


3Q & 9M 2021 Business Update

28 October 2021

Highlights of 3Q & 9M 2021



*Continued strong
improvement in financial
performance and accelerating
execution of Vision 2030*

- Sharp reversal in 9M 2021 performance from loss in 9M 2020, and strong improvement in 3Q 2021 results yoy
- Announced ~S\$2.4b in asset monetisation to date and collected ~S\$1.6b in cash
 - Asset monetisation on track to exceed S\$5b target by end-2023
 - Capital unlocked will be used to fuel organic and inorganic growth plans and reward shareholders
- Discussions on proposed KOM-SMM combination and establishment of Asset Co progressing steadily
 - Jackup market improving with rising oil price and utilisation rates; received increasing enquiries for bareboat charters
- Obtained requisite approvals from MASⁱ and FIRBⁱ for SPH ex-media transaction, pending Keppel and SPH shareholders' approvals for the transaction, court approval for the scheme and completion of SPH's media divestment exerciseⁱⁱ. Both Keppel's and SPH's shareholder meetings expected in Nov 2021
- Seizing new opportunities in renewables & decarbonisation solutions
- Committed to halve Scopes 1 & 2 carbon emissions by 2030 and achieve net zero by 2050

ⁱ MAS stands for Monetary Authority of Singapore; FIRB stands for Australia's Foreign Investment Review Board

ⁱⁱ Please refer to the joint announcement released by the Offeror and SPH on 2 August 2021 for further details on the other scheme conditions

Strong Performance

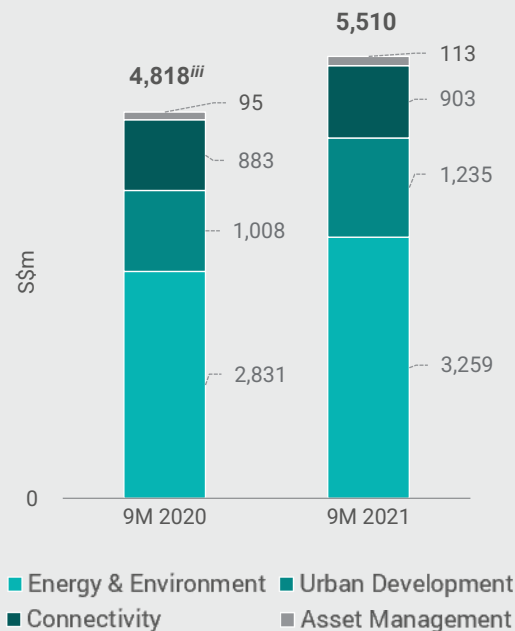
- Keppel Corporation recorded a net profit in 9M 2021, a marked reversal from the loss in 9M 2020
 - Significant improvement in 9M 2021 net profit, even excluding RIDsⁱ in both periods
 - All segmentsⁱⁱ performed better in 9M 2021
 - Net profit for 3Q 2021 was a significant improvement yoy with all segments recording improved performance
- Revenue was S\$5.5b, up 14% from S\$4.8b for 9M 2020
- Net gearing improved to 0.76x as at end-Sep 2021, from 0.85x as at end-Jun 2021

ⁱ RID stands for revaluations, major impairments and divestments

ⁱⁱ Excluding gain from reclassification of Keppel Infrastructure Trust in 2020

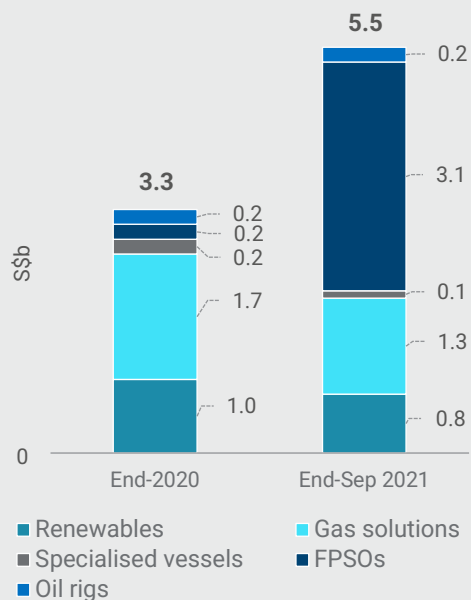
ⁱⁱⁱ Includes S\$1m from Corporate & Others segment for 9M 2020

