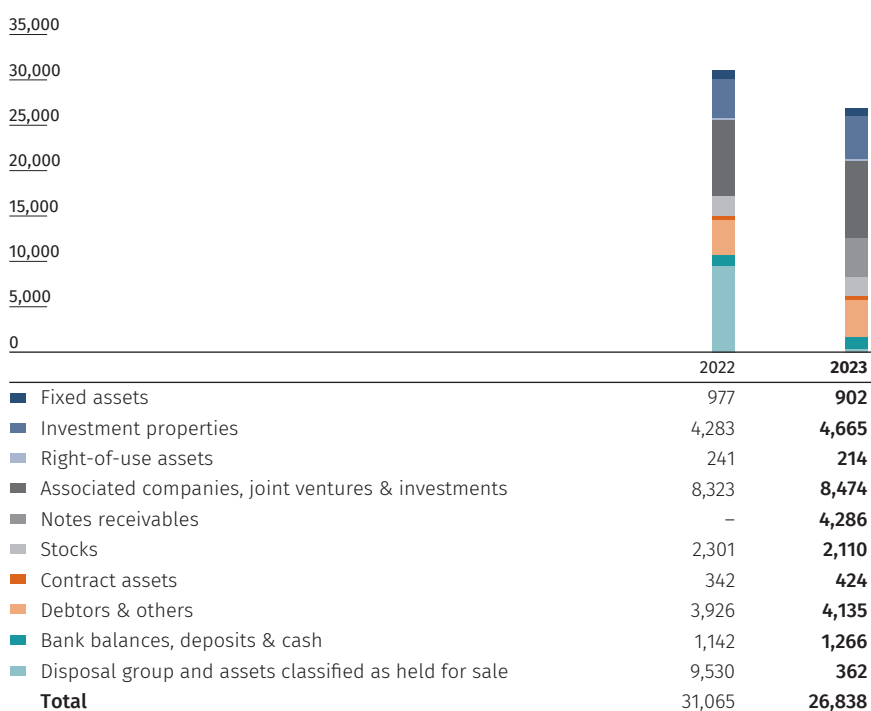
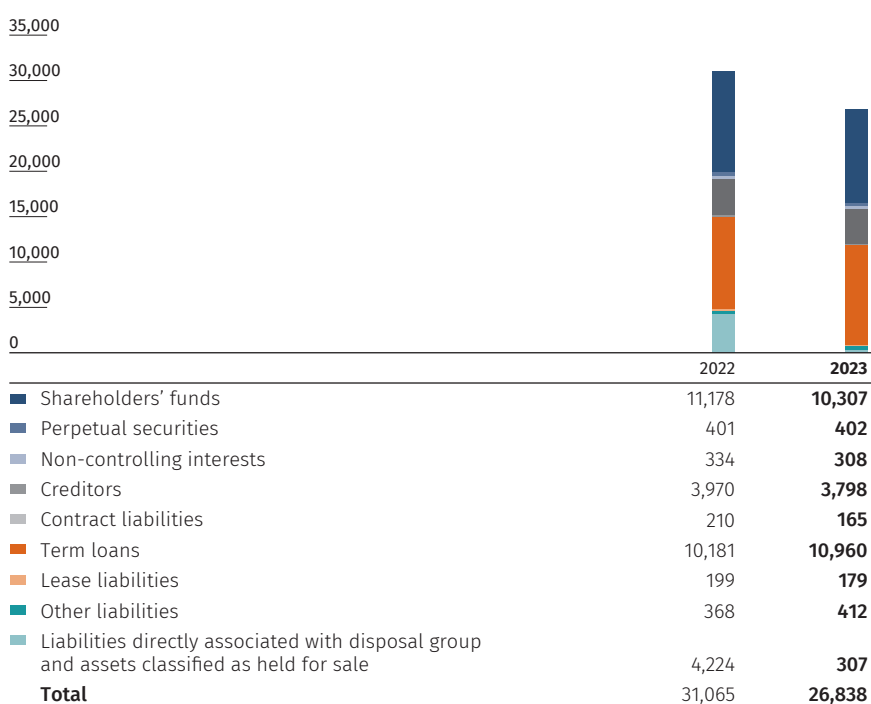
Sembcorp Marine (now Seatrium) shares and Keppel REIT units amounting to \$2.19¹ per share and \$0.167² per share respectively. On a per share basis, it translates into a gross yield of 38% on Keppel's share price of \$7.07 as at 31 December 2023.

