

Briefing for Retail Shareholders

Hosted by Securities Investors
Association (Singapore)

25 August 2022

Vision 2030

Keppel continues to accelerate the execution of Vision 2030 and enhance resilience amidst a challenging environment, to deliver value for all stakeholders.

Driving transformation, sharpening focus

- Completed divestment of Keppel Logisticsⁱ
- On track with proposed O&M transactions. Anti-trust filings lodged. Working towards completion by end-2022

Accelerating growth

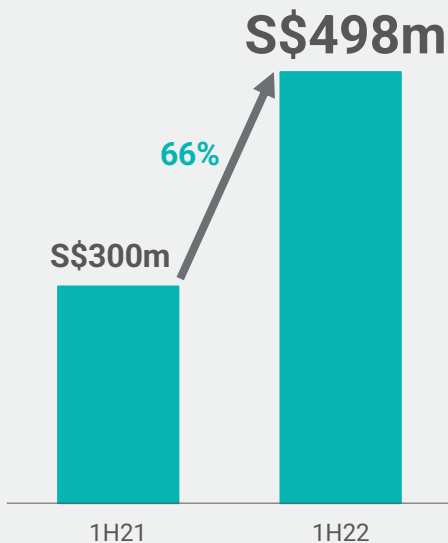
- Developing a leading asset management platform
- Scaling up in renewables, clean energy & decarbonisation solutions

Driving value creation

- Strong progress in asset monetisation, ahead of target

Delivering strong performance in 1H22

Net profit



Annualised ROE

8.4%

53% increase from 5.5% for 1H21

Net gearing

0.68x

Unchanged from 0.68x at end-2021

Free cash outflow

S\$127m

Compared to inflow of S\$499m in 1H21

Interim dividend

15.0 cts/share

Compared to 12.0 cts/share for 1H21

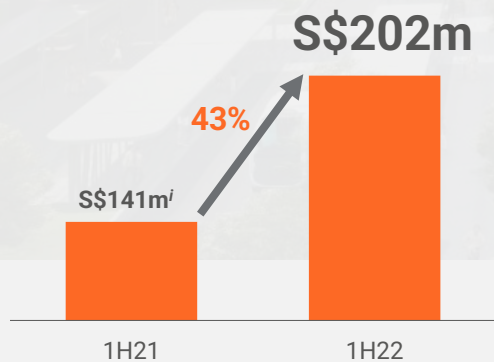
Share buyback programme

S\$364m

57 million shares repurchased in 1H22, since launch of S\$500m Share Buyback Programme in Jan 2022

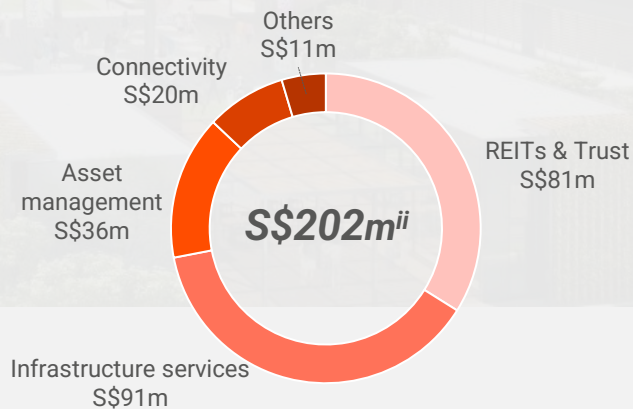
Growing recurring income in line with Vision 2030

Recurring income grew 43% yoy in 1H22



ⁱ The recurring income in 1H21 has been restated as Keppel O&M's income is classified as discontinued operations

Recurring income in 1H22



ⁱⁱ Includes losses from Rental & Charter and Hospitality in 1H22

Strong progress with asset monetisation

Capital unlocked will be used to fuel organic and inorganic growth plans and reward shareholders.

S\$3.6bⁱ

of asset monetisation announced since Oct 2020. Includes S\$355m from Keppel Marina East Desalination Plant which is being monetised through Keppel Infrastructure Trust

S\$2.9b

in cash received from Oct 2020 to end-1H22

>S\$5b

On track to exceed S\$5b target by end-2023



Keppel Marina East Desalination Plant, Singapore

Growing Asia's leading asset management platform

Harnessing Keppel's strong engineering, project execution and operating capabilities, Asset Management is an increasingly pivotal horizontal that pulls the Group together to hunt as a pack and realise synergies.

