Address by Mr Loh Chin Hua, CEO of Keppel Ltd.

SECOND HALF AND FULL YEAR ENDED 31 DECEMBER 2024

Transforming for growth

2024 was a pivotal year for Keppel, as it marked the first year of our transformation from a diverse conglomerate into a global asset manager and operator, seizing opportunities amidst the energy transition, digitalisation, the AI boom and demand for alternative real assets.

Up to a few years ago, Keppel used to be known mainly as an offshore rig builder, a property developer, and an infrastructure EPC[1] contractor, with independently run verticals. Today, Keppel is a horizontally integrated company, hunting as a pack, with our platforms and divisions reinforcing one another to deliver stronger value, both to our shareholders and to our Limited Partners (LPs). We are also bringing in world-class partners and collaborators to offer better solutions across the value chain, establishing Keppel as a strategic ecosystem player.

Achieving stronger results as New Keppel

As the New Keppel, we achieved strong results despite the volatile global environment. Our net profit from continuing operations was $1.06 billion in FY24, about 5% higher than $1.02 billion in FY23, excluding the effects of the legacy offshore and marine (O&M) assets[2]. Including these effects and the discontinued operations, our net profit was $940 million for FY24.

All three segments were profitable in 2024, with Infrastructure delivering robust results, and Connectivity recording 45% in earnings growth year on year. Asset Management fees[3] in FY24 grew strongly by 54% to $436 million as we selectively made investments and also raised our Funds Under Management[4] (FUM) from $55 billion to

[1] Engineering, procurement and construction.
[2] Effects of legacy O&M assets comprise the P&L effects from Seatrium shares, the legacy rigs, and contributions from stakes in Floatel and Dyna-Mac.
[3] Includes 100% fees from subsidiary managers, joint ventures and associated entities, annualised fees for platform/asset acquired during the year, 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.
[4] Gross asset value of investments and uninvested capital commitments on a leveraged basis is used to project fully-invested FUM.

$88 billion, through organic and inorganic growth. FY24 also saw a free cash inflow[5] of $901 million compared to a free cash outflow[6] of $384 million in the prior year.

Delivering on transformation

Supported by our asset-light strategy, our Return on Equity (ROE) has been steadily improving over the years. In FY24, our ROE from continuing operations reached 10.1% excluding the effects of the legacy O&M assets, compared to 7.9% two years ago, in FY22.

Since embarking on our ambitious $17.5 billion asset monetisation programme in October 2020, we have announced close to $7 billion in assets monetised, including some $1.5 billion[7] in 2024. We are making good progress towards our interim target of $10-$12 billion by end-2026. The asset monetisation announced does not include the divestment of Keppel O&M, which would have added another $4.7 billion[8], bringing our total monetisation to about $11.7 billion.

Looking ahead, having taken over full control of Asset Co, we will focus on derisking our legacy O&M assets, which include Asset Co's rigs and our stake in Floatel, with a carrying value of approximately $3.6 billion as at end-2024. Taking control of Asset Co, including the $1.1 billion cash in the now 100%-owned subsidiary, enables us to better manage when and how the legacy rigs are monetised.

Over the past few years, the quality of our earnings has improved significantly. In 2024, our recurring income was $766 million. This represents 72% of our net profit from continuing operations in 2024, excluding the legacy O&M assets, above the 56% in FY22 and 21% in FY21. Reflecting our transformation, Keppel is no longer ascribed a conglomerate discount by most analysts. We hope in time to come, the market will ascribe an appropriate growth multiple to value the growing recurring income of the New Keppel.

[5] Includes net cash of $1.07 billion from consolidation of Asset Co.
[6] Includes $500 million cash component realised as part of the divestment of discontinued operations, which is presented as cash inflow from financing activities in the financial statements. The inclusion herein is for better comparability and understanding of the free cash flow.
[7] Includes $635.9 million from Asset Co which is based on $1,070.0 million cash in Asset Co as at 31 December 2024 and $71.3 million cash payment received from Asset Co in 1Q24, less $505.4 million from the 3 jackup rigs sold to Borr Drilling as announced in 2022.
[8] This includes 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.

More streamlined and agile

As an organisation, we have not only integrated the company and removed vertical silos, we have also flattened the organisation structure, making Keppel more streamlined and agile. Through disciplined restructuring, we achieved our target of $70 million in recurring annual run-rate cost savings, two years ahead of schedule. We are now working towards additional savings of $50 million per annum by end-2026, through further cost optimisation and by harnessing the power of cloud and AI to work even better and faster.

