

Keppel



Keppel Group Newsletter

Keppelite

Issue 4 / 2018
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50 years **26**

Nurturing future
leaders **42**

Doing well,
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Growing from Strength to Strength



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<< Cover image: In commemoration of its 50th anniversary, Keppel Corporation made a donation of \$10 million to ITE to promote education for financially-disadvantaged students. The cheque presentation was witnessed by Prime Minister Lee Hsien Loong (centre), and presented by (from L-R) Mr Loh Chin Hua, CEO of Keppel Corporation and Dr Lee Boon Yang, Chairman of Keppel Corporation, to Mr Bob Tan, Chairman of ITE; and Ms Low Khah Gek, CEO of ITE

Editor's Note

Dear Readers,

Keppel Corporation has grown from strength to strength over the last 50 years – regularly transforming ourselves to meet changing needs, while remaining focused on creating value for all our stakeholders. The company celebrated its Golden Jubilee with over 600 stakeholders at an anniversary Gala Dinner at Shangri-La Hotel on 3 August 2018. Singapore's Prime Minister, Mr Lee Hsien Loong, was the Guest-of-Honour at the Gala Dinner. In his speech, Prime Minister Lee commended Keppel for turning adversity into opportunity, looking outward and breaking new ground in external markets, businesses and technologies. Prime Minister Lee also expressed confidence in Keppel's ability to thrive in a rapidly changing world (see pages 26 to 31).

The company also held a commemorative dinner in Beijing on 31 August 2018, which was attended by government officials, business partners, customers, senior management and staff in China (see pages 32 and 33).

As we celebrate this milestone, it is timely for Keppelites to reflect on what Keppel must do to build on our track record and achieve the company's mission to deliver solutions for sustainable urbanisation profitably, safely and responsibly.

In this issue of Keppelite, we share new developments at Keppel, as well as ways in which the company is taking steps to evolve and stay relevant - be it expanding into new sectors, such as senior living, or embracing innovations in various fields, including harnessing technology for green buildings and safety solutions (see pages 37 to 39).

Keppel recognises that good corporate citizenry is essential to success and is committed to make a positive impact in the communities where it operates. To commemorate its anniversary, Keppel made a \$10 million donation to the Institute of Technical Education to promote education for financially disadvantaged students (see page 28). The company also launched a new partnership with the China Foundation for Poverty Alleviation (see page 32), while Keppelites across the Group rallied behind a range of worthy causes during Keppel Community Month in August (see pages 46 to 49).

We hope that this issue of Keppelite will inspire you and seed ideas on how you can contribute to Keppel's growth story. We wish you an enjoyable read.

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Seeding growth

Keppel continued to deepen its value proposition as a solutions provider for sustainable urbanisation as it develops new growth engines. Mr Loh Chin Hua, CEO of Keppel Corporation discussed the Group's strategic initiatives and long-term growth plans at the Company's 3Q & 9M 2018 results webcast. *Keppelite* reproduces his speech.

This has been an eventful quarter for Keppel, as we launched several initiatives to grow our business as a provider of solutions for sustainable urbanisation. These include our entry into senior living, expanding our assets under management into education-related real estate and the retail sector in Australia, extending our China property footprint into Nanjing, among others.

In September, we also announced our pre-conditional voluntary general offer, together with Singapore Press Holdings (SPH), to gain majority control of M1. We also announced a scheme of arrangement to privatise Keppel Telecommunications & Transportation (Keppel T&T), to further simplify our corporate structure, allow more efficient capital allocation and better align Keppel T&T's interests with the rest of the Group's.

These are long-term initiatives, which would further expand and grow the Group's earnings and position us for long-term growth.

FINANCIAL PERFORMANCE

For 9M 2018, we achieved a net profit of \$809 million, 18% higher compared to the same period in 2017, underpinned by stronger contributions from the Property and Infrastructure divisions, which more than offset losses incurred by the Offshore & Marine (O&M) and Investments divisions.

Economic Value Added was \$384 million. On an annualised basis, our Return on Equity was 9.3%. We achieved a free cash inflow of \$828 million in 9M 2018. Our net gearing was 0.41x at end-September 2018, only slightly higher than the 0.40x at end-June 2018. This was despite having paid out \$272 million in interim and special dividends in August, and the one-off payment of \$251 million in fines to the Brazilian authorities as part of the global resolution reached by Keppel Offshore & Marine (Keppel O&M) last year.

OFFSHORE & MARINE

Despite the challenging operating environment, our O&M Division registered a

net profit of \$2 million in 3Q 2018, bucking three consecutive quarters of losses.

However, the Division continued to suffer a net loss of \$38 million for 9M2018, mainly due to lower work volume and our share of associated companies' losses. At the operating level, the O&M Division achieved a profit of \$20 million for 9M 2018, on the back of our rightsizing efforts and reduced overheads.

In 9M 2018, Keppel O&M recognised revenues amounting to \$1.4 billion. The Division is also working hard to replenish its orderbook, and has secured additional contracts totalling \$1.4 billion in the year to date, more than the \$1.2 billion of new orders secured in the whole of 2017. These include contracts for two newbuild Liquefied Natural Gas (LNG) carriers and the conversion of a LNG carrier to a Floating Storage and Re-gasification Unit.

As at 30 September 2018, Keppel O&M's net orderbook was \$4.4 billion, compared to \$3.9 billion at end-December

2017, excluding the projects for Sete Brasil.

Expanding its involvement in the LNG space, Keppel O&M has signed a Technical Assistance and License Agreement with Gaztransport & Technigaz (GTT) to jointly market LNG solutions leveraging GTT's membrane containment systems and Keppel's expertise in specialised shipbuilding and LNG solutions. Keppel O&M has also delivered its second dual-fuel LNG tug, this time to Maju Maritime, with a perfect safety record.

We are seeing more enquiries for scrubber retrofits which we anticipate will increase as the IMO's 2020 deadline for the implementation of the 0.5% sulphur cap on marine fuels approaches. Keppel Shipyard completed Singapore's first Very Large Crude Carrier (VLCC) scrubber retrofit in 3Q 2018 and we have more projects in the pipeline.

PROPERTY

Our Property business performed well, achieving a net profit of \$764 million for 9M 2018, which is an



Keppel Land China's collaboration with Gemdale Corporation marks the company's first foray into Nanjing and further expansion in the Yangtze River Delta Region

increase of 110% year on year, due mainly to the en bloc sales of development projects, the gain from divestment of our stake in a commercial project in Beijing, as well as fair value gain on Nassim Woods.

Keppel continues to strengthen our collaboration with strategic partners to capture growth opportunities in the region.

In China, Keppel Land China formed a joint venture with leading Chinese developer, Gemdale Corporation, to develop a residential project in Nanjing. The collaboration marks Keppel Land's further expansion in the Yangtze River Delta as well as its first foray into Nanjing, a promising market which continues to see strong demand for premium housing. Phase One of the project is expected to be launched for sale in the fourth quarter of this year.