Revenue by Segment



Energy & Environment

Offshore & Marine Net Orderbookⁱ



ⁱ Excludes semis for Sete

Orderbook strengthened with good execution and delivery amid COVID-19 disruptions

- Keppel O&M was profitable for 9M 2021, reversing the net loss of 9M 2020; EBITDA for 9M 2021 was positive
- Keppel O&M's revenue was S\$1.2b for 9M 2021, compared to S\$1.1b for 9M 2020
- Achieved overheads reduction of over S\$90m in 2021 and will continue to streamline operations
- O&M net orderbookⁱ stood at S\$5.5b at end-Sep 2021, up 67% from S\$3.3b at end-2020

Focused on execution

- Pandemic continues to pose manpower and supply chain challenges, but Keppel O&M continues to work closely with customers and focus on execution
- Delivered 5 major projects on time and without loss time incidents in 3Q 2021 and received project incentives from various customers

Energy & Environment



Keppel bolsters track record in renewables with the completion of Ørsted's offshore substations (in picture), which will be integrated and tested in the Taiwan Straits by Keppel O&M

Energy & Environment

Growing focus and traction in renewables, low-carbon and decarbonisation solutions

- Keppel Infrastructure delivered resilient performanceⁱ, though 3Q 2021's operating results were lower yoy
 - Revenue was S\$2.1b for 9M 2021, vs S\$1.7b for 9M 2020
 - EBITDA was S\$86m for 9M 2021, vs S\$119m for 9M 2020
- Actively pursuing opportunities in renewables, low-carbon and decarbonisation solutions
- Signed exclusive framework agreement with EDLⁱⁱ as part of the Lao PDR-Thailand-Malaysia-Singapore Power Integration Project to explore importing renewable energy into Singapore
- Secured recurring Energy-as-a-Service contract from Perennial Business City and commenced district cooling supply to new customers at One-North business park

ⁱ Does not include contribution from business trust

ⁱⁱ Electricite Du Laos

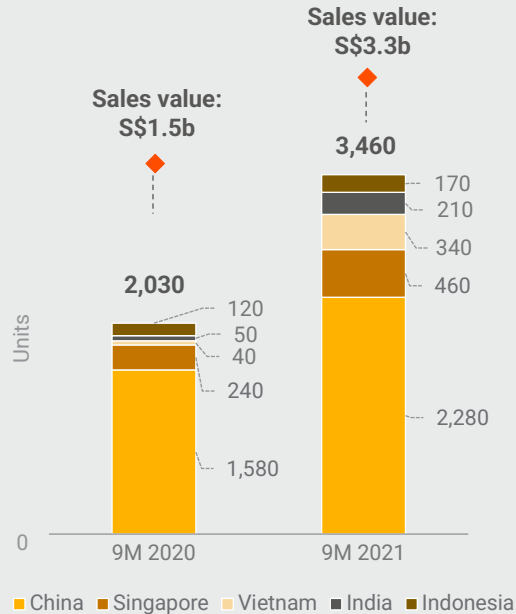


Keppel will supply Singapore's first sustainable Energy-as-a-Service to Perennial Business City (in picture)

Urban Development

Delivering stronger returns through active homes sales and divestments

Home Salesⁱ



ⁱ Refers to Keppel Land's home sales

ⁱⁱ Does not include contributions from REITs, private funds and SSTE

- Keppel Land's 9M 2021 performanceⁱⁱ improved yoy, underpinned by contributions from China and Vietnam property trading projects and divestment gains
- Chinese economy and housing market currently in focus: uncertainties in the short term, but could lead to stronger fundamentals in the longer term
- Keppel Land's home sales increased by 70% to 3,460 units in 9M 2021, bolstered by stronger performance across all key markets
 - Home sales in China grew 44% yoy, though market sentiments have been affected by debt issues faced by Chinese developers
 - Demand for homes in HCMC, Vietnam remains resilient although sales have been affected by COVID-19
- Sale of 8,110 overseas units worth S\$4.9b to be recognised from 4Q 2021 - 2024

Urban Development

*Focused on being an asset-light real estate solutions provider,
with growing recurring income*

- Sizeable landbank held at historical cost of S\$4.0bⁱ has strong potential for value unlocking
 - 63% of landbank located in key cities of China and Vietnam where home prices have appreciated significantly over the years
 - Completed divestment of 6 projects YTD for total proceeds of over S\$1.4b, which yielded net gain of ~S\$260mⁱⁱ
- Seizing opportunities to provide real estate as a service and expand fee-based income in areas of urban renewal and smart, sustainable townships
 - Partnering Topchain to manage office and business park assets in China