S\$3.3b

of acquisitions and divestments completed in 1H22

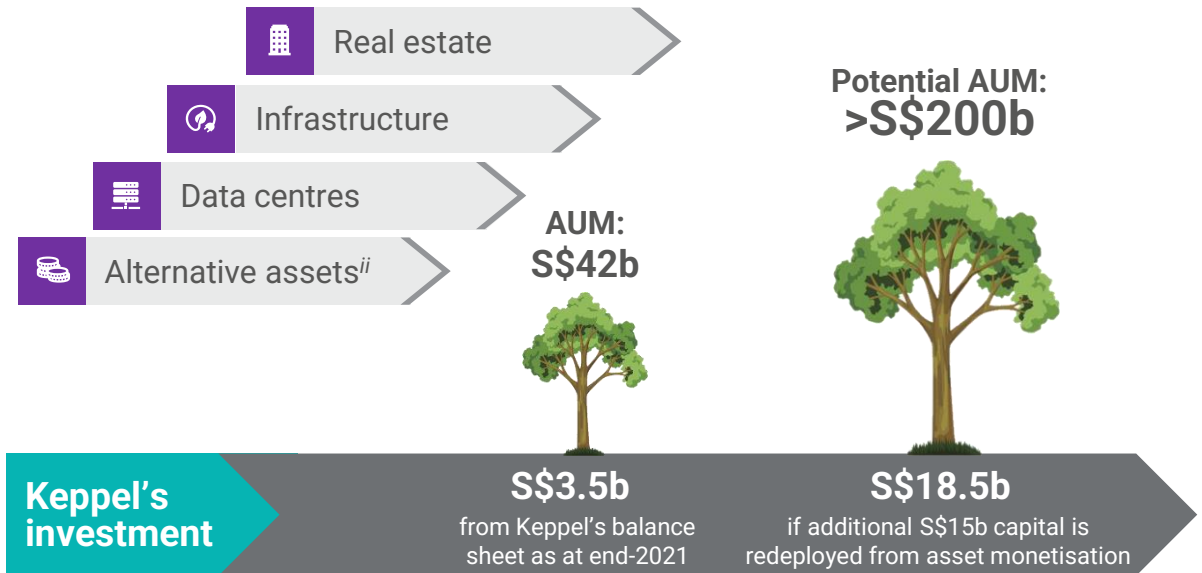
S\$126m

Asset management feesⁱ grew 14% for 1H22

New flagship funds

Plans in progress to launch Keppel Core Infrastructure Fund and Keppel Sustainable Urban Renewal Fund

Accelerating AUM and recurring income growth



Seizing opportunities as OneKeppel in growing energy & environment business

Joint acquisitions announced YTDⁱ
~S\$1.3b

- ✓ Expanding sources of stable recurring income
- ✓ Strong deal flow pipeline in well-established markets, with best-in-class operators and co-investors
- ✓ Optimising value creation for the Group's diverse stakeholders



Keppel Corporation and KIT acquiring interests in European onshore wind energy assets for S\$234m

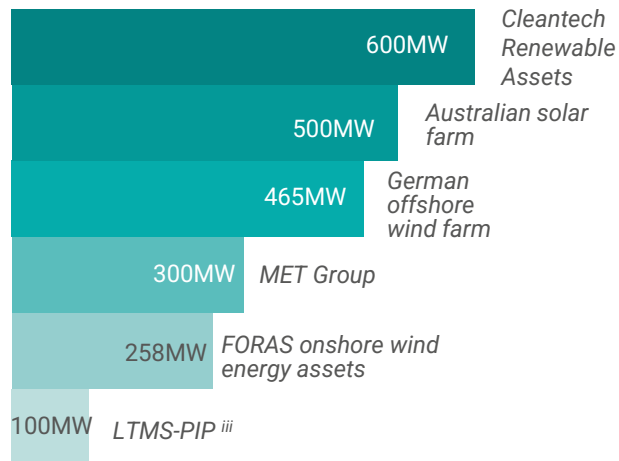


Keppel Corporation and KIT acquiring interests in German offshore wind farm for S\$445m



Keppel Infrastructure, KIT and KAIF acquiring leading South Korean waste management services platform for S\$666m

Renewable energy portfolioⁱⁱ ~2.2GW



ⁱ As at 19 August 2022

ⁱⁱ On a gross basis and includes projects under development

ⁱⁱⁱ LTMS-PIP stands for Lao PDR-Thailand-Malaysia-Singapore Power Integration Project

Scaling up in renewables, clean energy & decarbonisation solutions

- Keppel Electric is the first entity in Singapore to be issued electricity importer licence by Energy Market Authority
- Commenced first renewable energy import under two-year 100MW power purchase agreement with Electricite Du Laos under LTMS-PIPⁱ
- Collaborating with National Environment Agency on feasibility study of carbon capture at Singapore's WTE plants
- Piloting Singapore's first membrane-based nearshore floating solar photovoltaic system at Jurong Island

ⁱ LTMS-PIP stands for Lao PDR-Thailand-Malaysia-Singapore Power Integration Project

Hydrogen



Energy-as-a-Service

EV Charging



Carbon Capture

Advancing transformation of Keppel Land into an asset-light urban space solutions provider

