

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

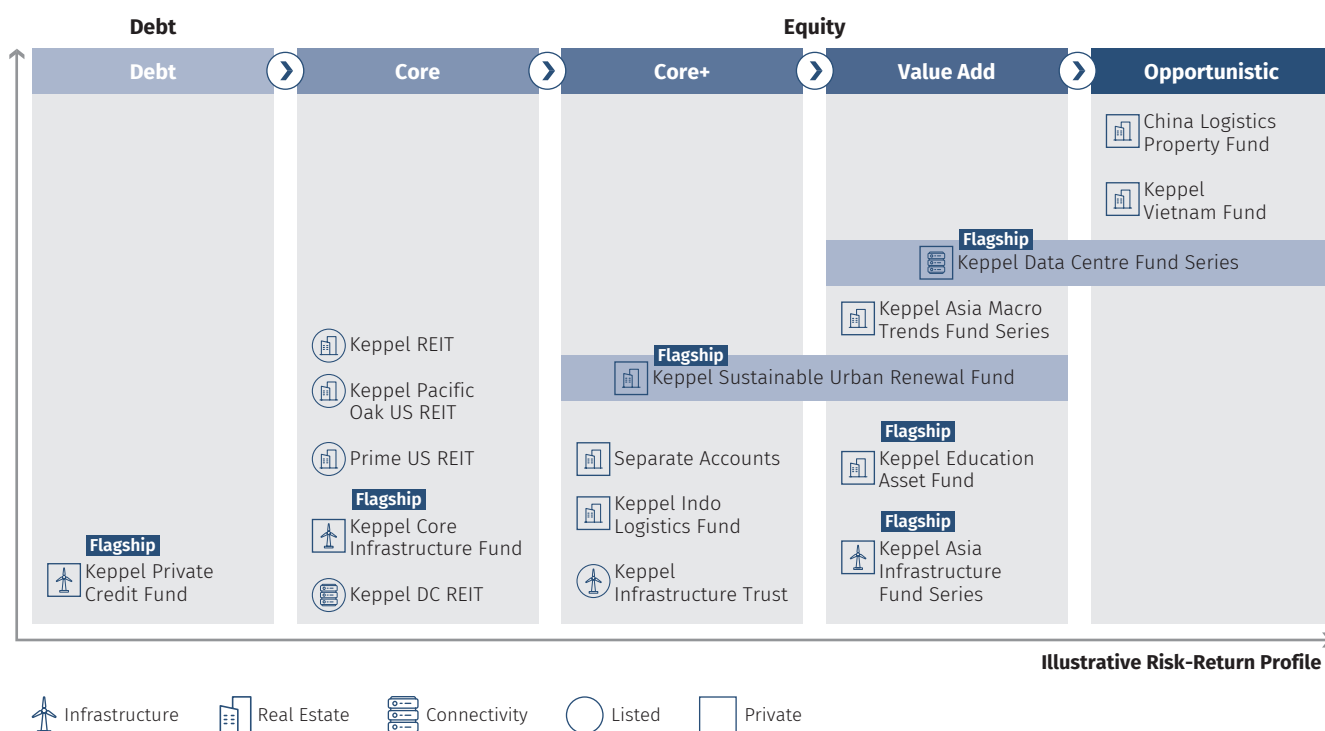
¹ Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM.

¹ Source: Preqin, January 2024

Operating & Market Review

Fund Management and Investment Platforms

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

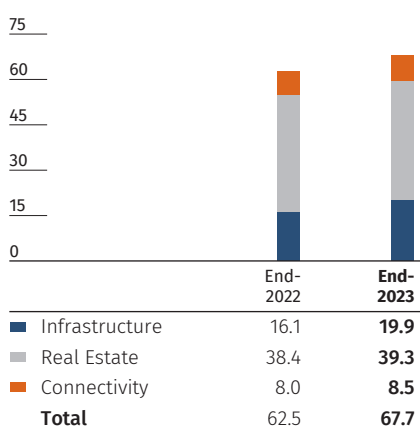


funds managed by Keppel can thus enjoy exclusive access to strategic real assets in Keppel's proprietary pipeline, many of which offer critical infrastructure, connectivity and prime real estate solutions, including those that produce strong inflation-protected cash flows.

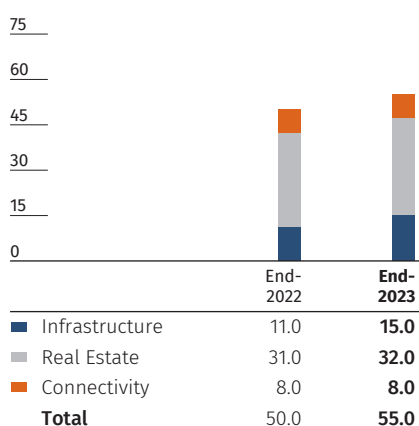
Keppel's ability to deploy capital across the capital stack, be they perpetual vehicles (such as REITs and business trusts), private funds or bespoke mandates, allows Keppel to offer investors diverse fund products and multiple access points across the risk-return spectrum.

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,

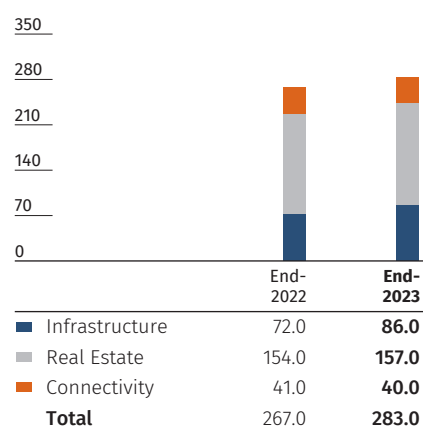
ASSETS UNDER MANAGEMENT¹ (\$ billion)



FUNDS UNDER MANAGEMENT² (\$ billion)



ASSET MANAGEMENT FEES³ (\$ million)



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.