ⁱ As at 30 Sep 2021

ⁱⁱ About S\$190m of the net gains were recognised in 9M 2021, while the rest was recognised in 2020



GRESB 2021: Keppel Land achieved first in the Diversified - Office/Residential - Core category (global) and the Non-listed - Core - Closed end category (Asia), and achieved the highest GRESB 5 Star rating

Urban Development



Seasons City's retail mall (in picture) in the Sino-Singapore Tianjin Eco-City received over 60,000 visitors on its first day of opening in end-Sep 2021

Connectivity

Growing data centre portfolio and strong demand for Keppel's Bifrost fibre pairs

- Impact of COVID-19 continues to accelerate demand for digital connectivity solutions
- Keppel Data Centres performed stronger yoy in 9M 2021ⁱ
- Keppel Group completed investments in 2 data centres in China and 1 in the Netherlands, and announced acquisition of a 3rd data centre in China in 9M 2021
- Bifrost Cable System
 - Strong demand for Keppel's fibre pairs
 - Marine surveys progressing well; manufacturing to commence in 2022

ⁱ Does not include contributions from REITs and private funds



Artist's impression of Huizhou Data Centre in China

Connectivity

*5G SA network rollout gains momentum;
exploring opportunities to monetise 5G use cases*

- M1's earnings were lower yoy in 9M 2021 due to lower roaming and prepaid revenue arising from impact of COVID-19, but higher yoy in 3Q 2021 due to higher contributions from the growing enterprise business
- EBITDA was S\$175m for 9M 2021, vs S\$202m for 9M 2020
- Revenue was S\$783m for 9M 2021, vs S\$779m for 9M 2020
- M1 finalised agreements with Keppel DC REIT on network asset monetisation deal, unlocking ~S\$580m in value
- Advancing 5G initiatives:
 - Good progress with 5G standalone (SA) network rollout, achieved 50% outdoor coverage
 - Actively expanding 5G use cases including collaboration with Keppel Land at Marina at Keppel Bay



M1 has the 2nd largest postpaid customer base in Singapore, with over 1.6 million customers at end-Sep 2021, up 3.5% yoy

Asset Management

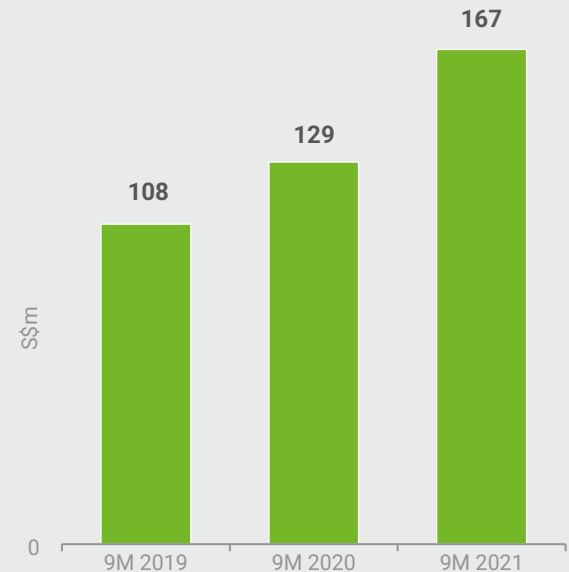
Strong growth in asset management fees

- Keppel Capital continued strong performanceⁱ yoy, mainly due to stronger operating results as well as mark-to-market gains from investments
- Asset management feesⁱⁱ grew 29% to S\$167m in 9M 2021 from S\$129m in 9M 2020
- Keppel Capital raised total equity of over S\$2.9b YTD, backed by encouraging demand from institutional investors for quality real assets
- Completed over S\$3.9b in acquisitions and divestments YTD

ⁱ Includes 100% contribution from the manager of Keppel DC REIT

ⁱⁱ 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

Asset Management Feesⁱⁱ



SUSTAINABILITY AT THE CORE OF STRATEGY



Strengthening credentials as a sustainable urbanisation solutions provider, and making sustainability our business

▶ Make Sustainability our Business

- ▶ Seize opportunities in green developments, renewables, decarbonisation, low carbon new energy and circular economy solutions
- ▶ Explore organic and inorganic options