In Vietnam, Keppel Land will become the second

largest shareholder of Nam Long, a leading affordable housing developer in Ho Chi Minh City, with an increased stake of approximately 10%, following the conversion of bonds issued by Nam Long.

In Bangalore, India, Keppel Land has deepened its collaboration with reputable Indian property developer Puravankara by forming a joint venture to acquire a prime 3-hectare site for a commercial development. The site is located next to a mass rapid transit station and a mixed-use precinct comprising the World Trade Centre, a well-established location that has attracted many MNCs and technology firms.

In 9M 2018, our Property Division sold about 3,180 homes, achieving a total sales value of about \$1.4 billion. These include 1,830 homes in China, 200 in Vietnam, 230 in Indonesia, 740 in India and 150 in Singapore. These figures do

not include the 11,000 units which were sold en bloc when we sold our projects in Zhongshan and Shenyang.

We expect to recognise profits from the sale of some 7,240 units of overseas homes worth about \$2.4 billion, to be recognised upon completion, from 4Q 2018 through 2022.

In our residential landbank, we have about 50,000 homes, of which about 15,000 units are ready for launch from now till end-2020.

Under our commercial portfolio, we now have about 1.5 million square metres of gross floor area (GFA), of which about two thirds are under development.

INFRASTRUCTURE

Our Infrastructure Division achieved a net profit of \$121 million, up 25% year on year, due to steady contribution from

Environmental Infrastructure and Infrastructure Services.

The construction of Keppel Marina East Desalination Plant has been progressing well with over 50% completed. The plant is on target to achieve commercial operation in early-2020.

In October 2018, Keppel Seghers secured a contract to supply technology solutions worth over EUR 70 million to Australia's first waste-to-energy plant which is located in Kwinana. The facility will feature Keppel Seghers' air-cooled grate and vertical boiler, which are designed to achieve efficient energy recovery and operational reliability.

As announced by Singapore's Energy Market Authority, the nationwide launch of Open Electricity Market will be rolled out progressively in four zones from November

Continues on page 6...



In 9M 2018, Infrastructure Services continued to contribute steadily to the Group's recurring income

...continued from page 5.

2018 to May 2019. With 17 years of experience in the Singapore electricity retailer market, Keppel Electric is well positioned to offer innovative and competitive electricity plans to consumers.

We are also entering new markets for our data centre business. Keppel, through the Alpha Data Centre Fund (Alpha DC Fund) and Keppel Data Centres, has signed conditional agreements with the Salim Group to jointly develop and operate a high-availability data centre in Bogor, about 35 kilometres from Jakarta.



The Hacienda at the River (pictured) located in Tucson, Arizona is one of the 52 senior housing communities currently managed by Watermark

INVESTMENTS

Our Investments Division registered a net loss of \$38 million in 9M 2018, due to our share of losses from associated companies.

Keppel Capital continued to contribute steadily to the Group, although earnings from our asset management business were slightly lower due to higher expenses for growth initiatives and lower one-off performance fees.

In the Tianjin Eco-City, two residential land plots were sold by our joint venture, Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd. (SSTEC), in 3Q 2018. Due to the Tianjin government's property market cooling measures, home prices have moderated, and the two plots achieved per square metre GFA prices of about

RMB 10,500 and RMB 6,700 respectively. However, land is sold by SSTEC based on total land area, and the recent land prices of RMB 105 million per hectare and RMB 166 million per hectare are comparable to those of land plots sold in the past two years. Profit from the sale of one plot has been recognised, while the other will be recognised later this year.

It has been an active quarter for Keppel Capital as our teams worked hard at expanding into new markets and asset classes under management, harnessing the capabilities of the Keppel Group.

We have entered into a conditional equity purchase agreement to acquire a 50% stake in leading US senior living operator, Watermark

Retirement Communities, as well as 50% of the minority interests held by the owners of Watermark in some retirement communities managed by Watermark. With assets under management (AUM) of US\$2.7 billion, Watermark is ranked among the top 15 largest senior living operators in the country. This is a strategic move by Keppel to expand into this new growth sector, leveraging Watermark's deep expertise and agile business model.

Keppel Capital is also looking to expand into education real estate assets, and has signed a non-binding Memorandum of Understanding (MOU) with MindChamps to establish a new private fund, with an initial target fund size of \$200 million. With Keppel Capital and MindChamps as sponsors, the proposed

fund will seek to invest in preschool and early learning real estate assets in the Asia Pacific region. These real estate assets will then be leased to MindChamps or its related entities under long-term leases.

In Australia, Keppel Capital has entered into an MOU with Vicinity Centres, a leading Australian retail property group, to establish a new private fund. The proposed fund intends to invest in an initial portfolio of up to A\$1 billion of Australian retail properties currently owned by Vicinity Centres, who has a fully integrated asset management platform and A\$26 billion in retail assets under management.

Our listed REITs have also been expanding their portfolios. In Australia, Keppel DC REIT is enlarging

its data centre footprint with a new shell and core data centre, which will be built in the Macquarie Business Park precinct in Sydney. Over in the US, Keppel KBS US REIT is capitalising on strong leasing demand from the technology and professional services sectors in Seattle, with the proposed maiden acquisition of the Westpark Portfolio business campus, comprising 21 freehold buildings.

All these different initiatives will contribute to growing our AUM and building up Keppel Capital to be a steady pillar of recurring income for the Group.

STRATEGIC INITIATIVE TO TRANSFORM M1

We see having majority control as being important to allow Keppel and SPH to better support M1's management to transform the business, against the backdrop of increasing competition.

M1 will complement the Keppel Group's mission as a solutions provider for sustainable urbanisation, which includes connectivity, and can serve as a consumer digital platform for the Keppel Group and complement our solutions for smart cities.

Keppel has traditionally been involved more in the B-to-B space. However, we are increasingly transforming our B-to-B business to include retail customers in

gas, electricity and urban logistics. Incorporating M1's capabilities and two million recurring subscribers in a combined digital platform would provide opportunities for synergies and cross selling of services. The transaction is earnings accretive, net of financing costs, and will expand Keppel's earnings streams and base of recurring income.

To realise the potential of M1, we will work with its management to drive transformation. This would include initiatives such as digital transformation to enhance M1's offering by becoming a truly digital operator. Over time, M1 can introduce new services leveraging this digital platform.

We will seek more effective cost management of both front and back-end operations, and at the same time, pursue growth opportunities.

We can also explore balance sheet optimisation initiatives with M1 to unlock value from its underlying infrastructure, for example by restructuring the infrastructure assets. We see this as an enabler to encourage sharing of infrastructure assets with other operators, which can also result in further cost reduction.

At a broader level, there are synergies to be harnessed between M1 and the Keppel

Group. Keppel can leverage M1's digital platform for services provided by Keppel's businesses.

SPH has also spoken of opportunities to leverage M1's mobile platform to offer on demand and ready digital content to better serve SPH customers, so there would also be opportunities for collaboration and synergy with the SPH Group.

