



Fund Management and Investment Platforms

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

FUNDS UNDER MANAGEMENT¹

\$88b

60% higher than \$55 billion as at end-2023

FEE-TO-FUM RATIO

50 bps

Comparable to ratio of 51 bps in 2023

INTERNAL RATE OF RETURN

20%

Average across deals since 2002

In 2024, the asset management sector continued to experience the effects of high interest rates and macroeconomic headwinds. Following the preceding years of subdued activity, asset managers remained under pressure to make distributions while Limited Partners (LPs) held back new allocations. While dealmaking activities began to thaw in the latter part of 2024, inflation remains persistent and investors continue to position for a higher-for-longer interest rate environment.

Despite the challenging environment, Keppel grew its Funds Under Management¹ (FUM) to \$88 billion from \$55 billion in 2023, on the back of stronger performance by Keppel's private funds and listed entities, as well as the successful acquisition of the first 50% stake in leading European real estate asset manager, Aermont Capital, in April 2024.

During the year, Keppel raised \$3.4 billion in equity², 48% higher year on year, and made first closings for its flagship funds, KSURF and Keppel Private Credit Fund III. The Company also executed \$6.2 billion worth of deals² across data centres, infrastructure and renewables in 2024, more than doubling the acquisitions and divestments in 2023.

According to Preqin estimates, global alternatives assets under management could surge past US\$30 trillion by 2030, from US\$5.8 trillion in 2023. Notwithstanding the volatile environment, demand for real assets remains anchored to megatrends such as climate change and the energy transition, rapid urbanisation and increasing digitalisation. Alternative real assets, which are resilient against business cycles, offer a strong anchor to investment portfolios against a backdrop of economic uncertainty and inflation risks. As an asset manager with deep, front-line operating capabilities, Keppel offers global investors multiple access points to alternative real asset portfolios across the risk-return spectrums of infrastructure, real estate and connectivity.

While macroeconomic conditions are likely to remain challenging with evolving geopolitical risks, a gradual

recovery in dealmaking activities amid improving financing conditions is expected in 2025. Keppel is in a good position to seize opportunities, leveraging its strengths in alternative real assets related to sustainability and connectivity, and bolstered by \$26 billion in dry powder and a \$40 billion deal flow pipeline. The Company will continue focusing on organic growth initiatives to drive FUM growth towards \$100 billion in 2026 and \$200 billion in 2030.

INFRASTRUCTURE

Keppel is investing in renewables, clean energy, and decarbonisation solutions to address the impact of climate change and support the transition to low carbon. As a leading infrastructure operator, Keppel develops strategic assets like power generation, waste-to-energy, and water treatment plants, providing a pipeline of real assets for its private funds and listed infrastructure trust. LPs are increasingly seeking opportunities with Keppel, which has the expertise to develop, operate, and manage such high-specification infrastructure assets.

During the year, SGX-listed Keppel Infrastructure Trust (KIT) acquired a 50% stake in the Keppel Marina East Desalination Plant, Singapore's first and only large-scale dual-mode desalination plant, from Keppel. In March 2025, Keppel Core Infrastructure Fund acquired from Keppel a 39% stake in Keppel Merlimau Cogen Plant, a 1,300 MW power plant co-owned with KIT. Both of these water and power assets, which were developed by Keppel, will continue to be operated and maintained by the Company's Infrastructure Division.

Keppel Private Credit Fund III achieved its first close, securing approximately US\$350 million in committed capital as at end-2024. Keppel's private credit series has committed close to US\$900 million across 30 investments, delivering attractive risk-adjusted returns to LPs.

Keppel has been expanding its reputation as a global infrastructure asset manager. In 2024, Keppel was







¹ Gross asset value of investments and uninvested capital commitments on a leveraged basis is used to project fully-invested FUM.
² Excluding Aermont.

Operating & Market Review

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DIVERSE OFFERINGS PROVIDING STRONG RETURNS

Keppel's investment solutions comprise a myriad of infrastructure, real estate and connectivity strategies across the risk-return spectrum.