Rewarding shareholders

To reward shareholders, the Board of Directors has proposed a final cash dividend of 19.0 cents per share for FY24, payable on 9 May 2025. The final cash dividend is comparable to last year's final dividend. Including the interim cash dividend of 15.0 cents per share paid in August 2024, shareholders will receive a total cash dividend of 34.0 cents per share for FY24.

Over the past three years, Keppel has achieved an annualised Total Shareholder Return[9] of 34.8% compared to STI's 11.9%. Including the final dividend declared for FY24, we would have paid a total of $3.37 per share in dividends and distributions in-specie over the past three financial years.

As we continue to grow recurring income and drive asset monetisation, we will be in a good position to continue rewarding shareholders well, whether through dividends, distributions in-specie, or share buybacks.

Gaining momentum as a global asset manager

As a global asset manager and operator, all our platforms and divisions have also undergone significant transformation, with strong results.

Our FUM surged by about 2.4x from $37 billion at the end of 2020 to $88 billion at the end of 2024. Our asset management fees grew from $180 million in 2020 to $436 million in 2024, at a compounded annual growth rate of about 25% in four years.

Investments by Keppel's private funds have expanded from mainly real estate in the past to include energy and environmental infrastructure, data centres and private credit. Our geographical reach has also expanded from mainly Asia Pacific to Europe, with Aermont Capital (Aermont) as our European platform.

[9] Source: Bloomberg

In 2024, Keppel was 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.

Keppel has earned its reputation as a trusted partner to our investors. Our success is grounded in a proven track record of having delivered strong and consistent returns to our LPs over the years. Since 2002, we have achieved an average Internal Rate of Return of 20% across deals with an equity multiple of 2.0x.

Against a challenging fundraising environment marked by high interest rates and macroeconomic headwinds, we raised $3.4 billion in equity[10] in 2024, 48% higher than in 2023. During the year, we executed $6.2 billion worth of deals[10] across data centres, infrastructure and renewables, more than doubling the acquisitions and divestments in 2023.

We are now close to our interim FUM target of $100 billion by end-2026, which we are hopeful of achieving ahead of schedule. We will double down on organic growth initiatives to drive our fundraising momentum to reach our longer-term FUM target of $200 billion by 2030.

We will also draw on our synergies with Aermont to grow our FUM in the European market. During the year, Keppel contributed to Aermont's successful acquisition of Spain's leading data centre group, Nabiax, under Fund V. Aermont is now making plans to launch Fund VI, building on the success of Fund V and good investor interest.

Looking ahead, Keppel's strengths in sustainability and connectivity will continue to position us well to seize opportunities, bolstered by $26 billion in dry powder and a $40 billion deal flow pipeline.

Infrastructure: Amplified growth with robust recurring income

Our Infrastructure Segment, currently Keppel's largest earnings contributor, has evolved significantly over the past few years. During this time, earnings from Infrastructure have surged 4.9x from $137 million in FY21[11] to $673 million in FY24, underpinned by strong recurring income.

The Keppel of the past used to be focused on the power trading business with a high exposure to the spot market, which resulted in volatile earnings. Presently, about 70%

[10] Excluding Aermont.
[11] Based on Keppel Infrastructure's net profit as reported in Keppel's FY21 results.

of our contracted power capacity is locked in for three years or more, abating the effects of wholesale electricity price fluctuations.

We also shifted from being largely an EPC player in the past to providing technology solutions and operating and maintenance services that generate steady recurring income.

We used to operate a subscale infrastructure business, mainly in Singapore. Today, we have expanded into China, India, Thailand, and Vietnam, deploying AI and machine learning to offer our decarbonisation and sustainability solutions at scale. As at end-2024, the Segment had about $6 billion of such long-term non-power related contracts, which are expected to generate over $100 million in annual EBITDA from 2025.

Importantly, we have succeeded in transforming a traditionally asset-heavy business into an asset-light one. Today, our Infrastructure Division is seizing opportunities across the renewables, clean energy and decarbonisation value chains by co-investing with our private funds and recycling capital through Keppel Infrastructure Trust.

Real Estate: Pivoting to an asset-light model

Real Estate continues to be an important segment for Keppel. However, the way we operate has changed, pivoting from a traditional developer into an asset-light real estate solutions provider, focused on recurring income.