¹ Dividend *in specie* of Sembcorp Marine (now Seatrium) shares rounded to the nearest two decimal places; calculated based on a division of (a) the cash equivalent amount of the dividend declared by the Company of \$3,845 million, by (b) the Company's issued and paid-up share capital as at the Record Date of 1,751,959,918 Keppel Shares (excluding treasury shares).

² Dividend *in specie* of Keppel REIT units; based on the closing market price of \$0.835 per Keppel REIT unit on 6 November 2023, the cash equivalent amount of the dividend declared by the Company was \$294 million, equivalent to \$0.167 per share.



Financial Review

TOTAL ASSETS OWNED (\$ million)**TOTAL LIABILITIES OWED AND CAPITAL INVESTED** (\$ million)**FINANCIAL POSITION**

Shareholders' funds decreased by \$0.87 billion to \$10.31 billion as at 31 December 2023. The decrease was mainly attributable to payments of the final dividend of 18.0 cents per share in respect of financial year 2022, the interim dividend of 15.0 cents per share in respect of the half-year ended 30 June 2023, the dividends *in specie* of Sembcorp Marine (now Seatrium) shares and Keppel REIT units, as well as a decrease in fair value of cash flow hedges and fair value reserves, partly offset by retained profits (including the gain on disposal of KOM) and foreign exchange translation gains during the year.

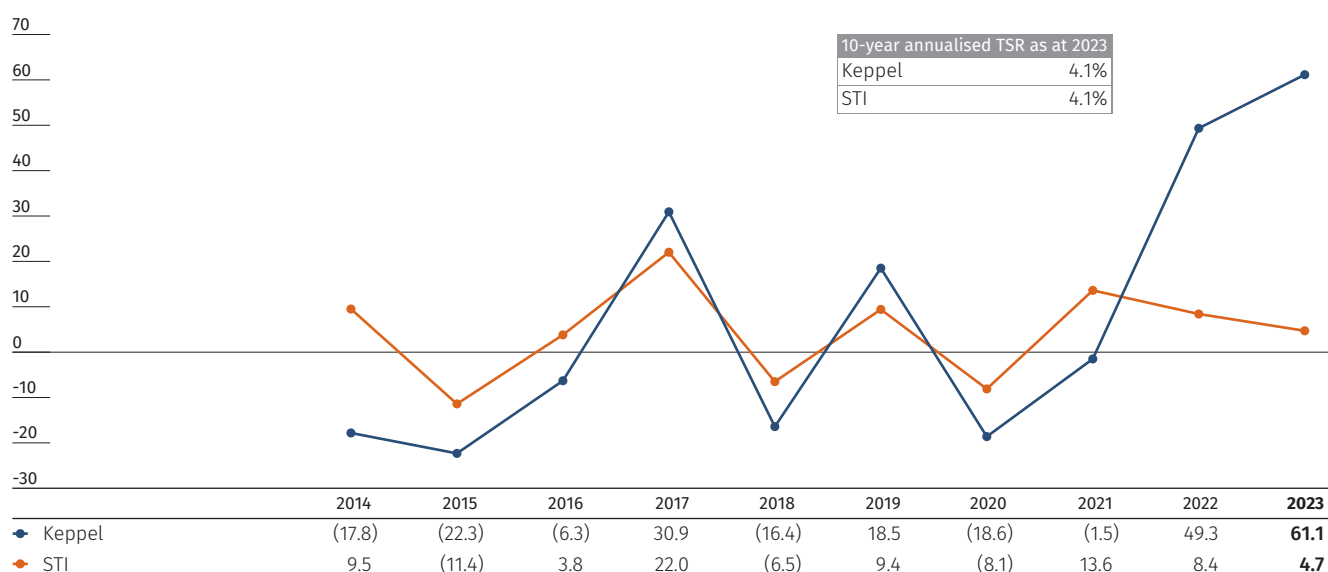
Total assets were \$26.84 billion as at 31 December 2023, \$4.23 billion lower than the previous year end. This was mainly attributable to the disposal of assets arising from the completion of the Asset Co Transaction and the Proposed Combination, partly offset by an addition of notes receivables, and an increase in investment properties, debtors and investments.

Management also took into consideration climate-related issues and there was no material impact on Keppel's financial reporting in FY 2023.