Accelerating landbank monetisation

Working to substantially monetise China and Vietnam landbank in the next 1-2 years, including through injection into Keppel-managed funds



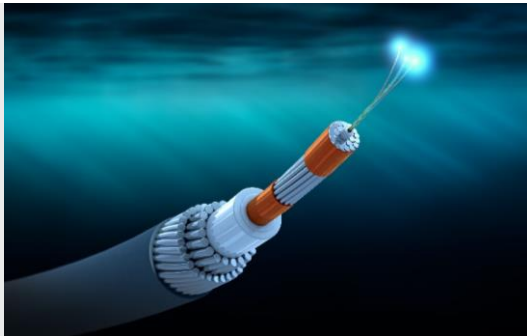
- Pivoting towards real estate-as-a-service with focus on growing recurring income
- Exploring pipeline of sustainable urban renewal and senior living projects across key markets
- Despite headwinds in China, remain confident of long-term prospects underpinned by continued economic growth and urbanisation trends

Scaling up sustainable data centre solutions and subsea cable systems



Data Centres

- 3 projects announced by Keppel DC REIT and Keppel Data Centre Fund II YTD, bringing Group's portfolio to 32 data centres upon completion of acquisitions
- Embarked on Group's 6th project in China since entering the market in 2020
- Continue to work with government and partners in Singapore to introduce green power and energy efficient infrastructures to new and existing data centres



Bifrost Cable System

- Strong demand for Bifrost Cable System, with 3 of Keppel's fibre pairs committed
- Marine surveys completed; applying for permits for cable lay operations
- Expect to commence cable lay operations in early 2023 and Bifrost Cable System to be ready for service in 2024

M1 continues to expand the enterprise business and 5G offerings

5G connectivity solutions

Progressing well on 5G SA network rollout - achieved more than 80% outdoor coverage and working towards nationwide outdoor coverage by early 2023

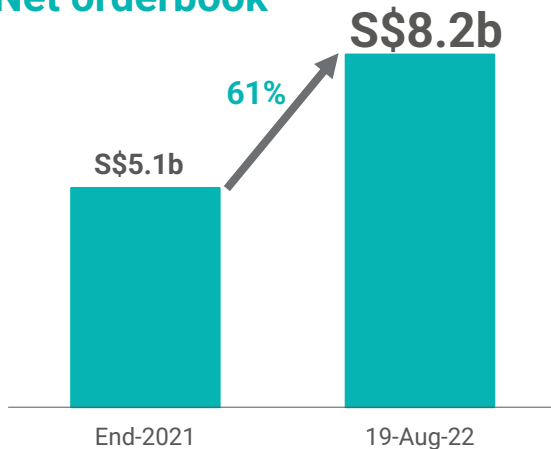


- Postpaid customer base grew to ~1.78 million customers, 2nd largest in Singapore
- Improving roaming and prepaid business outlook with progressive reopening of economies
- Collaborating with other Keppel business units and industry partners to create smarter, future-ready solutions and more 5G use cases

Improving O&M business

Outlook for O&M sector continues to improve with the increase in oil price

Net orderbookⁱ



Orderbook backed by high-quality projects that are either cashflow neutral or positive

YTD contract wins of S\$4.2b

Includes P-80 FPSO project for Petrobras; in advanced discussion on option for another FPSO worth US\$2.8b

Strong project execution and delivery

P-78 Petrobras project on track and within budget, and has been contributing to earnings



S\$255m of bareboat charter contracts

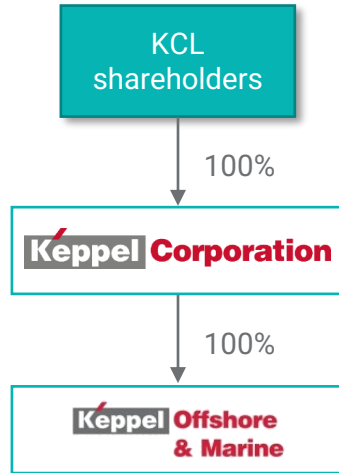
- Secured bareboat charter contracts for 4 jackups; engaging potential buyers for rig assets
- Confident of substantially monetising Keppel O&M's legacy rigs in next 3-5 years

