

Annual General Meeting

Presentation by
Mr Loh Chin Hua, CEO
2 June 2020

2019 Financial Performance

S\$707m
Net Profit

S\$7.6b
Revenue

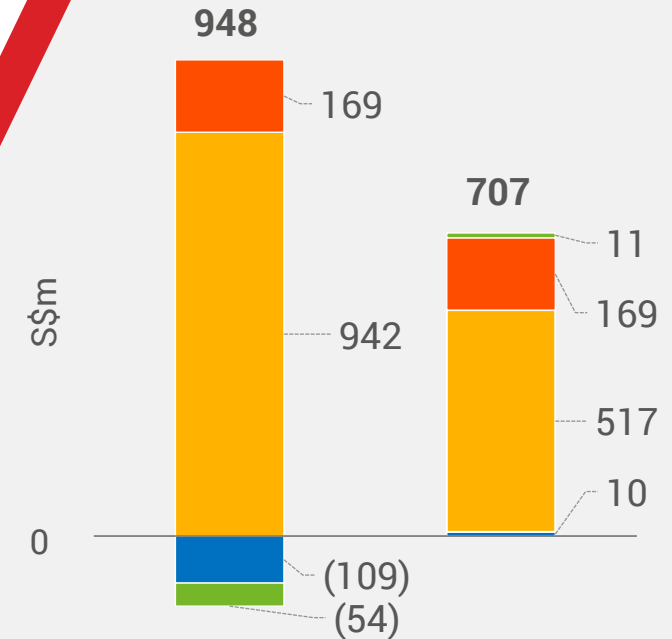
S\$260m
Recurring Income

6.3%
Return on Equity

20 cts
Cash Dividend
per Share

S\$653m
Free Cash Outflow

Net Profit



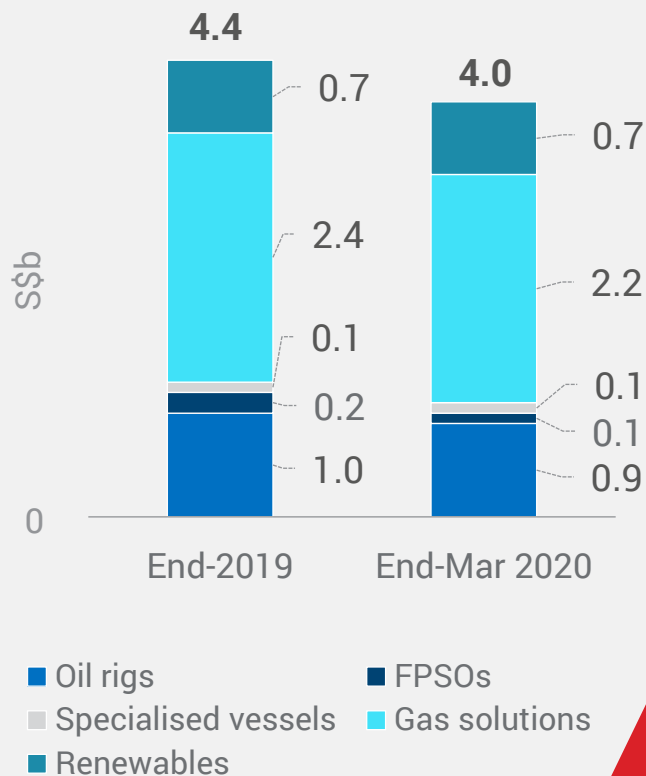
FY 2018

FY 2019

■ Offshore & Marine ■ Property
■ Infrastructure ■ Investments

Offshore & Marine

Net Orderbook ⁱ

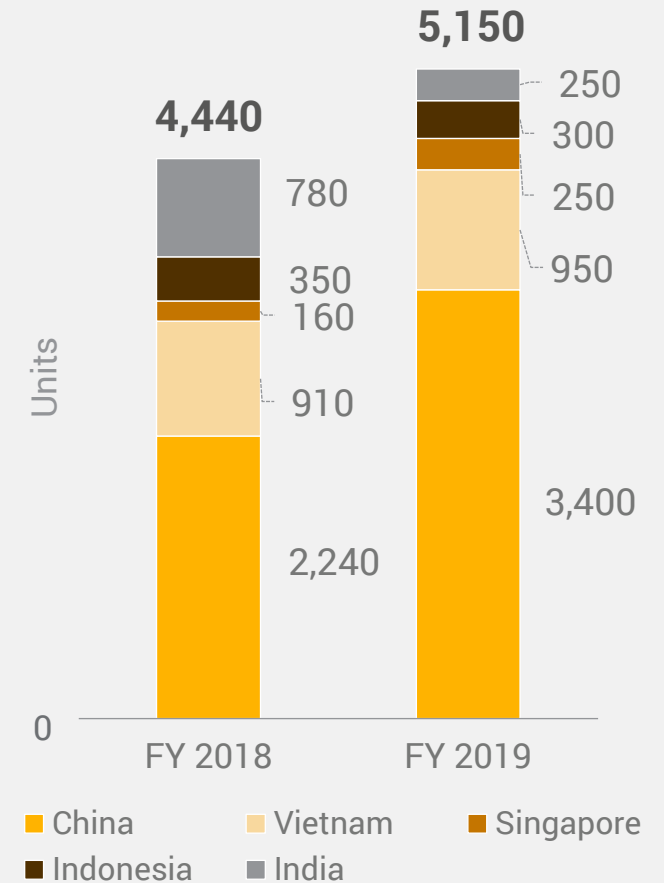


- Net profit of S\$10m for FY 2019
 - Keppel O&M returned to profitability for the first time since FY 2016
- Focused on execution
 - Delivered 13 newbuild and conversion projects in 2019
- New contract wins of >S\$2.0b in 2019, up 18% yoy
 - Gas and offshore renewables made up over 60% of new orders in 2019
- Net orderbook of ~S\$4.0b at end-March 2020