Total liabilities of \$15.82 billion as at 31 December 2023 were \$3.33 billion lower than the previous year end. This was largely attributable to the disposal of liabilities arising from the completion of the Asset Co Transaction and the Proposed Combination, partly offset by the net drawdown of term loans.

Net debt increased by \$0.64 billion to \$9.87 billion as at 31 December 2023, driven largely by dividend payments, investments and additions of fixed assets and investment properties,

TOTAL SHAREHOLDER RETURNS (%)



as well as an outflow of cash that was previously deposited with Keppel by KOM, partly offset by the \$500 million cash received under the Proposed Combination and proceeds from other divestments completed during the year. Total equity decreased by \$0.90 billion mainly due to decrease in shareholders' funds as explained above. As a result, net gearing ratio as at 31 December 2023 was 90%, an increase from 78% as at 31 December 2022.

TOTAL SHAREHOLDER RETURNS

Our 2023 Total Shareholder Return (TSR) of 61.1% was 56.4 percentage points above the benchmark Straits Times Index's (STI) TSR of 4.7%. Our 10-year annualised TSR growth rate was 4.1%, same as STI's 4.1%.

CASH FLOW

Net cash from operating activities was \$58 million for 2023. Net cash used in investing activities was \$442 million. Keppel spent

\$1,399 million on investments and operational capital expenditure. After taking into account the proceeds from divestments and dividend income of \$1,258 million, net of outflow from divestment of discontinued operations¹ of \$468 million and net advances to associated companies, joint ventures and joint venture partner of \$167 million, the free cash outflow was \$384 million.

CASH FLOW

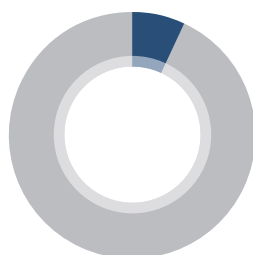
	2023 \$ million	23 vs 22 + / (-)	2022 \$ million
Operating profit	4,272	3,545	727
Depreciation, amortisation & other non-cash items	(3,406)	(3,000)	(406)
Cash flow provided by operations before changes in working capital	866	545	321
Working capital changes	(398)	(903)	505
Interest receipt and payment & tax paid	(410)	156	(566)
Net cash from operating activities	58	(202)	260
Investments & capital expenditure	(1,399)	217	(1,616)
Divestments & dividend income	1,258	99	1,159
Divestment of discontinued operations ¹	(468)	(468)	-
Advances to associated companies, joint ventures and joint venture partner	167	378	(211)
Net cash used in investing activities	(442)	226	(668)
Free cash flow	(384)	24	(408)
Dividend paid to shareholders of the Company & subsidiaries	(598)	(78)	(676)

¹ FY 2023's figure included a \$500 million cash component realised as part of the divestment of discontinued operations, which is presented as cash inflow from financing activities in the financial statements. The inclusion herein is for better comparability and understanding of free cash flow.

Financial Review

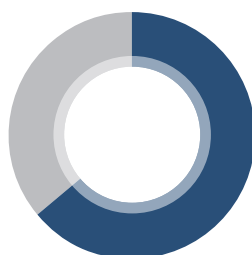
About 66% of Keppel’s borrowings, including perpetual securities, were on fixed rates as at end-2023, with an average cost of funds of 3.75% and weighted-average tenor of about three years.

SECURED/UNSECURED BORROWINGS (%)



● Secured	7
● Unsecured	93
Total	100

FIXED/FLOATING BORROWINGS (%)



● Fixed ⁴	64
● Floating	36
Total	100

BORROWINGS BY CURRENCY (%)



● SGD	60
● USD	31
● Others	9
Total	100

DEBT MATURITY² (\$ million)



● >5 Years	1,377	13%
● 4-5 Years	1,542	13%
● 3-4 Years	1,733	16%
● 2-3 Years	1,483	13%
● 1-2 Years	2,403	23%
● <1 Year	2,422	22%
Total	10,960	100%

The lower free cash outflow as compared to the prior year was mainly due to higher operational cash flow before changes in working capital of \$545 million, lower investments and capital expenditure, higher divestment proceeds and dividend income as well as advances from associated companies and joint ventures, partly offset by increase in working capital requirements and divestment of discontinued operations¹. Proceeds from divestments completed during the year included SM Keppel Land, Inc., Chengdu Taixin Real Estate Development Co., Ltd. and Greenfield Development Pte. Ltd., which are part of Keppel’s asset monetisation programme, as well as the disposal of Seatrium shares. In 2023, Keppel’s investments included two residential projects in Binh Trung Real Estate Company Limited and Doan Nguyen House Trading Investment Company Limited, and capital expenditures.