M1 is not a new business for Keppel. Keppel was one of the founding shareholders in 1994, before its telephone service was launched in 1997, and the IPO (Initial Public Offering) in 2002. We have worked with and supported M1 for over 20 years, and it has yielded very good returns.

Keppel has invested \$170 million over the years, and in return received \$737 million of dividends and proceeds from the sale of some shares. In addition, Keppel's present 19.33% stake, held through Keppel T&T, had a market value of \$291 million as at 21 September 2018, before we announced our offer.

In short, M1 has been a good investment for Keppel. We believe that with the necessary transformation, it can continue to be a valuable asset for the Group. But we have no illusion that the transformation journey will be quick or easy. It will take at least a few years.

In the meantime, subject to the approval of the Information Communications Media Development Authority, we are offering a compelling premium to minority shareholders of M1, who are not prepared to wait and bear the related risks, to realise their investment in M1 upfront.

CONCLUSION

We are moving ahead with strategic strides, with an eye on the long-term future of the Company. Earlier generations of Keppelites sowed many of the seeds that are driving Keppel's growth today. Similarly, we are now building and broadening the foundations that will shape Keppel's future growth trajectory, as we harness the synergies of being a multi-business group and provide solutions to meet the needs of sustainable urbanisation.

keppelite

Delivering on strategy

Mr Chan Hon Chew, CFO of Keppel Corporation, presented the Company's financial performance and highlights at the 3Q & 9M 2018 results webcast. *Keppelite* reproduces his speech.

3Q 2018 FINANCIAL HIGHLIGHTS

In 3Q 2018, the Group recorded a net profit of \$226 million, which was 15% lower than the same quarter last year.

Correspondingly, earnings per share (EPS) decreased to 12.4 cents, while Economic Value Added (EVA) was higher at \$109 million.

The Group's revenue for 3Q 2018 was 20% or \$322 million lower than the same period last year. Lower revenues from the Property and Investments divisions were partially offset by higher revenues from the Offshore & Marine (O&M) and Infrastructure divisions.

Operating profit for the quarter decreased by 9% or \$26 million, to \$271 million. This was attributed to lower profits from the Investments Division, partly offset by higher profits from all the other divisions.

Profit before tax at \$323 million, decreased by a lower margin of 2%, mainly due to net interest income as compared to net interest expense recorded in the same period a year ago.

FINANCIAL PERFORMANCE

\$m	3Q 2018	3Q 2017	% Change	9M 2018	9M 2017	% Change
Revenue	1,295	1,617	(20)	4,288	4,419	(3)
Operating Profit	271	297	(9)	996	630	58
Profit before Tax	323	331	(2)	1,034	835	24
Net Profit	226	265	(15)	809	688	18
EPS (cents)	12.4	14.6	(15)	44.6	37.9	18

** 3Q & 9M 2017 financial figures have been restated following the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International)*

After tax and non-controlling interests, net profit was 15% lower at \$226 million, translating to an EPS of 12.4 cents.

3Q 2018 SEGMENTAL REVIEW

In 3Q 2018, the Group earned total revenues of about \$1.3 billion, 20% lower than 3Q 2017.

The O&M Division reported a 9% increase in its top-line, as a result of higher revenue recognition from ongoing projects.

Revenue from the Property Division saw a 67% decline due to the absence of revenue compared to 3Q 2017, from Estella Heights in Ho Chi Minh City, Vietnam, which obtained occupation permit last year; The Glades, Singapore which were all

sold by December 2017, as well as lower revenue from Park Avenue Heights in Chengdu, China and Highline Residences in Singapore. These were partially offset by higher revenue from Waterfront Residences in Wuxi, China.

The Infrastructure Division achieved an 8% growth in revenue as a result of increased sales in the power and gas businesses. This was partly offset by lower progressive revenue recognition from Keppel Marina East Desalination Plant project.

The Investments Division decrease in revenue was due mainly to the absence of sale of equity investments compared to the same period last year, as well as lower revenue from the asset management business.

The Group recorded \$323 million of pre-tax profit for 3Q 2018, 2% lower than last year.

The O&M Division's pre-tax profit was \$10 million for 3Q 2018, as compared to a pre-tax loss of \$0.4 million in 3Q 2017. This was due mainly to higher operating profits and net interest income, partially offset by share of associated companies' losses.

The Property Division registered a 4% increase in pre-tax profit arising from the divestment gain of Beijing Aether, partly offset by lower contribution from the property trading segment, the absence of gain from en bloc sale of Waterfront Residences in Nantong, China and absence of gain on divestment of

Sedona Mandalay compared to last year.

The Infrastructure Division reported a 30% increase in pre-tax profit driven by the gain arising from the sale of a stake in Keppel DC REIT and higher contribution from Infrastructure Services, partly offset by lower contribution from Energy and Environmental Infrastructure.

The Investments Division recorded a decrease of \$40 million in pre-tax profit, due mainly to the absence of sale of equity investments and absence of contribution from k1 Ventures.

After tax and non-controlling interests, the Group's net profit decreased by 15% or

\$39 million, with the Property Division being the top contributor to the Group's earnings, followed by the Infrastructure, Investments and O&M divisions.

9M 2018 FINANCIAL HIGHLIGHTS

Compared to the same period last year, net profit for 9M 2018 was 18% higher at \$809 million. Consequently, EPS increased by the same extent to 44.6 cents.

Annualised Return on Equity also increased to 9.3%, while EVA was higher at \$384 million.

Free cash inflow for the period was an inflow of \$828 million, as compared to an inflow of \$1 billion in 9M 2017. This was due

mainly to the payment of the fines to the United States, Singapore and Brazil authorities amounting to \$464 million arising from O&M's global resolution. Excluding this one-off payment, the free cash inflow would have been higher than last year.

The Group's net gearing improved from 0.46x at the end of 2017 to 0.41x at the end of September 2018.

The Group earned a total revenue of \$4.3 billion in 9M 2018, a decrease of 3% or \$131 million compared to 9M 2017. Lower revenues from the Property and Investments divisions were partially offset by higher revenues from the O&M and Infrastructure divisions.

Operating profit at \$996 million was 58% or \$366 million higher than the corresponding period last year, boosted by en bloc sales of development projects in China and Vietnam.

Profit before tax, however, increased by a lower margin of 24% due mainly to lower share of profits from associates. In 9M 2017, the Group benefited from the Sino-Singapore Tianjin Eco-City's (Tianjin Eco-City) sale of three land parcels. as compared to one parcel recognised to-date this year. In addition, O&M Division also saw lower contribution from associates this year.

After tax and non-controlling interests, net profit was 18% higher at \$809 million. Similarly, EPS increased by 18% to 44.6 cents.