Property

- Net profit of S\$517m for FY 2019, with significant contributions from China and Vietnam markets
- Completed 9 acquisitions worth S\$0.5b across China, Vietnam and India in 2019
- Sold total of 5,150 units in 2019, up 16% yoy
- Positioned for growth with total landbank of ~45,000 homes and 1.6 million sm of commercial GFA

Home Sales



Infrastructure

- Net profit of S\$169m for FY 2019
- Keppel Infrastructure grew net profit by 14% yoy to S\$133m on improved performance from Energy Infrastructure & Environmental Infrastructure
 - Keppel Marina East Desalination Plant to commence operations in 2020
 - Hong Kong Integrated Waste Management Facility progressing well
- Data centre business a key growth engine; demonstrates how Keppel creates value and earns different income streams





Investments

- Net profit of S\$11m for FY 2019
- Keppel Capital
 - Net profit grew 19% yoy to S\$74m
 - AUM grew 14% yoy to S\$33b as at end-2019
- M1
 - Completed privatisation of M1, which contributed S\$153mⁱ to Group's earnings
 - M1, together with StarHub, won a 5G license in Singapore in April 2020
- SSTECH sold two land plots in Sino-Singapore Tianjin Eco-City for RMB1.5b

ⁱ Included contributions from M1, re-measurement gain of previously held interest in M1, amortisation of intangibles, funding costs and professional fees



Key Questions from Shareholders

1. Impact of COVID-19 on Keppel's businesses and outlook
2. Keppel's long-term strategy – Vision 2030
3. Dividend policy
4. Pre-conditional partial offer

Offshore & Marine

Affected by both COVID-19 and sharp fall in oil prices

Yards in Singapore provided essential services during circuit breaker, but with much reduced manpower

Several projects delayed due to workforce/supply chain disruptions. Served force majeure notices, and working with customers to mitigate impact, while ensuring safety & health of workforce

Actively seeking opportunities in gas & renewables, and repurposing offshore technology for other floating infrastructure uses

Keppel O&M is leaner and more diversified today, and in a stronger position to weather the downturn

Property

COVID-19 impact varies across markets

- Singapore - Home sales slowed down with closure of showrooms
- China - Strong recovery in market sentiments
- Vietnam - Demand remains healthy
- Continuing demand for quality real estate in key Asian cities where we operate, driven by urbanisation & growing affluence
- Turn assets faster to achieve higher returns

Infrastructure & Connectivity

Sectors relatively resilient to the pandemic

- Keppel-led consortium awarded S\$1.5b contract for Phase 1 of Singapore's Tuas Nexus Integrated Waste Management Facility
- More enquiries on new data centre capacity across Asia & Europe
- Demand for M1 postpaid mobile services resilient, though roaming & prepaid revenue fell with drop in international travel
- Despite headwinds, COVID-19 accelerated digital transformation, which will create opportunities for connectivity business



Asset Management

A growth engine for the Group

Investors continue to be attracted to Keppel Capital

- Launched Keppel Asia Infrastructure Fund
- Total commitments of ~US\$1.5b YTD from investors including a large Asian pension fund & a sovereign wealth fund in Keppel Capital-managed funds

Fund raising and transactions may take more time due to travel restrictions and more cautious sentiments

Continue to work towards S\$50b AUM target

Responding to COVID-19

COVID-19 Task Force

Stress tested different scenarios. Currently focusing on safe resumption of work and how we can emerge stronger after the pandemic



Employees

Health & well-being of our employees, including foreign workers, remain our top priority



Supporting Communities

Includes S\$4.2m relief package co-funded by directors, management and staff, and donations to The Courage Fund



Emerging Trends

New ways to live, work, learn & play; virtual experiences; enhancing supply chain resilience - Will create disruptions & opportunities



Vision 2030

Charting Keppel's future as ONE integrated business, collaborating to provide solutions for sustainable urbanisation

- Focus on four key areas: Energy & Environment, Urban Development, Connectivity and Asset Management, part of a connected value chain
- Strategic M&A transactions to grow, selective divestments to free up balance sheet, activate landbank to improve asset turns and returns
- Capital allocation driven by: ROE target, scalability, potential for integration and synergy, alignment to Vision, Mission & ESG goals
- Asset management will help fund solutions created by the Group - real assets increasingly sought by investors
- Focus on growing recurring income





Additional Questions Posed by Shareholders

On our Dividend Policy

We have no formal dividend policy but have consistently paid out about 40-50% of net profit as dividends in the past few years.

On the Pre-conditional Partial Offer

We are unable to comment on the pre-conditional partial offer. We continue to see long-term value in Keppel's business.

Thank You