From $15.7 billion as at end-2017, total assets in the Real Estate Segment have shrunk to $14.1 billion by the end of 2024. Our exposure to China property has also been significantly derisked. As at end-2024, we had a remaining landbank in China of about $1.1 billion held at historical costs in our books[12], compared to $3.1 billion in 2017. Reflecting our efforts to unlock capital, we have announced the monetisation of about $3.6 billion in real estate assets, making up 51% of Keppel's cumulative asset monetisation of $7 billion as at end-2024.

Through our multi-year restructuring, we have also generated significant run-rate cost savings of above $100 million over the past two years. As we sharpen our focus on expanding recurring income, the Real Estate Division will continue offering Sustainable Urban Renewal solutions through KSURF and provide consultancy services for large-scale developments leveraging Keppel's established track record in Asia.

[12] Includes effective carrying values for those held by associated companies and joint ventures. It does not include the carrying value of SSTEC.

Connectivity: Seizing opportunities in digitalisation and AI

Connectivity is today a fast-growing segment, with earnings rising 2.5x from $74 million in FY18[13], before the privatisations of Keppel T&T and M1, to $184 million in FY24. From a subscale data centre and logistics player, our horizontally integrated Connectivity Segment has evolved into a leading digital infrastructure solutions provider seizing opportunities in the digitalisation and AI wave.

Over this period, the total gross power capacity[14] of our data centre portfolio has also expanded 2.7x from 240 MW in 2018 to 650 MW in 2024. We have announced plans to further grow this by over 500 MW to 1.2 GW in the next few years, fuelled by $10 billion in new FUM from Keppel Data Centre Fund III and further co-investments.

We have also expanded beyond data centres into new areas like subsea cable systems. Last month, the Bifrost Cable System that we are developing was granted a subsea cable landing license by the United States Federal Communications Commission, paving the way for its successful deployment in 2H25. When completed, Bifrost will not only deliver enhanced connectivity and network diversity to our customers but also generate attractive returns for Keppel and our private fund co-investors with expected Internal Rate of Return of over 30% per annum. In addition, Keppel will continue to earn long-term operating and maintenance fees of over $200 million per fibre pair over 25 years. Beyond Bifrost, we are also pursuing opportunities for two more cable systems with over 30 fibre pairs connecting Southeast Asia to the rest of Asia and beyond.

M1, from traditional telco to digital-first network operator

Since the privatisation of M1 five years ago, it has transitioned from a traditional telco into a digital-first network operator, and has synergised with Keppel as part of our integrated connectivity ecosystem.

Despite challenging market conditions, M1 has seen steady EBITDA[15] growth of 10.7% from $196 million in FY22 to $217 million in FY24. The separation of M1's network assets has also liberated $580 million from the balance sheet, making it more asset-light.

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[13] Based on net profit contributions from Keppel T&T and M1, prior to both companies' privatisations in 2019, as disclosed in Keppel's FY18 results.
[14] Includes projects under development.
[15] EBITDA refers to profit before depreciation, amortisation, net interest expense and tax. It includes share of associates' results.

As part of its extensive digital transformation, M1 refreshed its technology stack, and migrated all customers to its cloud native digital platform, improving customer acquisition and retention, while reducing its cost to serve. About $10 million in cost savings were achieved with the retirement of M1’s old technology. Currently, about 90% of its customer transactions are conducted online through M1’s digital platform, compared to 65% in 2019. M1’s cost to serve has also been declining and is expected to yield 20% in annual savings per customer from 2025, compared to 2020.

M1 has also expanded its presence beyond Singapore in Malaysia and Vietnam. The enterprise business has been identified as a new growth engine, with M1’s enterprise revenue surging 82% from 2021 to 2024.

A differentiated ecosystem player

In the fast-growing digital economy, Keppel stands ready to meet the growing demand for leading-edge data centres and digital infrastructure from global cloud players and hyperscalers.

Going forward, we will continue to focus on investing in the digital economy, leveraging Keppel’s ecosystem and value chains to deliver robust returns. We will seek more opportunities to work with global cloud players and technology leaders, such as Amazon Web Services, with whom we have signed a Strategic Framework Agreement for a global partnership for data centres, subsea cables and renewable energy. This will enable us to drive growth and better navigate the disruptions in the fast-changing digital and AI landscape.