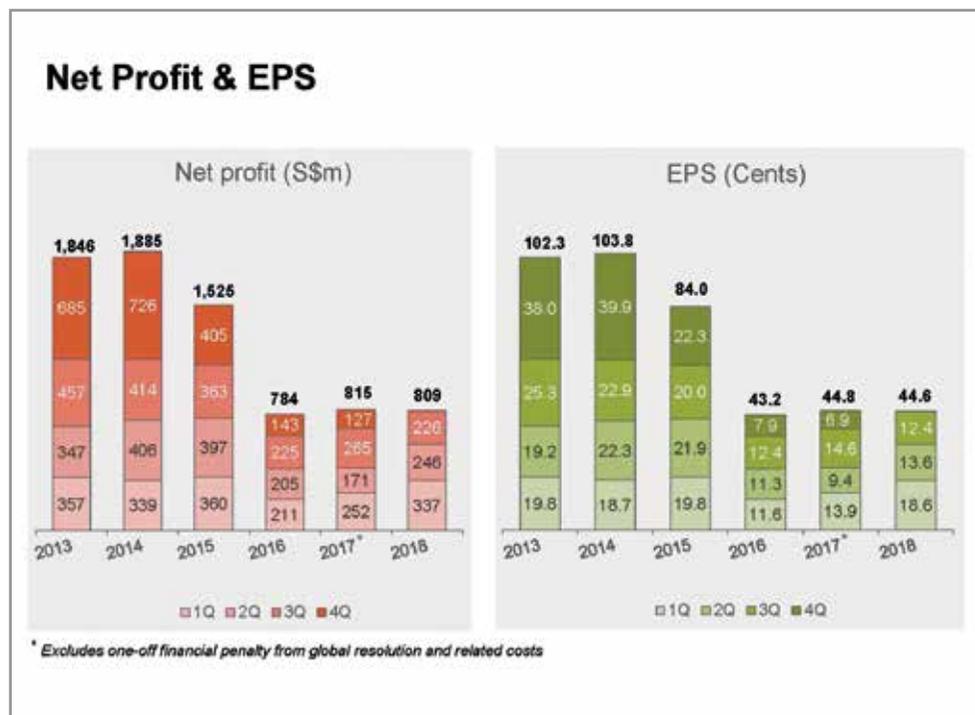
9M 2018 SEGMENTAL REVIEW

For 9M 2018, the Group earned total revenues of about \$4.3 billion, 3% lower than 9M 2017.

The O&M Division recorded an increase in revenue of 3%, due mainly to revenue recognition in relation to the jackup rigs sold to Borr Drilling, partially offset by lower volume of work.

Property Division's revenue dropped by 28%, due mainly to lower revenue from property trading segment.

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Meanwhile, Infrastructure Division's revenue increased by 17%, led by increased sales in the power and gas businesses, partly offset by lower progressive revenue recognition from the Keppel Marina East Desalination Plant project.

Revenue from the Investments Division decreased by \$62 million, mainly due to the absence of sale of equity investments and lower contribution from the asset management business.

The Group recorded a pre-tax profit of \$1 billion for 9M 2018, 24% higher than 9M 2017.

This was despite the O&M Division registering pre-tax losses of \$16 million as compared to pre-tax profits of \$13 million last year, arising from lower operating profits and lower contribution from associated companies. The O&M Division's pre-tax profit last year also benefited from a \$13 million gain on divestment of Keppel Verolme. The Division's operating margin for 9M 2018 was 1.8%, compared to 2.7% in 9M 2017.

In the Property Division, pre-tax profits more than doubled to \$931 million, due mainly to en bloc sales of development projects in China and Vietnam, namely Zhongshan, The

Seasons in Shenyang, Hunnan Township Development in Shenyang and Quoc Loc Phat in Ho Chi Minh City, as well as gains from divestment of Beijing Aether in China, and fair value gain on Nassim Woods in Singapore. The increase was partially offset by lower contribution from associated companies and property trading projects. In 9M 2017, the Property Division's pre-tax profit also benefited from en bloc sale of Waterfront Residences in Nantong and the divestment gain on Sedona Mandalay.

Pre-tax profit from the Infrastructure Division increased by 14% to \$134 million. This was due mainly to the dilution gain following the change of interest in Keppel DC REIT, gain arising from the sale of units in Keppel DC REIT and higher contribution from Environmental Infrastructure and Infrastructure Services. The increase was partly offset by the absence of gain from divestment of GE Keppel Energy Services and lower contribution from Energy Infrastructure.

The Investments Division registered pre-tax losses of \$15 million as compared to a pre-tax profit of \$245 million last year. This was a result of lower contribution from associated companies, mainly due to the sales recognition of one land parcel in the Tianjin Eco-City

this year, as compared to three land parcels last year. In addition, the Division's profits for 9M 2017 also benefited from write-back of provision for impairment of investment and sale of equity investments.

After tax and non-controlling interests, the Group's earnings increased by 18% to \$809 million, with the Property Division being the top contributor to the Group's earnings, followed by the Infrastructure Division.

The Group's net profit of \$809 million for 9M 2018 translated to an EPS of 44.6 cents.

FREE CASH FLOW

Cash flow from operations was \$459 million in 9M 2018, up from \$451 million in 9M 2017.

After accounting for working capital changes, interest and tax, net cash inflow from operating activities was \$164 million, as compared to an inflow of \$811 million last year, due mainly to higher working capital requirements in the Property Division.

Net cash generated from investing activities amounted to \$664 million, comprising divestment proceeds and dividend income from associated companies totalling \$969 million, partly offset by net repayment of the

advances from associated companies of \$179 million.

As a result, there was an overall cash inflow of \$828 million for 9M 2018, as compared to an inflow of \$1 billion last year. keppelite

In conversation

Keppelite shares highlights of management's responses to key questions from the media and investment community at the Company's 3Q & 9M 2018 results webcast.

Q: The Offshore & Marine (O&M) Division returned to profit in 3Q 2018. Were there any one-offs this quarter? Are profits sustainable moving forward?

CHC: The O&M Division turned a profit in 3Q, mainly because the operating profit has gone up. It was also helped by an increase in interest income from shareholder loans to two customers, some of which was one-off due to the catch-up recognition during the quarter.

LCH: The hard work in reducing Keppel O&M's fixed overheads over the

past two years is paying off. The team is working very hard to make sure that the profits are sustainable. As we are starting to see more enquiries, we are cautiously optimistic.

Q: Can you provide an update on the remaining Floating Liquefied Natural Gas (FLNG) vessel conversion projects with Golar?

CO: We are in advanced talks with Golar on the development of the Tortue Field in which the Gimi FLNG is involved. The Front End Engineering Design (FEED) has been completed and we are waiting for the Notice

to Proceed by the end of this year.

On the Gandria FLNG, Ophir and Golar are looking for alternate investors following the exit of Schlumberger from the OneLNG joint venture. The Notice to Proceed has been extended from mid-2018 to end-2018. We will monitor the situation closely with Golar.

Q: How would URA's latest guidelines on limiting the number of shoebox units offered in new projects affect Keppel's property business?

LCH: The guidelines have

just been announced. Like all developers, we will take a look and factor that in when we look at land sites in Singapore.

