Address by Mr Loh Chin Hua, CEO of Keppel Corporation

SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2022

2022 was a challenging year for the global economy, marked by the war in Ukraine, heightened geopolitical tensions, slowing global growth, inflation, and rising interest rates. The International Monetary Fund has projected that global growth is expected to slow from 5.9 percent in 2021 to 4.4 percent in 2022 and 3.8 percent in 2023.

Driving business transformation

Amidst a difficult environment, we continued to accelerate Keppel's Vision 2030 transformation, simplifying and focusing our business, while executing our asset-light strategy. We completed the divestment of Keppel Logistics¹ and are currently in the final stages of executing the proposed combination of Keppel Offshore & Marine (Keppel O&M) with Sembcorp Marine, and resolution of our legacy rigs and associated receivables.

The offshore & marine (O&M) transactions have received strong support from Keppel's shareholders at our Extraordinary General Meeting (EGM) last December, while Sembcorp Marine has announced that it will be holding its EGM on 16 February to seek its shareholders' approval. Amidst improving conditions in the O&M sector, we are optimistic that the combined entity, with a very strong order book and synergies realised from the integration, will be well positioned to seize opportunities in the evolving landscape.

In 2022, Keppel O&M achieved an annual revenue of S\$2.8 billion, its highest in six years. During the year, Keppel O&M secured about S\$8.1 billion of new orders, bringing its net orderbook to S\$11.0 billion at the end of 2022, which is at the highest level since 2007. This includes the FPSOs projects with Petrobras, which are currently tracking on schedule and within budget.

We have also made good progress in putting our legacy rigs to use. All the available KFELS B Class jackup rigs in the fleet have secured bareboat charters, while we continue to receive active enquiries for the remaining legacy rigs.

With higher utilisation and day rates, we have, based on the value-in-use assessment conducted by our independent advisers, written back part of the impairments which had been made for the legacy rig assets in 2020, when oil price had fallen sharply following the COVID-19 outbreak. As a result of this writeback, the Asset Co Vendor Notes will increase, bringing the total realisable value to Keppel from the O&M transactions from S\$9.05 billion^{2,3} to S\$9.35 billion^{3,4,5}.

Completion of the proposed O&M Transactions

Had the proposed transactions been completed at the end of FY 2022, we would have booked a pro forma disposal gain of approximately S\$3.4 billion or S\$1.94 per Keppel Corporation share from the Sembcorp Marine shares received⁶. On the same pro forma basis, this gain would have increased our Net Tangible Assets (NTA) as at end-2022 by approximately S\$2.05 per share, including other adjustments, from the reported S\$5.51 per share to S\$7.56 per share post transactions³.

Upon the completion of the transaction, we will distribute in specie 19.1 Sembcorp Marine shares ⁷ to our shareholders for every Keppel Corporation share they hold. The distribution in specie has an implied value of S\$2.33 per Keppel Corporation share, based on Sembcorp Marine's volume-weighted average price of 12.2 cents per share when the transaction was announced in April 2022⁶.

Following the distribution in specie, our pro forma NTA would be reduced from S\$7.56 to S\$5.23 per share⁸, which is quite close to our reported NTA of S\$5.51 per share at the end of 2022. In short, this distribution in specie is backed by the disposal gain that will be booked. Post distribution, our NTA will only be marginally reduced.

Of course, the gain as well as the final value of the distribution in specie will depend on the actual value of Sembcorp Marine's shares when it starts trading on the SGX post-transaction. Based on Sembcorp Marine's closing share price of 14.1 cents last evening, the implied value of our distribution in specie would be even higher at S\$2.69 per Keppel Corporation share.

Including the new shares that we will receive, as well as the vendor notes from the sale of the legacy rigs to Asset Co and the out-of-scope assets, we will in total unlock close to S\$9.7 billion^{3,4,5,9} from the transactions. This is equivalent to S\$5.52 per share in value.

Just as important, the completion of the O&M transactions will accelerate Keppel's transformation from a conglomerate of diverse parts into a global asset manager and operator, with strong capabilities in energy and environment, urban development and connectivity, which is well-positioned to seize opportunities through creating solutions for a sustainable future. In the midst of an inflationary environment, we see strong demand from investors for real assets with cash flows, which the Keppel Group is able to develop, operate and manage.