Total distribution to shareholders of the Company and non-controlling shareholders of subsidiaries for the year amounted to \$598 million.

BORROWINGS²

Keppel’s borrowings comprise short-term money market loans, bank term loans, project finance loans, as well as medium and long-term bonds. Total borrowings excluding lease liabilities as at the end of 2023 were \$11.0 billion (2022: \$10.2 billion). At the end of 2023, 22% (2022: 35%) of Keppel’s borrowings were repayable within one year with the balance largely repayable more than two years later. As at the end of 2023, our Adjusted Net Debt to EBITDA³ remained at a healthy 4.6x, as compared to 5.1x as at the end of 2022.

¹ Included a \$500 million cash component realised as part of the divestment of discontinued operations, which is presented as cash inflow from financing activities in the financial statements. The inclusion herein is for better comparability and understanding of free cash flow.

² Borrowings exclude lease liabilities.

³ Adjusted net debt is defined as net debt less carrying value of non-income producing undeveloped land and properties held for sale (completed and under development), while EBITDA refers to profit before depreciation, amortisation, net interest expense and tax.

⁴ Excludes perpetual securities which have been accounted for as equity. Including perpetual securities, fixed rate borrowings would be 66%.

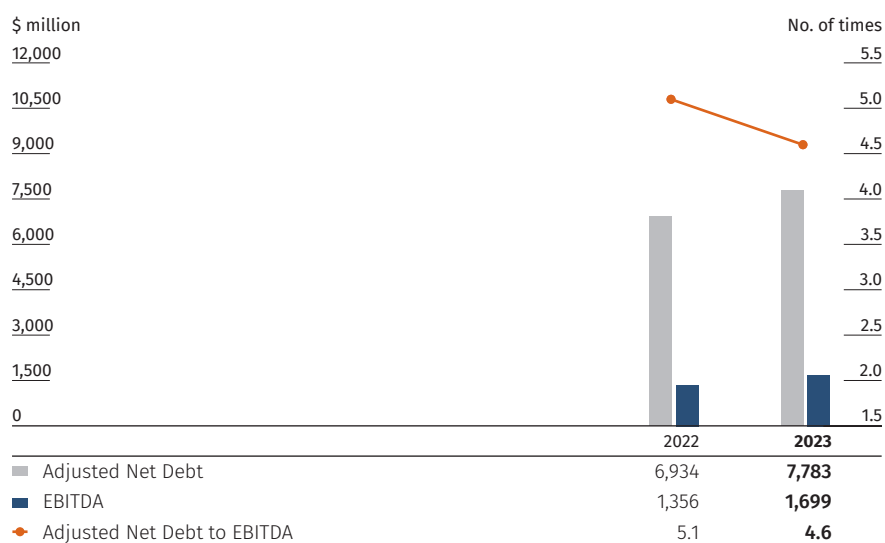
Unsecured borrowings constituted 93% (2022: 93%) of total borrowings, with the balance secured by properties and other assets. Secured borrowings are mainly for financing of investment properties and property development projects. The net book value of properties and assets pledged/mortgaged to financial institutions amounted to \$2.24 billion (2022: \$2.17 billion).

Fixed rate borrowings constituted 64%¹ (2022: 66%) of total borrowings after taking into account the effect of derivative financial instruments, with the balance at floating rates. Excluding notional hedge amount relating to highly probable future borrowings, Keppel has cross currency swap and interest rate swap agreements with notional amount totalling \$6,003 million whereby it receives foreign currency fixed rates and variable rates equal to AUD BBSY and USD SOFR (in the case of cross currency swaps) and variable rates equal to SOR, SORA and USD-LIBOR and USD SOFR (in the case of interest rate swaps) and pays fixed rates of between 0.12% and 3.75% on the notional amount. Details of these derivative financial instruments are disclosed in the notes to the financial statements.

Singapore dollar borrowings represented 60% (2022: 64%) of total borrowings after taking into account the effect of derivative financial instruments. The balance was mainly in US dollars. Foreign currency borrowings were drawn to hedge against Keppel's overseas investments and receivables that were denominated in foreign currencies.