While the Singapore market remains very important to Keppel, we have ventured beyond Singapore in the past 20 years, and developed very good property businesses in places like China, Vietnam, and Indonesia. We are therefore not entirely dependent on the market in Singapore. Having said that, we would like to think that the Singapore market will continue to have good opportunities for us.

Q: China's property market has not been doing very well after the government's cooling measures. Why is Keppel buying land in Nanjing? How's the market in Nanjing?

LCH: It's difficult to classify the Chinese market as one single market. The cooling measures are having an impact on sales but the impact differs from city to city.

Keppel Land China's target markets have generally exhibited very strong supply-



Keppel O&M turned a profit in 3Q 2018 on the back of its rightsizing efforts and reduced overheads

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demand fundamentals. One of these markets is Nanjing. The supply situation is relatively tight with less than two years' supply in the residential market.

Judging from other developments launched in recent times in Nanjing, we expect the sales of our project to perform well when the first phase is launched in 4Q 2018.

Q: When do you expect the underlying property trading profit to improve?

LCH: For the property trading business, we have sales value of about \$2.4 billion in our books, which will be recognised when the overseas projects are completed. We expect to see some completions in the rest of 2018.

In 1H 2018, we had fewer new launches in markets like Vietnam and China compared to last year. For 2H 2018, we are in the process of launching some new projects, which we believe would improve the sales.

Q: Could you help us understand the recent cooperation with three technology firms to develop more efficient data centres? Is there a scope to plant a flag in China?

TP: The various partners will contribute different services such as equipment, design

services, sales and marketing to the joint venture if a project comes about.

The objective is to ultimately build new data centres in China. We have to be mindful that Internet Data Centre licences are restricted in China. Therefore we need to rely on local partners to make this happen.

Q: Are there any updates on the Memorandum of Understanding with Vicinity? Why is Keppel going into retail malls in Australia?

CT: While most people would say that retail malls are unloved at this point in time, I think that's where we find great opportunities of being able to select some of the most defensive malls in this market and getting in for quite an attractive yield.

We are looking at more of the sub-regional malls within this portfolio, which have long term stable occupancies around 95% and above, supported by non-discretionary spending by the consumers. We are also finding a lot of opportunities to add value.

Q: How scalable are the senior living and education real estate sectors?

CT: Whenever we look at investments, we always look at long-term trends and fundamentals. Senior living is a very scalable investment.

The ageing populations will be a long term megatrend all over the world, whether it is in the US or China.

When I was in Vietnam, I was surprised to find that Asian parents do put in a lot of money into education. For kids that are seven years old and below, the parents are prepared to pay about US\$1,000 a month just for education.

So we believe that both these sectors are indeed very scalable.

Q: For the Tianjin Eco-City, the land sale prices on a gross floor area (GFA) basis were lower than last year's. Could you have waited for a market recovery to achieve better prices?

LCH: The sale price on a per-square-metre basis of GFA is lower as these plots have higher plot ratios. However, on a per-square-metre of land basis, it is actually comparable to what was achieved in the recent two years.

Tianjin Eco-City is a major G-to-G project, which we have been involved in for 10 years. We have been profitable in the last two years and we expect that it will still take us a number of years to get Tianjin Eco-City fully developed.

During this period, there will be market cycles. However, we will work with our

partners to optimise the profit we can achieve from Tianjin Eco-City. We must not lose sight of the fact that, at the end of the day, it's really about bringing in vibrancy and residents into the Tianjin Eco-City. This is as important as trying to time the market cycles in our land sales. keppelite

LCH – Mr Loh Chin Hua,
CEO of Keppel Corporation

CHC – Mr Chan Hon Chew,
CFO of Keppel Corporation

CO – Mr Chris Ong,
CEO of Keppel Offshore & Marine

CT – Ms Christina Tan,
CEO of Keppel Capital

TP – Mr Thomas Pang,
CEO of Keppel Telecommunications & Transportation

Expanding portfolio

Keppel Telecommunications & Transportation (Keppel T&T) registered a net profit of \$47.2 million for 9M 2018, up 32% from \$35.7 million a year ago. The increase was due mainly to a dilution gain from Keppel DC REIT's private placement exercise in May 2018, partly offset by higher operating expenses and absence of gain on disposal of subsidiaries.



During the quarter, Keppel T&T inked conditional agreements to embark on its first data centre development in Indonesia, in collaboration with Alpha Data Centre Fund and the Salim Group

Net profit for 3Q 2018 was \$11.8 million, 12% lower than \$13.5 million for 3Q 2017, due mainly to higher operating costs which corresponded with higher revenue, as well as the absence of gain from the partial disposal of Keppel DC Singapore 4 in 3Q 2017. This was partially offset by

a higher share of profits from associated companies and joint ventures.

Keppel T&T's net asset value per ordinary share increased to \$1.56 per share as at 30 September 2018,

compared to \$1.52 per share as at end-2017. During the quarter, Keppel T&T inked conditional agreements to embark on its first data centre development in Indonesia, in collaboration with Alpha Data Centre Fund

and the Salim Group (see page 24). UrbanFox's online marketplace also expanded its channel management solutions to over 260 brands from 110 at the end of 2Q 2018. **keppelite**

Driving operational excellence

Keppel REIT has delivered distributable income of \$142.9 million for 9M 2018, higher than that of \$142.5 million for 9M 2017. Distribution Per Unit (DPU) for 3Q 2018 was 1.36 cents, bringing DPU for 9M 2018 to 4.20 cents.

As part of proactive capital management efforts, a facility was obtained to refinance a \$64 million loan that is

due in 2019. Aggregate leverage was 39.1% as at end-3Q 2018 and all-in interest rate was 2.80% per annum for 9M 2018. To mitigate exposure to interest rate volatility, 76% of Keppel REIT's total borrowings are on fixed rates.

In 3Q 2018, the Manager purchased and cancelled approximately 5.3 million issued units, amounting to

about 0.16% of total issued units, pursuant to its unit buy-back programme.

Portfolio committed occupancy remained high at 98% and weighted average lease expiry for the portfolio was extended to 5.7 years as at 30 September 2018. During the quarter, HSBC signed a lease for the relocation of its headquarters to Marina Bay Financial

Centre Tower 2, testifying to the asset's quality and ability to attract established tenants.

HSBC Singapore will occupy approximately 140,000 sf over the top floors on the 50-storey building. Fit-out work is expected to commence in the second half of 2019, with target occupation by April 2020.

keppelite

Stable distributions

Keppel Infrastructure Trust (KIT) announced a Distribution per Unit (DPU) of 0.93 cents for 3Q 2018, bringing total DPU to 2.79 cents for 9M 2018.

Group revenue for 9M 2018 was \$465.2 million, 1.9% lower than 9M 2017, mainly from lower fees earned at Basslink due to the service

outage that occurred from 25 March to 5 June 2018, as a result of an incident caused by a third party contractor. The electricity interconnector has since returned to service on 5 June 2018. This was partially offset by higher revenue from City Gas.