Later this year, we will share more details on the next phase of our transformation plans.

Robust performance in FY 2022

Keppel delivered robust performance in FY 2022, achieving a net profit of S\$927 million, bolstered by stronger results in Asset Management and Energy & Environment. Net profit was 9% lower compared to S\$1.02 billion in FY 2021, mainly due to lower earnings in Urban Development as well as provisions for specific projects at Keppel O&M's yard in the US, which were partly offset by the partial writeback of impairments for our legacy rigs. 2021 had also benefitted from a higher fair value gain of S\$277 million from our investment in Envision AESC. Our CFO Hon Chew will elaborate more on the financials later.

Return on Equity was 8.1% for FY 2022, compared to 9.1% for FY 2021. Free cash outflow was \$\$408 million in FY 2022, compared to an inflow of \$\$1.76 billion due mainly to lower divestment proceeds. Net gearing remained stable at 0.78x as at end-December 2022, compared to 0.79x as at end-September 2022.

We have also continued to strengthen our business resilience amidst rising interest rates. As at end-December 2022, about 67% of the Group's borrowings were on fixed rates, with an average interest cost of 3.24% and weighted tenor of about three years.

In appreciation of the support and confidence of our shareholders, the Board of Directors has proposed a final cash dividend of 18.0 cents per share for FY 2022, to be paid on 10 May 2023. Together with the interim cash dividend of 15.0 cents per share, we will be paying out a total cash dividend of 33.0 cents per share to shareholders for the whole of 2022, which is the same as the 33.0 cents per share in 2021.

This does not include the additional 19.1 Sembcorp Marine shares⁷, which I had mentioned earlier, that we will distribute in specie for every Keppel Corporation share held, when the O&M transaction is successfully completed. Assuming the EGM for the acquisition by Sembcorp Marine is passed by their shareholders on 16 February, it is currently anticipated that Keppel shareholders will be credited their entitlement of the share distribution within a week or so of the ex-dividend date, which will be announced by Keppel in due course.

Growing recurring income

We have emphasised our plans to move away from an orderbook business and lumpy property development profits, and focus on growing recurring income. For FY 2022, recurring income made up S\$560 million or 67% of the Group's earnings¹⁰, an increase of 114% from S\$262 million in FY 2021.

Strong progress in asset-light strategy

Since the start of our asset monetisation programme in October 2020, we have made good progress with over S\$4.6 billion announced to date. This puts us well on track to exceed the higher end of our S\$3-5 billion target by the end of 2023.

As I have said before, we will not stop at S\$5 billion but will continue to unlock capital which can be used to invest in our growth engines alongside co-investors, and also reward our shareholders.

We have made good progress in harnessing our asset-light model for growth, with the announcement of about S\$2.8 billion worth of energy & environment and sustainable urban renewal-related investments in 2022, jointly undertaken by Keppel together with the private funds and/or business trust managed by Keppel Capital. This allows us to make large investments in energy transition-related projects without pushing up our gearing significantly. We plan to pursue more of such joint investments going forward.

Asset management - key focus of Keppel's business

The Asset Management segment delivered improved earnings of S\$311 million in FY 2022, compared to S\$301 million in FY 2021, and is the largest contributor to the Group's net profit. As we transform to be a global asset manager and operator, Asset Management would not just be a vertical within the Group, but a key focus of Keppel's business, and a horizontal that pulls the other business units together to deliver value, as one integrated company.

In 2022, Keppel Capital completed more than S\$7.7 billion in acquisitions and divestments across its REITs, Trust and private funds. Our asset management fees grew about 15% year-on-year to S\$267 million¹¹, further boosting the Group's recurring income.

During the year, we also launched the new Keppel Core Infrastructure Fund and Keppel Sustainable Urban Renewal Fund, which are attracting positive interest from global investors.

Having achieved the Assets under Management (AUM) target of S\$50 billion at the end of 2022, we will work towards our next AUM target of S\$200 billion.

Scaling up in renewables, clean energy & decarbonisation solutions

In our Energy and Environment business, Keppel Infrastructure delivered strong performance, more than doubling its earnings year-on-year to S\$241 million¹², driven by higher contributions from electricity and gas sales, Keppel Seghers' overseas projects and an associated company in Europe.