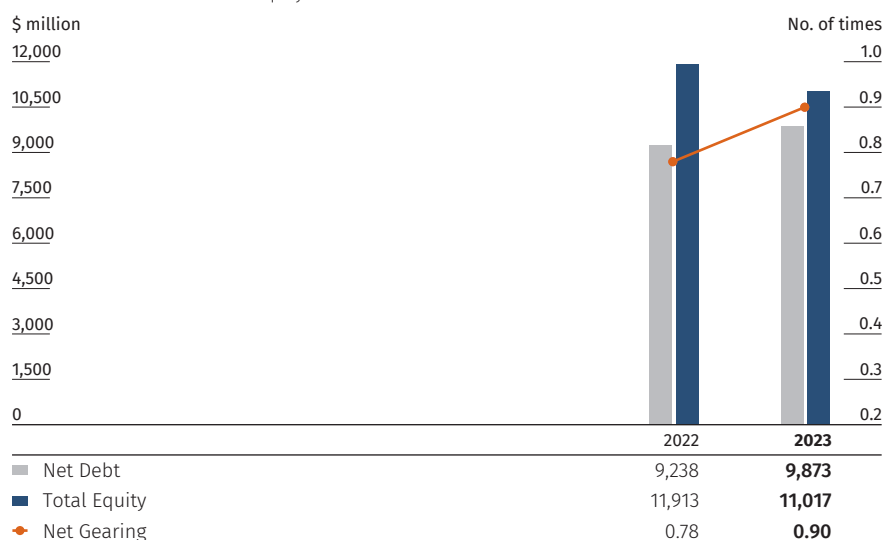
The weighted average tenor of Keppel's borrowings, including perpetual securities, was about three years at the end of 2023 and at the end of 2022, with an average cost of funds of 3.75% at the end of 2023 as compared to 3.24% at the end of 2022.

ADJUSTED NET DEBT TO EBITDA



NET DEBT/GEARING

$$\text{Net Gearing} = \frac{\text{Borrowings} + \text{Lease Liabilities} - \text{Cash}}{\text{Total Equity}}$$



¹ Exclude perpetual securities which have been accounted for as equity. Including perpetual securities, fixed rate borrowings would be 66%.

Financial Review



CAPITAL STRUCTURE & FINANCIAL RESOURCES

Keppel maintains a strong balance sheet and an efficient capital structure to maximise return for shareholders.

Capital Structure

Total equity at end-2023 was \$11.02 billion as compared to \$11.91 billion as at end-2022. Keppel was in a net debt (including lease liabilities) position of \$9,873 million as at end-2023, which was above the \$9,238 million as at end-2022. Net gearing ratio was 0.90x as at end-2023, compared to 0.78x as at end-2022.

During the year, the Company transferred 10,334,248 treasury shares to employees upon vesting of shares released under the Keppel Share Plans. As at the end of the year, the Company had 58,263,601 treasury shares. Except for the transfer, there was no other sale, transfer, disposal, cancellation and/or use of treasury shares during the year.

Keppel's strong financial capacity allows us to drive transformation and pursue growth opportunities in line with Vision 2030, as well as reward our shareholders.

Financial Resources

As part of its liquidity management, Keppel maintains adequate cash reserves as well as sufficient undrawn short-term money market facilities, committed revolving credit facilities, commercial paper and debt capital market programmes. Funding of working capital requirements, capital expenditure and investment needs was made through a mix of short-term money market loans, bank term loans, project finance loans and medium/long term bonds.

As at end-2023, total available credit facilities, including cash held in Treasury and bank guarantee facilities,

amounted to \$6.20 billion (2022: \$5.83 billion).

CRITICAL ACCOUNTING JUDGMENTS & ESTIMATES

Keppel's material accounting policy information is discussed in more detail in the notes to the financial statements. The preparation of financial statements requires management to exercise its judgments in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions which affect the reported amounts of assets, liabilities, income and expenses. Critical accounting judgments and estimates are described in Note 2.27 to the financial statements.

FINANCIAL CAPACITY

	\$ million	Remarks
Cash held in Treasury	178	14% of total cash of \$1.27 billion
Available credit facilities	6,020	Credit facilities of \$9.62 billion, of which \$3.60 billion was utilised
Total	6,198	

Corporate Structure