Lower profit attributable to Unitholders in 9M 2018,

compared to the previous year, was mainly due to lower contributions from City Gas as a result of a time lag in the adjustment of gas tariffs to reflect actual fuel cost, lower revenue at Basslink, and higher fair value loss of financial derivative instruments recognised.

KIT's distributable cash

flows for 9M 2018 was \$107 million, compared to \$113.5 million for the same period in 2017.

As of 9M 2018, City Gas' customer base grew by 3.7% to 836,000 customers as compared to the same period in 2017. **keppelite**

Growing footprint in Sydney

Keppel DC REIT reported higher distributable income of \$70 million for 9M 2018, up 12.7% from 9M 2017. The increase was mainly contributed by the acquisitions of Keppel DC Singapore 5, maincubes Data Centre and Keppel DC Dublin 2, as well as higher variable income from other Singapore assets.

The REIT's 9M 2018 adjusted Distribution per Unit (DPU) was 5.47 cents, 4.8% higher than the 5.22 cents in the same period last year. Based on 9M 2018's market closing price of \$1.37 per Unit, Keppel DC REIT's adjusted annualised distribution yield was also higher at 5.3%.

During the quarter, the Manager of Keppel DC REIT entered into an agreement



IC3 East DC (pictured) will feature a minimum of 86,000 sf of lettable area, increasing the portfolio aggregate lettable area to 1,198,103 sf

to construct the REIT's fourth data centre in Australia – Intellicentre 3 East Data Centre (IC3 East DC), on the vacant land within the Intellicentre 2 Data Centre site in Sydney. Upon

completion, the facility will be fully-leased to Macquarie Telecom on a 20-year triple-net master lease with built-in annual rental escalations and renewal options, enhancing the REIT's income stability.

IC3 East DC's addition is expected to be DPU-accretive, and will strengthen the REIT's footprint in one of Asia Pacific's fastest-growing data centre markets. **keppelite**

Pursuing growth

Keppel-KBS US REIT delivered stable performance for 3Q 2018, supported by strong leasing momentum, positive rental reversion and lower property expenses. Distribution Per Unit (DPU) for 3Q 2018 was 1.50 US cents, bringing DPU for the period from Listing Date to 30 September 2018 to 5.32 US cents, in line with the IPO forecast of 1.49 US cents and 5.29 US cents respectively.

Capitalising on steady demand, the quarter saw strong leasing momentum with approximately 134,000 sf (18 leases) committed. As at 30 September 2018, portfolio committed occupancy was 90.1%. The Manager continues to adopt a prudent approach towards capital management. As at 30 September 2018, the REIT has zero refinancing requirements until November 2021.

In keeping with its aim to create value for Unitholders, the Manager announced on 24 September 2018 the proposed acquisition of the Westpark Portfolio in Redmond, a first choice office submarket in Eastside, Seattle, for a purchase consideration of US\$169.4 million. The property, which comprises



The Westpark Portfolio, a business campus comprising 21 freehold buildings in the Seattle-Tacoma-Bellevue Metropolitan Statistical Area, will be Keppel-KBS US REIT's maiden portfolio acquisition since its IPO

21 freehold buildings, will be Keppel-KBS US REIT's third asset in the Seattle-Tacoma-Bellevue Metropolitan Statistical Area (MSA). The maiden acquisition was approved by Unitholders at an extraordinary general meeting on 16 October 2018.

Mr David Snyder, CEO and CIO of the Manager, said, "The acquisition of the Westpark Portfolio will strengthen Keppel-KBS US REIT's foothold in the high growth Seattle MSA. This will allow the REIT to capitalise on strong leasing demand from the technology and professional services sectors in a supply-constrained

market, with limited sites available for competitive new development. At the same time, Seattle, being one of the strongest office markets in the US, will allow the REIT to benefit from steady rent growth.

"The acquisition is expected to be value accretive, and is in line with our strategy to acquire distinctive assets in first choice submarkets and create long term value for our Unitholders."

Looking ahead, the REIT's performance will continue to be supported by organic growth drivers including improved portfolio occupancies, positive rental reversions and built-in

rental escalations. At the same time, the Manager will also actively pursue opportunities through accretive acquisitions, while ensuring an optimal and nimble capital structure for growth. **keppelite**

Deepening partnership

Keppel Land, through its wholly-owned subsidiary, has entered into an agreement with third party investors to divest 51% of its VND 500 billion (approximately \$29.4 million) convertible bonds (the Bonds) issued by Nam Long Investment Corporation (NLG), a leading housing developer in Ho Chi Minh City (HCMC), for a consideration of VND 393 billion (approximately \$23.2 million).

The divestment of the Bonds, negotiated on a willing-buyer willing-seller basis, will create sufficient

headroom in NLG for Keppel Land to convert the remaining 49% of the Bonds that the company holds into shares, as NLG has a foreign shareholding limit of 49%. Upon completion of the bond conversion by end-2018, Keppel Land will become the second largest shareholder of NLG, increasing its shareholding from approximately 5% to about 10%. The partial divestment and conversion of the Bonds will enable Keppel Land to recognise a gain of approximately \$17.5 million.

Concurrently, Keppel Land, through its wholly-owned subsidiary Portsville Pte Ltd, has entered into a conditional agreement, subject to due diligence by NLG and the execution of definitive agreements, to divest a 70% interest in Dong Nai Waterfront City LLC (Dong Nai) to NLG, for a total consideration of VND 2,683 billion (approximately \$157.8 million). Keppel Land will continue to hold a 30% interest in Dong Nai, which is developing a 170-ha township in the Dong Nai Province.

Mr Linson Lim, President, Keppel Land (Vietnam), said, "We are happy to further extend our partnership with NLG. The early conversion of the convertible bonds demonstrates our confidence in NLG's growth and paves the way for future collaborations. We will also be able to enjoy future upsides in the development of the Dong Nai township with our retained 30% stake in the project, coupled with our significant shareholding in NLG." keppelite

Engaging retail shareholders

Some 125 participants gathered at the Singapore Exchange (SGX) Auditorium on the evening of 7 September 2018 for Keppel

Corporation's annual briefing to retail shareholders, hosted by the Securities Investors Association (Singapore) (SIAS).

Mr Loh Chin Hua, CEO of Keppel Corporation and Mr Chan Hon Chew, CFO of Keppel Corporation, delivered presentations on the Company's strategy, business developments and financial performance. The event culminated in a robust dialogue session between management and shareholders, which was moderated by Mr David Gerald, President and CEO of SIAS.

Topics of discussion included Keppel's business model, the impact of property market cooling measures, strategic

directions for the offshore & marine business in the face of the industry downturn, infrastructure projects as well as Keppel's latest venture into senior living.