During the year, we actively expanded our business in sustainability-related solutions, in line with our Vision 2030 strategy. These include commencing Singapore's first renewable energy import, developing Singapore's first hydrogen-ready power plant, and gearing up for the low-carbon economy through exploring green ammonia and green hydrogen solutions with international partners. We are also expanding our provision of Energy-as-a-Service for commercial and industrial customers, as we both grow recurring income and contribute to global decarbonisation efforts.

Our announced portfolio of renewable energy assets has more than doubled to 2.6 GW, including projects under development, compared to 1.1 GW at the start of 2022, on track towards our target of 7.0 GW by 2030.

Looking ahead, we will continue to tap our asset-light model and harness Keppel Infrastructure's strong track record to seize growth opportunities in the energy & environment sector.

Providing asset-light urban space solutions

Our Urban Development business was affected by headwinds in our key markets, especially China, but we were still able to put in a creditable performance. Asset monetisation remained healthy with the divestment of two projects in Shanghai, though it was lower than in 2021.

China, post its zero-COVID policy, should see stronger domestic demand and higher growth. The Chinese authorities have also announced constructive policies which should benefit the real estate sector. Keppel Land will continue its push to grow recurring income and provide Real estate-as-a-Service solutions to enhance our relevance in a world characterised by flexible work arrangements, climate action and where digitalisation is redefining the built environment. We are seizing opportunities in sustainable urban renewal and senior living, as demonstrated by our recent acquisition of an office tower in Seoul and a senior living facility in Nanjing.

Expanding connectivity solutions

In our Connectivity segment, M1's earnings grew significantly, rising 32% year-on-year to S\$75 million in FY 2022, underpinned by its transformation from a traditional telco to a cloud native connectivity platform. Roaming and prepaid revenues have also risen with the progressive reopening of economies. M1 is expanding its enterprise solutions and developing 5G business applications, as it captures new profit pools. The enterprise business has been growing steadily, making up about 33% of M1's revenue in 2022, up from 20% in 2020.

We expect profit contributions to improve in the coming years as M1 migrates customers to its new cloud native digital platform, which allows subscribers to enjoy its new 5G plans, and cloud services such as cloud gaming, among others, improves customer acquisition and lowers its cost to serve.

In the data centre business, Keppel is uniquely positioned to provide integrated end-toend solutions, from the provision of clean energy, to the development and operation of high quality green data centres, to the raising of funds to invest in greenfield developments, to the monetisation of stabilised assets through Keppel DC REIT. In FY 2022, our integrated data centre business yielded total earnings of S\$66 million¹³. We have also continued to grow our data centre portfolio with acquisitions in China and the UK.

Looking ahead, we see the trend of increasing digitalisation, including cloud computing, artificial intelligence and the metaverse, generating further demand for the Group's digital connectivity solutions.

Conclusion

To conclude, 2023 will be an important year for Keppel, as we take the next leap forward in our Vision 2030 trajectory. With sustainability at the core of our strategy, we will continue to both run our business sustainably, and also make sustainability our business through the solutions we provide, which can help the world progress towards Net Zero. We are encouraged to see our sustainability efforts recognised with the inclusion of Keppel Corporation in the Dow Jones Sustainability World and Asia-Pacific Indices, as well as the retention of our triple A rating in the Morgan Stanley Capital Index (MSCI) ESG ratings.

The Keppel of tomorrow will work towards being a leading global asset manager and operator, focused on harnessing the Group's different capabilities to create solutions for a sustainable future. With the growing global focus on sustainable development and climate change, I believe Keppel is in the right space at the right time. While the macro environment is expected to remain challenging, I am confident that we can build on the momentum Keppel has achieved to deliver strong value for all our stakeholders.

Our CFO will now take you through the Group's financial performance.

¹ Includes Keppel Logistics' businesses in Singapore, Malaysia, Vietnam and Australia, as well as UrbanFox.

² Based on the carrying value of the Identified Asset Co Assets in the unaudited pro forma consolidated financial statements of KOM Group for the half year ended 30 June 2022. The Asset Co Consideration will be adjusted as at

completion of the Asset Co Transfer based on the pro forma balance sheet as at the date of completion of the Asset Co Transfer.

