

## ECO-SYSTEM FOR VALUE CREATION

### WE HARNESS THE STRENGTHS OF THE GROUP TO MEET THE WORLD'S GROWING NEEDS FOR SUSTAINABLE URBANISATION SOLUTIONS.

Our business model, underpinned by strong collaboration across verticals, provides a robust eco-system that allows us to create and capture value from all parts of the Group. From the time an asset is created till its injection into a Keppel-managed trust or fund, our business model produces multiple income streams and enables us to create and capture value across our businesses.

To fuel Keppel's growth, we are also expanding the Group's capital base, bringing on board like-minded co-investors through our private funds to seize opportunities and accelerate asset creation without putting a strain on our balance sheet. We can also turn our assets efficiently through our business model, unlocking value and recycling capital to achieve the best risk-adjusted returns for our stakeholders.

#### OUR BUSINESS ENGINES

##### Offshore & Marine

We are a global leader in the design, construction, conversion and repair of rigs and vessels, and are extending our capabilities to create gas and offshore renewables solutions, as well as floating infrastructure.

>> For more information, please refer to page 44.

##### Property

We are a multi-faceted urban living solutions provider with a sterling portfolio of award-winning residential developments, integrated townships and investment-grade commercial properties.

>> For more information, please refer to page 48.

##### Infrastructure

We develop, own, operate and maintain competitive energy and environmental infrastructure solutions, as well as offer connectivity solutions for businesses and consumers in the areas of data centres and urban logistics.

>> For more information, please refer to page 52.

##### Investments

We manage private funds, and listed real estate and infrastructure trusts, as well as incubate the Group's future growth engines, including businesses in smart city development, communications and more.

>> For more information, please refer to page 57.

#### OUR BUSINESS MODEL

##### Design and Build

The Group has a strong track record for designing and developing high-quality real assets including rigs and ships, residential and commercial properties, data centres, power plants and more.

##### Private Funds

Through the creation of private funds, Keppel can also bring on board investors, such as pension and sovereign wealth funds, to co-invest in the development of assets across its business verticals. This expands Keppel's capital base to seize opportunities while it earns recurring fees from managing the private funds.



##### a. Own and Operate

Keppel owns and operates many of the assets it creates which are retained as investments for long-term, steady cash flows and recurring income. Business units can earn fees from leasing out and operating such assets. They can also earn fees from rendering project and asset management services to the private funds created by Keppel.



##### b. Turnkey

The Group also sells products and provides turnkey solutions to its customers. Some of the assets created, such as rigs and homes, will be handed over to customers when they are completed. In this phase of asset creation, business units can earn development margins from the sale of their solutions.



##### Stabilise and Monetise

The assets held as investments by Keppel and its private funds contribute revaluation gains to the Group. As these assets mature and are de-risked and stabilised, the Group can monetise them through divestments to its REITs and Trust as well as third parties. This process for turning assets enables the Group to achieve the best risk-adjusted returns from its investments by unlocking value and recycling capital to seize new growth opportunities.



##### REITs and Trust

The Group sponsors and manages real estate and infrastructure trusts across its business lines, which it leverages as platforms to recycle capital from assets. Mature assets are well suited to the REITs and Trust, whose investors seek stable, recurring income.

The injection of assets to the REITs and Trust helps to grow the total portfolio of assets managed by the Group.

The Group will continue to earn fee income from asset management, as well as the operation and maintenance of the assets.



##### Income Streams

- Project-based income
- Recurring income
- Revaluation & divestment gains

#### OUR STAKEHOLDERS



Our businesses collaborate to offer a spectrum of innovative and sustainable solutions for urbanisation.



##### Energy

We support the safe and efficient harvesting of energy sources to power the world's needs.



##### Urban Living

We shape skylines and lives through vibrant urban developments and smart cities.



##### Environment

We green cities with solutions for waste and water & wastewater treatment.



##### Connectivity

We connect people and businesses with information, goods and services in an increasingly digital economy.



##### Asset Management

We create enduring value with quality investment products and platforms.

For more information on the value we create for our stakeholders, please refer to our Sustainability Report – to be published in May 2020.