Debt	Core	Core+	Value Add/Opportunistic		
 <p>Keppel Private Credit Fund Series</p> <p>Defensive private credit strategy focused on Asia Pacific infrastructure</p>	 <p>Keppel Core Infrastructure Fund</p> <p>Investing in highly defensive and essential infrastructure assets across Asia Pacific</p>	 <p>KSURF</p> <p>Brown-to-green strategy, and turning older buildings into sustainable, smart and connected assets</p>	 <p>Keppel Education Asset Fund Series</p> <p>Investing in tomorrow's future with education-related assets and purpose-built student accommodation</p>	 <p>Keppel Infrastructure Fund Series</p> <p>Value-add infrastructure strategy supporting the sustainable urbanisation and decarbonisation agenda</p>	 <p>Keppel Data Centre Fund Series</p> <p>Capitalising on the growth of cloud and AI in Asia Pacific</p>

ranked in IPE Real Assets' list of Top 100 Infrastructure Managers, emerging as the third largest globally by listed investments, and the sixth largest in Asia Pacific by Assets Under Management. As at end-2024, infrastructure strategies made up \$19 billion of Keppel's FUM, spanning a portfolio of diverse energy, environmental and digital infrastructure.

REAL ESTATE

After an extended period of muted activity, the real estate sector is showing signs of recovery, supported by a more constructive market outlook and debt financing availability. Transaction volumes and corporate real estate prices also appeared to have bottomed out in the latter part of 2024.

Meanwhile, the availability of technology and innovation is also influencing real estate investments. Within real estate, building optimisation and automation can extend a building's life, reduce maintenance costs, and improve energy efficiency, which provide opportunities for asset enhancements and value uplift.

In 2024, Keppel achieved the first close of its flagship Sustainable Urban Renewal (SUR) fund, KSURF, bringing the total FUM for its SUR strategy to over US\$1.7 billion. KSURF focuses on value-add real estate opportunities in the Asia Pacific, targeting the commercial, living, life

sciences, hospitality and logistics segments. Keppel's Real Estate Division is working with KSURF to implement innovative asset enhancements and sustainability solutions, such as renewable energy, energy and water saving solutions, as well as smart building controls, to create high-quality and sustainable buildings that are both energy- and cost-efficient.

Keppel is also seizing opportunities amid the growing private education sector. As at-end 2024, Keppel Education Asset Fund I was close to being fully deployed. Fund I is currently working with the Real Estate Division to convert an underperforming office building in Singapore into a premium international school. Following a successful first vintage, Keppel is working on Fund II in its flagship education fund series. With a target size of US\$1 billion, Fund II will invest in quality education-related assets across the Asia Pacific.

CONNECTIVITY


The data centre market is poised for significant growth, driven by rapid digitalisation and AI adoption. Leveraging decades of experience in data centres, Keppel offers a strong value proposition to investors, enabling access to this fast-growing asset class through its integrated ecosystem, which includes green energy, cooling solutions and subsea cables.

During the year, Keppel's private funds and listed REIT expanded their portfolios in Asia's biggest data centre hubs with strategic investments into green and brownfield data centre assets in Singapore, Japan and Taiwan.

In Singapore, Keppel and Alpha Data Centre Fund divested the first two buildings of the Keppel Data Centre Campus to Keppel DC REIT in one of the largest data centre transactions in Southeast Asia for \$1.38 billion. This transaction is expected to generate an Internal Rate of Return of about 50% with a 3x equity multiple for Fund I and 7% distribution accretion for the REIT, attesting to Keppel's ability to create proprietary deals with attractive returns for multi-stakeholder groups.

Keppel Data Centre Fund II is fully committed to deals, while the new Data Centre Fund III is expected to finalise its first close in 1H 2025. Both Fund II and III will also be investing to develop the third of three buildings in the Keppel Data Centre Campus in Singapore. Over in Europe, Keppel collaborated with Aermont and contributed to its successful acquisition of Spain's leading data centre group, Nabiax, under Fund V.

As at end-2024, data centre assets made up \$10 billion of Keppel's FUM. Keppel plans to expand its data centre FUM to about \$19 billion over the next few years, driven by Keppel Data Centre Fund III and further co-investments.

The image shows a large industrial facility, likely a water treatment plant, with rows of large, white, cylindrical filtration modules. Two workers in orange safety suits and white hard hats are standing in the foreground, looking at a document together. The background is filled with more of the same equipment, creating a sense of scale. The lighting is bright, and the overall scene is clean and organized.

Limited Partners are increasingly seeking opportunities with Keppel, which has the expertise to develop, operate and manage high-specification infrastructure assets, such as power generation, waste-to-energy and water treatment plants.