- ³ Pro forma estimate of the value attributable to the KOM Consideration Shares, calculated based on (a) the assumption that 36,848,072,918 new SCM Shares will be issued by Sembcorp Marine to the Company representing 54% of the issued and paid-up share capital of Sembcorp Marine on a fully diluted basis immediately after Closing, (b) the SCM Shareholders holding 31,389,099,152 SCM Shares, representing 46% of the issued and paid-up share capital of Sembcorp Marine on a fully diluted basis immediately after Closing which, for the purpose of this computation, is the same number of SCM Shares held by the SCM Shareholders as at the Last Market Day (as defined below), and (c) an issue price of \$\$0.122, being the Volume Weighted Average Price of SCM Shares for the last 10 trading days up to and including the Last Market Day, being the market day immediately preceding the date of the original announcement of the combination of KOM and SMM (the "Last Market Day"). For the purpose of determining the aggregate value attributable to the KOM Consideration Shares on Closing, the Company will account for the actual value of the 54% equity interest in Sembcorp Marine based on the last traded price of the shares of Sembcorp Marine on the first trading day immediately following Closing and the actual number of SCM Shares to be issued on Closing.
- ⁴ Based on the carrying value of the Identified Asset Co Assets in the unaudited pro forma consolidated financial statements of KOM Group for the full year ended 31 December 2022. The Asset Co Consideration will be adjusted as at completion of the Asset Co Transfer based on the pro forma balance sheet as at the date of completion of the Asset Co Transfer.
- ⁵ Also includes other adjustments from 30 June 2022 to 31 December 2022.
- ⁶ Based on (a) the assumption that 36,848,072,918 SCM Shares will be issued by Sembcorp Marine to the Company representing 54% of total number of SCM Shares on a fully diluted basis immediately after Closing, (b) the SCM Shareholders holding 31,389,099,152 SCM Shares, representing 46% of the total number of SCM Shares on a fully diluted basis immediately after Closing which, for the purpose of this computation, is the same number of SCM Shares held by the SCM Shareholders as at the Last Market Day, and (c) an issue price of \$\$0.122, being the volume weighted average price of SCM Shares for the last 10 trading days up to and including the Last Market Day. The number of DIS Shares to be distributed for every one (1) KCL Share held by an Eligible Shareholder is calculated based on the assumption that Company's issued and paid-up share capital on Closing would be 1,751,959,918 KCL Shares (excluding treasury shares) which is the number of KCL Shares (excluding treasury shares) of the Company as at 31 December 2022, and on the further assumption that 33,436,214,314 DIS Shares will be distributed to Eligible Shareholders.

The actual issue price for the SCM Shares will be determined by SCM and the actual consideration used to derive the disposal gain arising from the Proposed Transaction and the actual value of the Proposed Distribution on completion of the Proposed Transaction and Proposed Distribution will depend on the last traded price of the SCM Shares on the first Market Day immediately following the date of Closing and the actual number of SCM Shares to be issued to the Company on such Closing.

- ⁷ The number of DIS Shares to be distributed to the Shareholders for every one (1) KCL Share held by an Eligible Shareholder is calculated based on the assumption that the Company's issued and paid-up share capital on Closing would be 1,751,959,918 KCL Shares (excluding treasury shares) which is the number of KCL Shares (excluding treasury shares) of the Company as at 31 December 2022, and on the further assumption that 33,436,214,314 DIS Shares will be distributed to Eligible Shareholders.
- ⁸ The pro forma value of the proposed distribution is calculated based on the proposed issue price of \$\$0.122, being the VWAP of SCM shares for the last 10 trading days up to and including the Last Market Day, per new SCM share and assuming a total of 36,848,072,918 new SCM shares to be issued to Keppel on completion of the Proposed Transaction. In this regard, the actual value of the proposed distribution on completion will depend on the last traded price of SCM shares on the first market day immediately following the date of such completion and the actual number of SCM shares to be issued on Closing.

⁹ Based on the carrying values of the Out-of-Scope Assets in the unaudited consolidated financial statements of KOM group as at 30 June 2022 or 31 December 2022 (as applicable).

¹⁰ Excluding discontinued operations.

¹¹ 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.

¹² Does not include contribution from the business trust.

¹³ Recognised across the Connectivity and Asset Management segments.

