

Driving Performance



“As we enter the third year of the New Keppel, our strategy is clear, the Company is scaling and our culture is strong. I am confident the foundations are in place for Keppel to continue progressing onwards and upwards.”

LOH CHIN HUA, Chief Executive Officer

Q Keppel has undergone significant transformation in recent years. How would you describe where the New Keppel stands today?

A Over the past two years, we have reshaped Keppel from an industrial conglomerate into a focused, asset-light global asset manager and operator. In 2025, we reinforced the shift by clearly distinguishing the earnings of the New Keppel from the non-core portfolio¹ of assets. This bifurcation enhances transparency and brings the New Keppel's earnings into clear focus, as we continue monetising the old portfolio that no longer fits with our strategy, and unlock capital that can be used to fund growth, reduce debt and reward shareholders.

This is not just a narrative, but a well-performing business model. In FY 2025, the New Keppel delivered net profit of \$1.1 billion, up 39% year on year (yoy), with strong contributions across all segments. Recurring income rose 21% to \$941 million, and Return on Equity² improved to 18.7% from 14.9% a year ago. All our engines are firing – from raising and deploying capital to executing complex projects and operating assets profitably at scale.

Our Funds under Management³ (FUM) grew to \$95 billion by end-2025, putting us well on track to exceed \$100 billion in 2026, and progress towards \$200 billion by 2030. Growing FUM does more than provide asset management income – it also enables us to create interconnected value chains across Infrastructure, Real Estate and Connectivity, unleashing synergies in our ecosystem.

Examples such as the Bifrost Cable System and the Keppel Sakra Cogen Plant demonstrate how proprietary assets, funded through our private funds, can deliver attractive returns to our Limited Partners (LPs), while generating recurring income for Keppel over many years through asset management and operations and maintenance fees.

We also accelerated monetisation, announcing \$2.9 billion⁴ of divestments in 2025 and bringing total monetisation since October 2020 to about \$14.5 billion⁵. By placing clear markers along our transformation journey, including linking special dividends to completed monetisation, we reinforce management's discipline and focus, and send a clear signal to the market on our commitment to monetise the non-core portfolio and to reward shareholders from a part of the proceeds from monetisation.

In 2025, we delivered a total shareholder return⁶ of 58.5%, compared to the Straits Times Index's 28.8%, reflecting stronger performance and growing market recognition of our progress.

I would like to take this opportunity to express my deep appreciation to Mr Danny Teoh, who will be retiring from Keppel's Board after the Company's Annual General Meeting on 17 April 2026. During his 15 years of service on the Board, and particularly over the past five years as Chairman, Danny provided steady leadership, wise counsel and strong support for the management, without which the Company's transformation would not have been possible.

The management team and I look forward to working closely with Mr Piyush Gupta as he assumes the role of Chairman, to build on this strong progress and growing momentum.

Q How is Keppel thinking about the next phase of growth for its asset management business?

A 2025 was a year of strong traction for our asset management business. Over the past five years, both our FUM and asset management fees⁷ have grown at a compounded rate of about 20% annually, reflecting a business that is scaling with increasing momentum.

How we look at reaching \$200 billion in FUM by end-2030 is grounded in the way asset management platforms grow. Scale is earned through performance. Take Aermont Capital for example. They raised about €2 billion in equity for Fund IV and then another €3.8 billion for Fund V. They are now in the market for Fund VI, which is expected to be bigger than preceding vintages. Over time, this creates a flywheel effect. Strong performance attracts repeat capital, and larger funds will in turn allow us to originate and execute higher-value and more complex transactions.

Strong execution remains very important as it reinforces our track record as a trusted investment partner. As allocations to areas such as the energy transition and digital infrastructure increase, we are seeing more global LPs initiate conversations with us, reflecting growing recognition of Keppel's track record and integrated ecosystem, which allows us to

¹ The New Keppel refers to Keppel excluding Non-Core Portfolio for Divestment (non-core portfolio) which comprises mainly legacy offshore & marine (O&M) assets, residential landbank, selected property developments and investment properties, hospitality and logistics assets, associated cash and receivables, and other non-core investments that are not aligned with Keppel's strategic focus as an asset-light global asset manager and operator. Legacy O&M assets comprise Seatrium shares, the legacy rigs, Floatel, KrisEnergy and Dyna-Mac.

² Return on Equity of the New Keppel refers to the return generated on the average shareholders' funds of the New Keppel, i.e. excluding equity that is attributable to the non-core portfolio.

³ Gross asset value of investments and uninvested capital commitments on a leveraged basis is used to project fully-invested FUM.

⁴ This includes the proposed sale of M1's telco business.