Conclusion

To conclude, Keppel's comprehensive transformation has positioned us to thrive in a volatile future, marked by increasing geopolitical risks, technology disruptions and trade tensions. I am confident that Keppel is well poised to seize opportunities, leveraging our integrated ecosystem and access to diverse capital pools to deliver the sustainability and connectivity solutions that investors and customers seek.

As we accelerate Keppel’s growth as a global asset manager and operator, harnessing the cloud and AI to drive efficiencies and competitive advantage, we will deliver strong returns to both our shareholders and LPs.

Our CFO, Kevin Chng, will now take you through details of the Company’s financial performance.

KEPPEL LTD.

FULL YEAR ENDED 31 DECEMBER 2024

1. Thank you CEO, and a very good morning to all. I shall now take you through Keppel's financial performance.

Overview of FY24 Results (Slide 21)

2. Our net profit for FY 2024 was $940 million, as compared to $4.1 billion for FY 2023. Excluding discontinued operations, net profit was $832 million, as compared to $885 million for FY 2023.

3. During the year, legacy O&M assets[1] and discontinued operations registered a net loss of $124 million, as compared to a net profit of $3.1 billion for FY 2023. FY 2023 included the gain on disposal of Keppel Offshore & Marine (KOM) of approximately $3.3 billion. In addition, there were fair value losses on the remaining Seatrium shares in our segregated account as compared to gains in FY 2023, higher financing costs[2] and amortisation[3] of Day 1 fair value loss on note receivables. These were partly offset by the write-back of certain cost provisions made in 2023 relating to the Combination of KOM and Sembcorp Marine, as well as recognition of indemnity claim under the Combination Transaction.

4. As CEO mentioned, the New Keppel has performed strongly in FY 2024, excluding the effects of legacy offshore and marine (O&M) assets and discontinued operations.

5. In the next few slides, I will present the financials excluding effects of the legacy O&M assets[1] and discontinued operations to provide greater clarity on the financial performance of the New Keppel as a global asset manager and operator.

Overview of FY24 Results (excluding legacy O&M assets & discontinued operations) (Slide 22)

6. Net profit for FY 2024 was $1.064 billion which is 5% or $49 million higher than $1.015 billion for FY 2023.

7. All three segments were profitable, with stronger year-on-year performance from the Connectivity segment.

8. ROE increased to 10.1% for FY 2024 from 9.5% for FY 2023.

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[1] *Effects of legacy O&M assets comprise the P&L effects from Seatrium shares, the legacy rigs, and contributions from stakes in Floatel and Dyna-Mac.*

[2] *Following the completion of the Asset Co Transaction in Feb 23, the financing cost relating to the vendor notes is now reported under Corporate Activities, as compared to under Discontinued Operations in Jan – Feb 23.*

[3] *As required by accounting standards, the notes receivables have to be fair valued at initial recognition (Day 1) and the difference between the fair value and the transacted price is deferred and amortised over the expected life of the notes or when its fair value (or its inputs) can be observed directly from the market.*

9. I will further elaborate on the performance of each segment later.

10. Adjusted net debt to EBITDA[4] was 3.7x as at end December 2024, as compared to 3.3x as at end 2023. This was mainly due to an increase in adjusted net debt as a result of acquisitions and investments, including the One Paramount project in India and Aermont Capital. There were also additions of fixed assets, investment properties and dividend payments, partly offset by divestment proceeds received during the year.

11. Free cash inflow was $901 million as compared to free cash outflow of $384 million[5] in the same period last year. Net cash from operating activities was higher at $200 million as compared to $58 million in the prior period mainly due to higher operational cash inflows and lower working capital requirements, partly offset by higher interests and income tax paid. Net cash from investing activities of $701 million in FY 2024 was mainly attributable to cash balances of about $1.07 billion consolidated upon obtaining control of Asset Co.

Horizontal Reporting (excluding legacy O&M assets & discontinued operations) (Slides 23)

12. FY 2024's net profit was supported by positive contributions from all income streams.

13. Lower operating income, partly offset by robust asset management earnings, translated into a recurring income of $766 million for FY 2024, which is comparable to $773 million in the preceding year.

14. Valuation gains of $361 million was higher than the prior year, led by higher fair value gains from investment properties in Singapore and Vietnam, as well as investments held by Real Estate and Connectivity segments.

15. Development and EPC earnings declined year-on-year mainly due to a decrease in profits from property trading projects in China and Singapore.