ADDRESS BY MR CHAN HON CHEW, CHIEF FINANCIAL OFFICER, KEPPEL CORPORATION

SECOND HALF & FULL YEAR ENDED 31 DECEMBER 2022

Group Performance (Slide 17)

- Thank you, CEO, and a very good evening to all. I shall now take you through the Group's financial performance.
- 2. For the full year, the Group's net profit including discontinued operations decreased 9% year-on-year to \$927 million.
- 3. All segments were profitable with improved year-on-year performance from Energy & Environment and Asset Management.
- 4. ROE was 8.1%, as compared to 9.1% last year.
- 5. In 2022, Asset Management was the largest contributor at \$311 million net profit, representing about one-third of the Group's earnings. Despite the headwinds in some markets, our Urban Development business continued to contribute significantly, accounting for \$282 million or 30% of the Group's profits. Reversing the net loss in the prior year, Energy & Environment contributed a net profit of \$172 million, or 19% of the Group's bottom-line. Connectivity and Corporate & Others accounted for 8% of the Group's profit. Discontinued operations registered a net profit of \$88 million, compared to FY2021's net loss of \$225 million.
- 6. I will further elaborate on the performance of each segment later on.
- 7. Beyond profitability, the Group has maintained a healthy balance sheet. Net gearing was 0.78x as at end of December 2022. Compared to the end of 2021, net debt has increased mainly due to investments, dividend payments, as well as the \$500 million share buyback programme completed during the year, partly offset by proceeds from divestments. Capital employed decreased as a result of dividend payments, effects of share buybacks and other reserve movements, which were partly offset by profits earned during the year.
- 8. Free cash outflow was \$408 million as compared to the free cash inflow of \$1.76 billion in 2021. This was largely due to lower divestment proceeds from asset monetisation completed and higher investments made during the year. During the year, the Group invested in several energy & environment and sustainable urban renewal-related investments including Cleantech Renewable Assets which is a solar platform, Eco Management Korea Holdings Co., Ltd which is a South Korean waste management company, an office building in South Korea which the Group will look into incorporating sustainability features.

Multiple Income Streams (Slide 18)

- 9. The Group continued to scale up and expand its sources of recurring income. Recurring income increased \$298 million year-on-year to \$560 million. This was underpinned by higher earnings achieved by the power & renewables business and M1, stronger share of results from an associated company in Europe under Keppel Infrastructure and higher contributions from the stakes in the REITs and Trust that we own.
- 10. Earnings from Development for Sale were lower year-on-year mainly due to lower contributions from trading projects in China and lower gains from enbloc sales. These arose largely as a result of the slowdown in the Chinese economy and China's zero COVID policy, which have affected home sales, the completion and handover of units, as well as asset monetisation. However, the Chinese economy is expected to recover in the coming months following the relaxation of COVID restrictions. The implementation of support policies targeted at both property developers and homebuyers should also help to bolster market sentiments.
- 11. Although lower year-on-year, the Group continued to record healthy revaluation gains on our investment properties and data centres, as well as fair value gains on investments in 2022.
- 12. Impairments in 2022 were much lower than in the prior year when the Group recognised provisions related to KrisEnergy exposure.

Energy & Environment (Slide 19)

- 13. Moving on to the performance by segment.
- 14. Energy & Environment's net profit for the year was \$260 million, a sharp reversal from the net loss of \$414 million in 2021, which had included an impairment of \$318 million related to the Group's exposure to KrisEnergy, partially offset by share of Floatel's net restructuring gain of \$215 million.
- 15. Net profit from our infrastructure business more than doubled year-on-year to \$241 million, driven by higher electricity and gas sales and contributions from Keppel Seghers' projects abroad, as well as a higher share of results from an associated company in Europe, as mentioned earlier.
- 16. Discontinued operations recorded net profit of \$88 million, as compared to a net loss of \$225 million in the previous year. Keppel O&M recorded healthy revenue growth of 39% due to revenue recognition from new projects and higher progressive revenue recognition on existing projects. However, OpCo recorded a net loss of \$143 million largely due to provisions made for cost overruns on certain ongoing projects in Keppel O&M's yard in the US, mainly arising from a shortage of manpower, higher-than-expected labour costs, as well as COVID-related supply chain disruptions. Apart from the yard in the US, the projects in