⁵ This includes the \$4.7 billion Keppel Offshore & Marine divestment in 2023, including the Sembcorp Marine (now Seatrium) shares, which were distributed or held in the segregated account, at \$2.30 per share (or \$0.115 per share prior to the share consolidation undertaken by Seatrium in 2023; \$0.115 was the last traded price of the shares on the first market day immediately following the date of the combination) and the \$0.5 billion cash component.

⁶ Source: Bloomberg

⁷ Includes 100% fees from subsidiary managers, joint ventures and associated entities, as well as share of fees based on shareholding stake in associate with which Keppel has strategic alliance. Also includes asset management, transaction and advisory fees on sponsor stakes and co-investments (including for funds which are wholly owned).

Interview with the CEO

“To create strong competitive advantage, Keppel will not only enable AI infrastructure, but also be an AI-enabled asset manager.”

create and scale opportunities alongside LPs and customers in ways that not many international asset managers can match.

Looking ahead, we will continue to grow organically through disciplined capital formation. At the same time, we will also explore inorganic opportunities that can enhance our platform capabilities and broaden our investment strategies, especially in the infrastructure spectrum.

Q What underpins the Infrastructure Segment's strong performance, and how do you view its growth trajectory?

A Our Infrastructure Segment has performed strongly and remains the New Keppel's largest earnings pillar, underpinned by commercial discipline and operational depth, providing long-term contracted cashflows and good earnings visibility. In FY 2025, the operating division delivered record recurring earnings of \$703 million¹. Our integrated power business remained resilient despite softer spark spreads, with 67% of generation capacity² contracted for three years and above, reflecting robust contracting and strong execution.

Very importantly, we are positioning ourselves ahead of the energy transition. Our hydrogen-compatible Keppel Sakra Cogen Plant is slated to achieve generation readiness in 1H 2026, and is fully contracted for 2026 and 2027 after factoring in the required market reserves. Meanwhile, decarbonisation and sustainability solutions have also delivered significant growth and

bolstered revenue under long-term contracts, which more than doubled over the past four years to \$7.1 billion³ as at end-2025.

Looking ahead, demand for reliable power, cleaner energy and grid decarbonisation will continue to expand, particularly with the rise in digitalisation and AI. Our early positioning in expanding generation capacity, cross-border renewable energy imports and low carbon energy vectors gives us strategic relevance in the energy transition and also strengthens Keppel's ability to support power-intensive sectors, such as digital infrastructure.

Q How has Keppel positioned itself to capture long-term growth from the increasing convergence between the energy transition and digital infrastructure?

A Digitalisation and AI are reshaping infrastructure demand. The next phase of growth will require integrated solutions that combine compute, energy and connectivity at scale. We believe AI adoption is still in its early innings, and the infrastructure required will become increasingly complex as well as energy- and capital-intensive. Keppel has positioned itself early across the digital infrastructure value chain – through cleaner energy, data centres, subsea connectivity and multi-faceted investment solutions from private funds to listed real estate or infrastructure trusts.

Our approach has been to secure critical enablers ahead of demand, such as access to power, land and fibre in key datahubs, and commit

capital through our private funds when customer visibility is clear. Our powerbanking strategy for data centres, for example, reduces execution risk, supports disciplined scaling under our asset-light model and builds a pipeline of assets to support FUM growth.

In 2025, we also commenced commercial traffic on the Bifrost Cable System, expanded our AI-ready capabilities and grew our Asia Pacific data centre powerbank⁴ to over 1.0 GW. We are also preparing to develop our floating data centre project in 1H 2026. Together with our growing technology solutions and services business, these initiatives strengthen Keppel's ability to serve hyperscalers and enterprises across the value chain.

Q AI is transforming sectors and the global economy. What does this mean for Keppel as a company?

A AI is probably the most impactful force since the Industrial Revolution. It is fundamentally reshaping how we work, invest and operate. At Keppel, we see our role in two dimensions – enabling AI and embedding AI.

As an ecosystem player, we enable AI by providing the critical infrastructure it requires. These are capital-intensive developments, and scaling them requires substantial institutional capital. Our asset-light model allows us to mobilise funds raised from our LPs, alongside our sponsor capital and co-investments, to deliver infrastructure at scale. In this way, Keppel supports the growth of AI while reinforcing our asset management platform.

At the same time, we are embedding AI within our enterprise. We have developed AI agents across our fund management, investment and operating platforms that merge our experience and industry know-how with AI to create use cases. Our in-house AI agents provide actionable investment insights, and also support the design and operation of complex infrastructure and data centre projects.

To fully harness AI's potential, and create strong competitive advantage, Keppel will not only enable AI infrastructure, but also be an AI-enabled asset manager.

Q Can you share about Keppel's goals for asset monetisation and the progress made?

A Monetisation is integral to our transformation into a focused, asset-light global asset manager and operator. At the outset, our objectives have been to lighten our balance sheet, unlocking capital for growth, to reduce debt and reward shareholders.