16. Excluding the loss arising from the dividend in-specie of units in Keppel REIT ("DIS loss") in FY 2023, divestment gains declined year-on-year due to lower recognition from asset monetisation in FY 2024.

17. Net loss from Corporate Activities was lower than that of FY 2023 mainly due to receipt of an award following a successful arbitration and divestment gains from the sale of non-core assets. These were partly offset by fair value losses from investments as compared to fair value gains in the prior year, as well as higher net interest and share plan expenses.

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[4] Adjusted net debt is defined as net debt of Group less net debt attributable to legacy O&M assets, while EBITDA refers to last twelve months (LTM) profit before depreciation, amortisation, net interest expense and tax, excluding P&L effects from legacy O&M assets.
[5] Includes $500m cash component realised as part of the divestment of discontinued operations, which is presented as cash inflow from financing activities in the financial statements. The inclusion herein is for better comparability and understanding of the FCF.

Infrastructure (Slide 25)

18. Moving on to segmental performance.

19. The Infrastructure Segment recorded a net profit of $673 million in FY 2024, 4% or $26 million lower than the $699 million in FY 2023.

20. Asset management achieved earnings growth of $28 million, mainly due to acquisition fees from Keppel Infrastructure Trust's ("KIT") acquisitions of a German solar portfolio and an Australian transportation business, as well as other transaction and advisory fees on sponsor stakes and co-investments.

21. The decline in operating income was a result of lower contributions from an associated company in Europe and lower distributions from KIT. FY 2023 benefitted from a special distribution from KIT. These were partly offset by stronger operating performance from the integrated power business underpinned by higher contracted loads.

22. The segment also recorded lower fair value gains from its sponsor stakes in private funds in FY 2024.

Real Estate (Slide 26)

23. Amidst challenging market conditions, the Real Estate Segment recorded a net profit of $306 million, 3% lower than the $315 million in FY 2023.

24. Asset management net profit was $36 million higher year-on-year, mainly driven by maiden contributions from Aermont Capital which was acquired in April 2024, as well as foreign exchange gains.

25. The decline in operating income was a result of lower contribution from Keppel REIT partly due to our reduced unitholding interests, following the dividend *in-specie* paid out to Keppel shareholders in November 2023, as well as higher operating losses from sustainable urban renewal, retail and senior living businesses.

26. Higher fair value gains on investments including investment properties in Singapore and Vietnam led to year-on-year increase in valuation gains of $160 million.

27. Development earnings were $173 million lower year-on-year, mainly due to lower profits from trading projects in China and Singapore.

28. Excluding the DIS loss in FY 2023, divestment gains were lower due to fewer assets monetised in FY 2024 as market conditions were not conducive.

Connectivity (Slide 27)

29. The Connectivity Segment achieved a net profit of $184 million in FY 2024, 45% or $57 million higher than $127 million in FY 2023.

30. Asset management net profit grew 79% year-on-year, mainly due to higher acquisition fees relating to Keppel DC REIT's acquisition of two data centres at the Keppel Data Centre Campus in Singapore, divestment and acquisition fees in relation to Keppel DC REIT's data centre asset in Australia, as well as lower overhead costs.

31. Operating income was comparable year on year. Whilst earnings from M1 and contributions from sponsor stakes were lower, these were partly offset by improved performance by the Data Centre Division with higher revenues from project and facility management as well as lower overheads. Despite a lower net profit contribution in FY 2024 from M1 mainly due to higher depreciation, M1 managed to deliver a slightly higher year-on-year EBITDA due to effective cost management efforts.

32. The Segment recorded higher fair value gains from Keppel DC REIT, data centres and other investments, as well as a dilution gain following Keppel DC REIT's private placement exercise, which were partly offset by lower fair value gains from private funds and impairments of non-core assets.

33. The Segment also recorded lower gains from the disposal of non-core assets, partly offset by a share of Keppel DC REIT's gain from the disposal of its Australian data centre asset.

Corporate Activities (Slide 28)

34. Net loss from Corporate Activities was lower at $99 million as compared to $126 million in FY 2023.

35. This was mainly due to receipt of an award following a successful arbitration, divestment gains from the sale of non-core assets and a write-back of prior years' tax provision. These were partly offset by fair value losses on investments in FY 2024, as compared to fair value gains in FY 2023, as well as higher net interest and share plan expenses.

36. 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.

Unless explicitly indicated otherwise, all monetary values denoted as '$' within the speeches are to be interpreted as referring to Singapore dollars.