"This is the second year that we are working with SIAS on this engagement event. It was a suggestion made by one of our shareholders at the AGM, who thought that something like this would be useful. We listen and respond to our shareholders," said Mr Loh, reassuring the participants of Keppel's commitment to shareholder engagement. keppelite



Mr Loh Chin Hua (left), CEO of Keppel Corporation, Mr David Gerald (middle), President and CEO of SIAS, and Mr Chan Hon Chew (right), CFO of Keppel Corporation engaged retail shareholders at Keppel Corporation's annual briefing to retail shareholders, hosted by SIAS

Keppel Corporation bolsters leadership



Professor Jean-François Manzoni

New appointments were made to Keppel Corporation's Board of Directors and senior management team as part of the Company's ongoing efforts to ensure long-term growth.

INDEPENDENT DIRECTOR

Professor Jean-François Manzoni was appointed as an Independent Director on Keppel Corporation's Board with effect from 1 October 2018. With the addition, the Company's Board will comprise a total of ten directors, of whom eight are independent directors.

Professor Manzoni is President (Dean) and Nestlé Professor at the International Institute for Management Development (IMD) in Switzerland, where he is based. Professor Manzoni's research, teaching, and consulting activities are focused on leadership, the development of high-performance organisations and corporate governance.



Mr Yeo Meng Hin

Prior to re-joining IMD in 2016, he spent five years at INSEAD's Singapore campus where he co-directed the International Directors Programme from 2014 to 2016. From 2004 to 2010, he served as Professor of Leadership and Organisational Development at IMD. Professor Manzoni has also spent 12 years on the faculty of INSEAD (Fontainebleau), where he founded and directed the PwC Research Initiative on High Performance Organisations.

Professor Manzoni is a member of several International Advisory Panels, including Digital Switzerland, Singapore's Public Service Division and the Russian Presidential Academy of National Economy and Public Administration. He is a Fellow of the Singapore Institute of Directors, and served on the Board of Singapore's Civil Service College from 2015 to 2017. In January 2018, Professor Manzoni



Mr Ho Kiam Kheong

was appointed to the Board of AACSB International, the world's largest business education alliance.

DIRECTOR, GHR

Mr Yeo Meng Hin has joined Keppel Corporation as Director of Group Human Resources (HR), effective 1 October 2018. Prior to his appointment, Mr Yeo was the Senior Vice President of HR Asia Pacific at DHL Global Forwarding Management (Asia Pacific).

An experienced HR professional with deep foundations in Industrial Relations, Compensation & Rewards Management and Change Management, Mr Yeo had also held senior positions at SMRT Corporation and DFS Group, and brings with him experience in various human resource and consultancy roles in a wide array of industries including hospitality, professional services, property, financial services and retail.

Mr Yeo is a Certified Compensation Professional and a Global Remuneration Professional with the American Compensation Association. He is also a Board Member of Singapore Corporation of Rehabilitative Enterprises and previously a Council Member of the Singapore Human Resources Institute.

INDIA REPRESENTATIVE

To drive the Group's efforts to identify, evaluate and develop new business opportunities in India, Mr Ho Kiam Kheong was appointed as the Company's India Representative with effect from 3 September 2018. Working with Group Corporate Development, Mr Ho will promote Group-wide collaboration on sustainable urbanisation in India.

Mr Ho brings with him more than 30 years of experience in business development, real estate investments, project management as well as design and construction. Prior to joining Keppel, he served as the ED and MD, Real Estate of Rowsley. Mr Ho had also held various other senior appointments in Reem Investments, CapitaLand Residential, CapitaLand Commercial and SembCorp Engineers & Constructors.

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First commercial development for Keppel Land in India

Keppel Land, through its subsidiary, Keppel Puravankara Development (KPDL), a 51:49 joint venture company with a reputable Indian property developer, Puravankara Limited (Puravankara), has entered into agreements to acquire a prime 3.09-ha site in Yeshwantpur, Bangalore, from Metro Cash & Carry India (MCCIN) for a total consideration of INR 4,050 million (approximately \$81.0 million), subject to adjustments.

KPDL will be developing a Grade A office tower with a gross floor area of 1.02 million sf as well as a 160,000 sf retail-cum-office facility on the land. KPDL will manage the office tower upon completion, while the retail-cum-office facility will be handed over to MCCIN. The total development cost, inclusive of the land cost, for the entire mixed-use development is INR 10.4 billion (approximately \$207.4 million).

Mr Sam Moon Thong, President (Regional Investments), Keppel Land, said, "India is one of the fastest-growing major economies in the world, while Bangalore, as one of the primary hubs for the technology industry, is among the largest and fastest-growing office markets in the country. Bangalore has recorded the highest office space absorption in the Asia-Pacific region in the past five years.

"We are pleased to further our collaboration with Puravankara who has a strong network and keen understanding of the local market. We believe this acquisition will further augment Keppel Land's commercial portfolio and will position us well to meet the urbanisation needs for prime office space in Bangalore."

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Expanding into Nanjing

Keppel Land China has formed a 40:60 joint venture with Gemdale (Group) Co., Ltd. (Gemdale Corporation), a leading developer in China with over 30 years of experience, to jointly develop an 8.8-ha prime residential site in Nanjing City.

The collaboration marks Keppel Land China's first foray into Nanjing and further expansion in the Yangtze River Delta region.

The site is located at the core of the Nanjing Jiangbei New Area, the only national-level new area in Jiangsu Province. The proposed development

will consist of 1,728 high-rise apartment units and 50 street-front shop units. Phase 1, comprising 787 units, is expected to be launched in 4Q 2018 and the entire development will be completed in 2Q 2022.

Separately, through its wholly-owned subsidiary, Keppel Land China has divested its 51% stake in Aether Limited, the holding company of Beijing Aether Property Development Ltd, which owns and is developing a prime commercial site in Chaoyang District, Beijing, for a consideration of approximately \$396 million.

The divestment is in line with Keppel Land's strategy to recycle assets to seek higher returns. It was completed

in end-July 2018, yielding a gain of approximately \$122 million. keppelite



Keppel Land China has formed a joint venture with Gemdale Corporation to jointly develop an 8.8-ha prime residential site in Nanjing comprising 1,728 units of high-rise apartments and 50 units of street-front shops

At the helm



Mr Tan Swee Yiow



Mr Paul Tham



Ms Tan Boon Ping



Ms Ang Sock Cheng

KEPPEL LAND

Mr Tan Swee Yiow, 58, CEO and ED of Keppel REIT Management, will be appointed CEO of Keppel Land with effect from 1 January 2019.

Mr Loh Chin Hua, CEO of Keppel Corporation, and concurrently Executive Chairman of Keppel Land, will re-assume his previous role as Chairman, Keppel Land.

Mr Tan has been with the Keppel Group since 1990. Prior to his current appointment, Mr Tan was President, Singapore, at Keppel Land, and concurrently Head, Keppel Land Hospitality Management. He was the CEO of Keppel REIT Management when Keppel REIT was listed in April 2006, a role that he held till 2009.

Mr Loh said, "With close to 30 years' experience in the Keppel Group, Swee Yiow has played an instrumental role in building up Keppel's property and REIT businesses.

"Swee Yiow is widely respected in the industry for his rich experience and knowledge of the real estate sector and deep commitment to sustainability.