Since October 2020, we have announced about \$14.5 billion in asset monetisation. Amidst

volatile market conditions, we have continued monetising assets, even in challenging markets such as China and Myanmar. Notably, in 2025, we were able to unlock value from our landbank in North Island in Tianjin, which created significant value uplift, notwithstanding the difficult market conditions. In early 2025, we also established an Accelerating Monetisation Task Force to sharpen coordination and execution across the Company.

A significant milestone was the proposed sale of M1's telco business to Simba announced in August 2025, which will simplify our business and advance our strategy as an asset-light global asset manager and operator. The transaction is pending regulatory approval⁵, and when completed, is expected to unlock about \$1.3 billion⁶ from our balance sheet, with close to \$1.0 billion⁷ to be received by Keppel in cash.

Looking ahead, we have another \$13.5 billion⁸ of non-core assets as at end-2025 that we aim to divest substantially by 2030. We are committed to this goal and will continue to execute with discipline and clarity of purpose.

STRONG NEW KEPPEL EARNINGS GROWTH

39%

Increase yoy to a net profit of \$1.1 billion in FY 2025

ROBUST MONETISATION

\$14.5b

Announced since the start of the monetisation programme in October 2020



Keppel has positioned itself early across the digital infrastructure value chain – through cleaner energy, data centres, subsea connectivity and multi-faceted investment solutions from private funds to listed real estate or infrastructure trusts.

¹ Includes returns (net of attributable financing costs) from sponsor stakes (in listed and private funds) and co-investments amounting to \$53 million in FY 2025 (FY 2024: -\$44 million).

² As at end-2025; based on Keppel's existing generation capacity.

³ Revenues to be earned over 10–15 years.

⁴ Capacity for future data centre development.

⁵ As at the latest practicable date on 2 March 2026.

⁶ Computed based on estimated divestment proceeds and net debt to be deconsolidated as of date of transaction announcement. The actual monetisation amount is subject to post-completion adjustments and the net debt at date of completion.

⁷ Subject to post-completion adjustments and the net debt of M1's telco business at date of completion.

⁸ Refers to gross asset carrying value as at 31 December 2025.

Interview with the CEO

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Q What are your thoughts about balancing the needs between funding growth, reducing debt and rewarding shareholders?

A As the New Keppel scales, we will not be relying primarily on our balance sheet to fund expansion. Growth will be driven alongside third-party capital through our private funds, enabling us to undertake larger and more capital-intensive projects than our balance sheet alone can support.

As sponsor and General Partner, we typically co-invest about 10–15% alongside our LPs. As FUM grows, the capital required for our sponsor stakes and co-investments will also grow. At the same time, capital is also being returned to us in the form of distributions. As an LP, we received over \$400 million¹ in distributions from our funds in

FY 2025. As our asset management platform scales, this effect becomes more substantial and will help fund future investments as well as dividends of the New Keppel.

In addition, we have set a 10–15% payout ratio on the gross value of completed monetisation for the financial year. This further allows us to share the fruits of our monetisation programme with shareholders, while retaining flexibility to respond to market opportunities as well as reduce leverage through the remaining capital unlocked.

Q How do you think about leadership continuity and the culture at Keppel? Has it changed as Keppel transformed?

A Keppel’s transformation has never been about specific individuals.

It has always been a collective effort across the Board, management and our different teams. Over the past few years, we have strengthened our leadership bench, sharpened governance and embedded disciplined capital management across the Company. Succession planning is carefully thought out and ongoing at every level, with the aim of building an enduring company with operational depth and the right talents.

While our business has evolved, the core values and strengths that define Keppel have remained unchanged, including the tenacity and willingness to reinvent ourselves to stay relevant across cycles. These values, which we now articulate as ACT – Agile, Can Do and Trusted – underpin our progress as a global asset manager and operator, and will guide us as we continue our growth momentum.

Keppel’s culture is anchored by our purpose of “creating solutions for a sustainable future”. We operate in sectors critical to the energy transition, digital connectivity and sustainable urban development. This resonates with Keppelites, with the Company registering a strong engagement score of 88% in our 2025 Employee Engagement Survey, four percentage points higher yoy. 91% of employees also indicated that they are proud to work for Keppel and support our transformation.

As we enter the third year of the New Keppel, our strategy is clear, the Company is scaling and our culture is strong. I am confident the foundations are in place for Keppel to continue progressing onwards and upwards in the years ahead.



Keppel’s transformation is driven by a collective effort across the Board, management and our different teams.

¹ Includes return of capital and return on capital from the private funds.

Keppel’s proprietary assets funded through our private funds, such as the Keppel Sakra Cogen Plant (in picture), can deliver attractive returns to our LPs while generating recurring income for Keppel over many years through asset management and operations.