▶ Set High-Impact Sustainability Goals

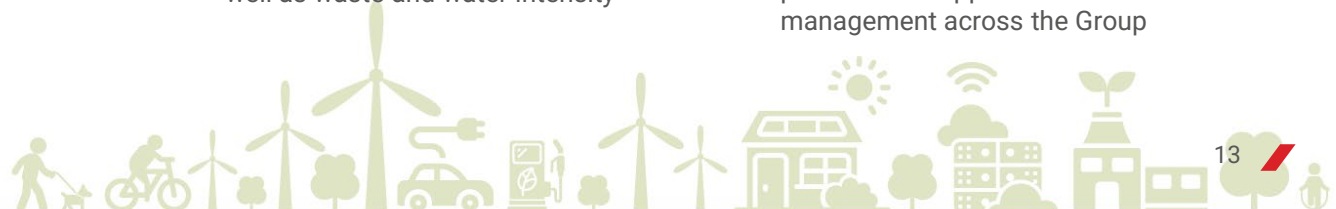
- ▶ Business targets for deployment of sustainable solutions
- ▶ Operational targets including reducing carbon emissions, as well as waste and water intensity

▶ Refocus Portfolio on Sustainable Urbanisation Solutions

- ▶ Refocus portfolio on sustainable urbanisation solutions in line with Vision 2030, including through shadow carbon pricing, climate risk assessment and tapping green and sustainability-linked financing

▶ Enhance Governance and Incentives

- ▶ Strong board oversight
- ▶ Support TCFD's recommendations
- ▶ Environmental sustainability included in performance appraisal of senior management across the Group

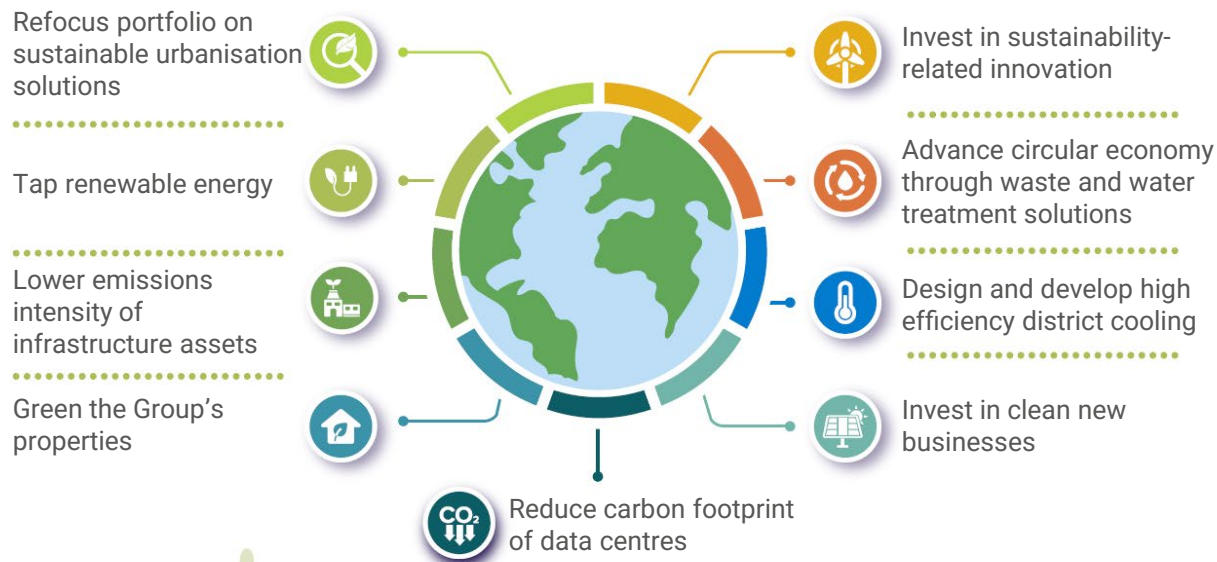




Keppel has set absolute carbon emissions reduction targets and is committed to contributing to a greener world

Halve Scope 1 & 2 emissions by 2030 and achieve net zero by 2050, in line with the goal of limiting global warming to 1.5°C above pre-industrial levels

Climate Action Roadmap:



Conclusion

Delivering strong performance while executing the Group's Vision 2030 strategy unveiled in mid-2020