ⁱExcludes semis for Sete Brasil

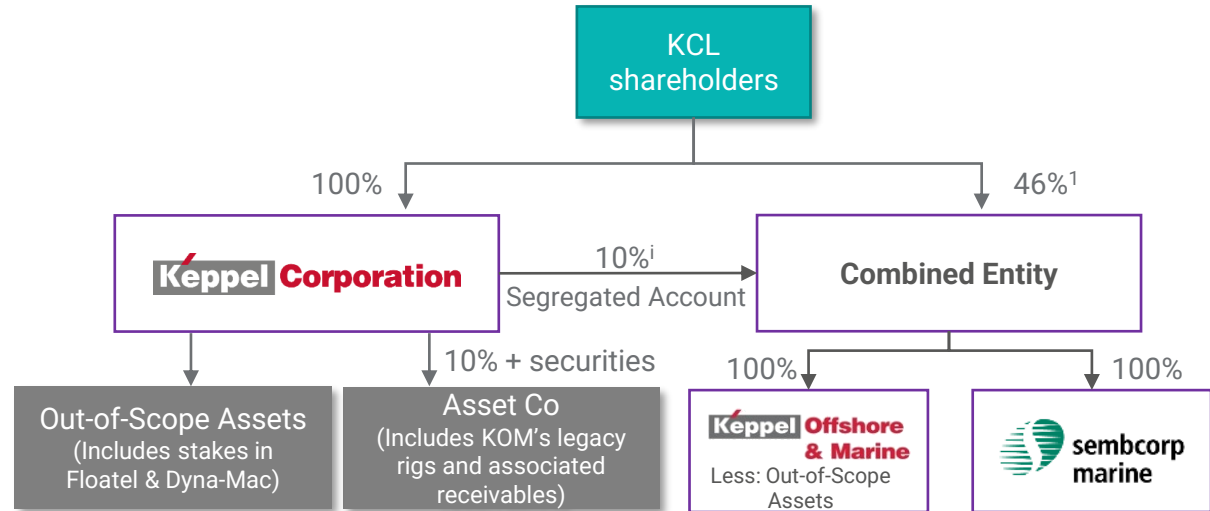
Proposed combination of Keppel O&M and Sembcorp Marine on track

Anti-trust filings lodged; working towards completion by end-2022

Current structure



Post-transaction structure



- KOM (excluding KOM's legacy rigs & associated receivables and certain Out-of-Scope assets e.g. Floatel and Dyna-Mac) will combine with SCM
- KCL will receive 56% stake in Combined Entity and S\$0.5b in cash. KCL will distribute in-specie 46% stake in Combined Entity to KCL's shareholders ("DIS")
- KOM's legacy rigs and associated receivables will be sold to a new and separate entity ("Asset Co"), which will be 90%-owned by external investors

Realisable value from proposed O&M transactions

	Value (S\$'m)	Value per Share ⁱ
AssetCo ⁱⁱ	4,050	S\$2.29
Shares in Combined Entity based on Sembcorp Marine shares' VWAP as at signing date ⁱⁱⁱ	4,874	S\$2.75
S\$500m Cash	500	S\$0.28
Realisable Value from Proposed O&M Transactions	9,424	S\$5.32
Out-of-Scope Assets ^{iv}	c.300	S\$0.17
Total Value of Keppel's O&M Business	9,724	S\$5.49

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ⁱ Per share value is calculated based on 1,770,895,935 Keppel Corporation shares in issue (excluding treasury shares) as at 30 June 2022.

ⁱⁱ This is computed on a pro forma basis, based on carrying values of the legacy rigs and associated receivables as at 31 December 2021. The actual value of the consideration will be based on the carrying values of these assets at the date of completion of the sale.

ⁱⁱⁱ As per the Media Release on the proposed combination of Keppel O&M and Sembcorp Marine on 27 April 2022. An assumed issue price of the Combined Entity shares of S\$0.122 per share is used for this illustration of value which is based on the volume-weighted average price ("VWAP") of the Sembcorp Marine shares for the last 10 trading days up to and including 26 April 2022 (signing date), and assuming a total of 39,949,762,557 new Combined Entity Shares (representing 56% of the issued and paid-up share capital of the Combined Entity) to be issued to Keppel on completion of the proposed transaction. The actual issue price of the Combined Entity Shares would be determined subsequently by the Combined Entity and may differ from the aforementioned issue price of S\$0.122 per share. The actual value of the consideration will depend on the actual traded price of the Combined Entity after the completion of the deal.

^{iv} This is computed on a pro forma basis, based on carrying values of the assets as at 31 December 2021.



Keppel will be a focused provider of sustainable urbanisation solutions, with an **asset management** arm, complemented by strong engineering, operations and maintenance capabilities in **energy & environment, urban development** and **connectivity**.



Sustainability



Asset light



Technology

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This presentation contains information on the proposed combination of Keppel Offshore & Marine Ltd ("Keppel O&M") and Sembcorp Marine (the "Proposed Combination") and should be read in conjunction with the joint announcement released by Keppel and Sembcorp Marine Ltd ("Sembcorp Marine") on 27 April 2022 in relation to the proposed combination of Keppel O&M and Sembcorp Marine (the "Joint Announcement") and the announcement released by Keppel on 27 April 2022 in relation to the Proposed Combination (the "Keppel Announcement"). Copies of the Joint Announcement and the Keppel Announcement are available on the website of the SGX-ST at <http://www.sgx.com>.

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