- Keppel O&M's other yards, including the FPSOs projects with Petrobras, are progressing well and are on-track and within budget.
- 17. Keppel O&M continues to build on its strengths, having secured S\$8.1 billion of new orders in 2022, which are expected to yield reasonable gross margins. As at year-end, Keppel O&M's net orderbook stood at S\$11.0 billion, the highest level since 2007. Notably, significant deposits were also received for the newbuild FPSO P-80 and P-83 projects, which have contributed to Op Co's healthy net cash position as at end-December 2022¹.
- 18. With improving offshore and marine market conditions including recovery of oil prices, higher rig utilisation and day rates contracted, and supported by the value-in-use assessment conducted by our independent advisers, the Group has partially written back \$293 million of impairments which had been made in 2020 for certain legacy rig assets.
- 19. As mentioned during 1H 2022 results briefing, following the definitive agreements for the proposed combination of KOM and Sembcorp Marine and the Asset Co transaction, the Group has also ceased depreciation for the relevant assets that have been classified under disposal group held for sale. This amounted to about \$71 million for the year 2022.
- 20. As such, discontinued operations recorded net profit of \$88 million in 2022 mainly from the partial write back in respect of certain legacy rig assets impairment made in 2020 and cessation of the relevant depreciation, partly offset by Op Co's net loss largely due to cost overrun provisions for certain ongoing projects in the US yard.

Urban Development (Slide 20)

- 21. Urban Development's net profit was declined year-on-year at \$282 million, mainly due to reduced contributions from China property trading projects and lower fair value gains from investment properties, as well as lower gains from enbloc sales.
- 22. Keppel Land completed the disposal of the Upview and Sheshan Riviera projects in Shanghai in 2022, which booked a gain of \$20 million. This is lower compared to the recognition of \$338 million in gains from the disposal of the Dong Nai project in Vietnam, Serenity Villas project in Chengdu, and China Chic project in Nanjing, and divestment of a partial interest in Tianjin Fushi Real Estate Development Co Ltd in 2021.
- 23. Contribution from the Sino-Singapore Tianjin Eco-City was lower year-on-year, as there were no land sales in 2022, compared to the sale of a commercial and residential plot in 2021. However, market sentiments are improving following the relaxation of COVID-related restrictions.

Connectivity (Slide 21)

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¹ Net cash position is calculated as at a point in time and may change subsequently depending on the working capital requirements of the projects as they progress, and is not indicative of the future financial position of Op Co.

- 24. The Connectivity segment recorded a net profit of \$37 million, which was lower year on year as 2021 benefited from gains from the disposal of interests in Keppel Logistics (Foshan) and Wuhu Sanshan Port Company Limited in 2021.
- 25. M1's mobile and enterprise revenue grew as it continues to expand its enterprise business and 5G offerings. Net profit from M1 was 32% higher at \$75 million on the back of better operating results, underpinned by higher revenue and lower depreciation and amortisation expenses, which were partly offset by network service fee expenses.
- 26. The Group's OneDC business, comprising Keppel Data Centres working in collaboration with the private funds and Keppel DC REIT managed by Keppel Capital, contributed total earnings of about \$66 million of which \$62 million is reported under the Asset Management. Performance of the data centre business under Connectivity segment improved year on year mainly due to higher fee income, partly offset by lower fair value gains from data centres.

Asset Management (Slide 22)

- 27. Asset Management achieved a 20% increase in revenue underpinned by higher fee income arising from successful acquisitions completed during the year.
- 28. Net profit rose by \$10 million to \$311 million, backed by higher top-line and higher fair value gains on investment properties under Keppel REIT. These were partly offset by lower fair value gains on data centres under Keppel DC REIT and our private funds, as well as mark-to-market losses from investments, as compared to mark-to-market gains recognised in 2021.

Corporate & Others (Slide 23)

- 29. Contribution from Corporate & Others was lower year-on-year at \$37 million.
- 30. Our investments in new technology and start-ups continued to yield good returns that supported the \$91 million of fair value gains recorded in 2022, mainly from investments such as Envision AESC Global Investment L.P. and Fifth Wall.
- 31. Investment income was lower due to the absence of distribution of income from iGlobe Partners Platinum Fund I, which matured in 2021.
- 32. With that, we have come to the end of the presentation, and I shall hand the time back to CEO, for the Q&A session. Thank you.