- Sharp reversal in 9M 2021 performance from loss in 9M 2020
- Significant improvement in 9M 2021 net profit even compared to pre-COVID 2019, excluding RIDs and COVID-related government grants
- Significant improvement in 3Q net profit compared to same quarter of 2020
- Emerging stronger after COVID-19 pandemic
- Asset monetisation on track to exceed S\$5b target by end-2023 in line with asset-light business model
- Making steady progress with proposed transactions and reinvesting in new growth engines
- Working towards achieving most of Vision 2030 targets by 2025

Additional Information

Vision 2030 Asset Monetisation

Announced from Oct 2020 to Oct 2021:

No	Asset	Country	Consideration (S\$m)
1	Taicang Xuchang Property	China	104.0
2	24.01% stake in Business Online Public Company	Thailand	36.0
3	Chengdu Hilltop Development	China	250.4
4	30% stake in Dong Nai Waterfront City	Vietnam	115.9
5	Keppel Bay Tower	Singapore	601.0
6	75 King William St	UK	131.1
7	M1 network assets	Singapore	580.0
8	Partial stake in North Island Site in Tianjin	China	94.2
9	Waterfront Investment Pte Ltd	Singapore	2.0
10	20.05% stake in ARIP Public Company	Thailand	2.6
11	Data centre in Frankfurt	Germany	96.1
12	Serenity Villas in Chengdu	China	324.0
13	13.16% stake in Cloud Engine (Beijing) Network Technology	China	33.5
TOTAL			2,370.8



Keppel Land's Portfolio

Residential Portfolio

Quality landbank spread across key cities in Asia

Country	Units	%
Singapore	285	1%
China	18,813	43%
Vietnam	8,737	20%
Indonesia	7,520	17%
India	8,177	19%
TOTAL	43,532	100%

Commercial Portfolio

~1.6m sm of GFA; 53% of which under development

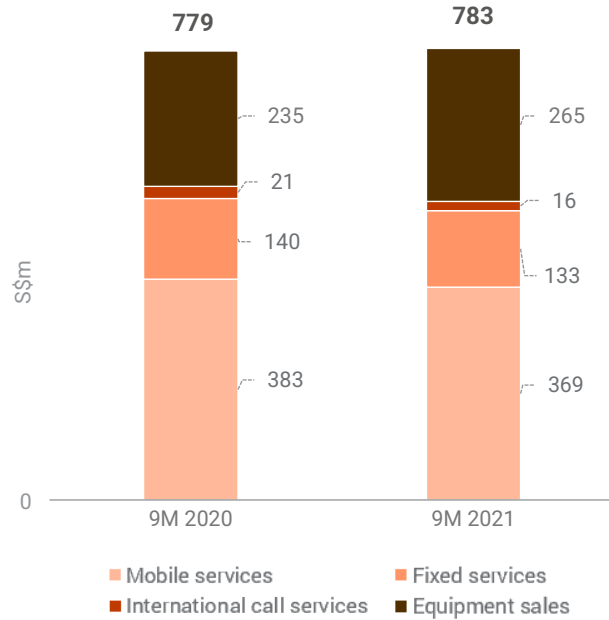
Country	GFA (sm)	%
Singapore	85,410	5%
China	534,600	34%
Vietnam	401,210	25%
Indonesia	153,800	10%
India	116,800	7%
Myanmar	103,100	6%
Philippines	199,000	13%
TOTAL	1,593,920	100%

Note: As at 30 Sep 2021

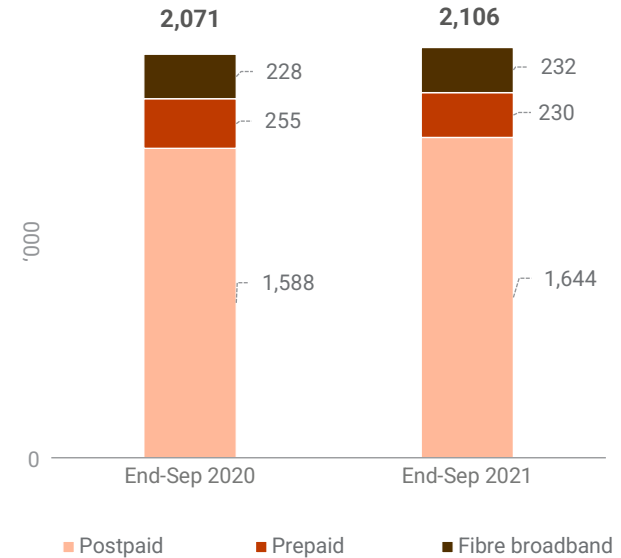


M1 Operational Highlights

Revenue



Customers



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