"We are confident he will steer Keppel Land in a new growth phase as a multi-faceted property company focused on returns, harnessing our strengths and capturing opportunities across key markets in the region."

Beyond his roles in the Keppel Group, Mr Tan is also the President of the Singapore Green Building Council, a Director of the World Green Building Council

(WorldGBC) Board and a Member of the WorldGBC's Corporate Advisory Board. He also serves as Deputy Chairman of the Workplace Safety and Health Council (Construction and Landscape Committee) and is the Honorary Treasurer on the Management Council of Real Estate Developers' Association of Singapore (REDAS).

Separately, Ms Tan Boon Ping, 44, has been appointed CFO for Keppel Land. Ms Tan joined Keppel Land in December 2008 as Financial Controller. In December 2015, she was appointed as CFO for Keppel Land China and relocated to Shanghai.

Prior to joining Keppel Land, Ms Tan was with Ascendas Pte Ltd and City Developments Limited, where she gained experiences in group

consolidation, tax, financial and management reporting, forecasting and budgeting. She started her career as an auditor with Ernst & Young and PwC.

KEPPEL REIT

Mr Paul Tham, 36, currently Deputy CEO of Keppel REIT Management and concurrently CFO of Keppel Capital, will take over from Mr Tan as CEO of Keppel REIT Management with effect from 1 January 2019.

Mr Tham has been with the Group since 2014 and was part of Keppel's Group Strategy and Development, where he played a key role in the formation of Keppel Capital. Prior to Keppel, Mr Tham served as a management consultant for Bain & Company,

Continues on page 20...

...continued from page 19.

working with leading global companies in Asia Pacific across a range of mandates including financial performance management and growth strategy.

Mrs Penny Goh, Chairman of the Manager, said, "Paul has been identified and groomed as part of Keppel

REIT's succession planning initiative. He was involved in the management of Keppel REIT's business operations since his appointment as Deputy CEO early this year. The Board welcomes Paul in his new role and looks forward to working with him and the management team to

continue the development and execution of Keppel REIT's strategy for sustainability and growth."

KEPPEL CAPITAL

Ms Ang Sock Cheng, 46, currently Director of Finance at Keppel Capital, will succeed Mr Tham as CFO of Keppel Capital on

the same date. Ms Ang joined Alpha Investment Partners in 2004 before progressing to her current position in Keppel Capital. Prior to joining Keppel, Ms Ang served in the audit function of Arthur Andersen and KPMG. [keppelite](#)

Keeping it cool

Keppel DHCS, a wholly-owned subsidiary of Keppel Infrastructure, was awarded a contract by JTC Corporation (JTC) valued at \$275,000, to design a new district cooling system (DCS) plant in the upcoming Jurong Innovation District (JID). Contingent on approval, JTC may then award a final phase to build, own and operate the DCS plant on a 30-year contract term.

The new DCS plant will provide high-quality and reliable chilled water supply service to several developments in the JID's 28-ha Bulim Phase 1 when completed in 2021. Bulim is one of five precincts in the JID.

The plant will have a capacity of up to 14,000 Refrigeration Tons (RT), based on JTC's

cooling demand projections in the Bulim area. If awarded the final phase of this project and upon completion of the new DCS plant, the total cooling capacity that Keppel DHCS delivers across major business and industrial parks in Singapore will increase by nearly 20% to more than 80,000 RT. Keppel DHCS remains the first and largest DCS service provider in Singapore.

Mr Nicholas Lai, ED of Energy Infrastructure, Keppel Infrastructure, said, "As a leading provider of sustainable cooling solutions, Keppel DHCS continues to scale up its presence throughout the country to meet the intensification of land use and aggregate demand for DCS rising steadily each year. It will continue to work

with various stakeholders to support major cluster developments in Singapore like the JID. The new contract reflects the confidence of our

customer in our technical expertise, high reliability and quality of our facilities and service." [keppelite](#)



Keppel DHCS, the first and largest DCS developer and service provider in Singapore, provides DCS services at major business and industrial parks in Singapore, including at Mediapolis@one-north (pictured)

Keppel O&M secures new contracts

The experience and expertise of its yards worldwide has enabled Keppel Offshore & Marine (Keppel O&M) to provide quality solutions for the offshore and marine industry. Keppel O&M secured new contracts worth a total of around \$175 million from July to October 2018.

PREFERRED PARTNER

Long-standing customer, MODEC Offshore Production Systems (Singapore), part of the MODEC, Inc. group (collectively "MODEC"), has tasked Keppel FELS Brasil with undertaking the topside module fabrication and integration of the FPSO Carioca MV30, a Floating Production Storage and Offloading vessel (FPSO). This is the sixth FPSO collaboration between Keppel FELS Brasil and MODEC.

Mr Chris Ong, CEO of Keppel O&M, said, "Keppel O&M has a strong track record in production, storage, gasification or liquefaction vessels, having successfully delivered more than 130 of such units over the years.

"FPSO Carioca MV30 is our 11th FPSO project for Brazil, and as the most-established shipyard in Brazil, BrasFELS is well-positioned to deliver it to Keppel O&M's hallmark of executional excellence."

BrasFELS shipyard will commence the fabrication of the modules for the FPSO in 4Q 2018. When completed, FPSO Carioca MV30 will have the capacity to process 180,000 barrels of crude oil per day and 212 million cubic metres of gas per day. The unit's storage capacity is 1.4 million barrels of crude oil.

A LEADER IN GAS SOLUTIONS

In Singapore, Keppel Shipyard has been entrusted with the conversion of a Liquefied Natural Gas (LNG) carrier to a Floating Storage and Re-gasification Unit (FSRU) by a leading global operator of oil and gas production vessels.

In addition to repair and life extension works, Keppel Shipyard will undertake shipyard engineering, installation and integration of the regasification module and upgrading of the cargo handling system. Scheduled for delivery at the end of 2018, the FSRU will be capable of re-gasifying up to 750 million standard cubic feet of natural gas per day.

Keppel Shipyard has previously delivered three FSRUs, including the world's first FSRU conversion. With increasing demand for LNG in power generation, FSRUs are a fast, flexible, cost-effective, safe and environmentally-



The LNG carriers that Keppel is building for Stolt-Nielsen Gas will enable access to end users located in remote regions unserved by pipelines

friendly storage and re-gasification solution that is well suited for deployment in remote areas with smaller energy requirements.

EXPANDING TRACK RECORD

Keppel Singmarine, the specialised shipbuilding arm of Keppel O&M, signed two additional contracts with Stolt-Nielsen Gas, a subsidiary of Stolt-Nielsen Limited, on 7 October 2018. This follows the exercise by Stolt-Nielsen Gas of its options to build two additional small-scale LNG carriers.

Three options were granted to Stolt-Nielsen Gas as part of the original contract signed in May 2017 between Keppel Singmarine and Stolt-Nielsen Gas to build two LNG carriers. The first option lapsed in November 2017, while the second and third options have now been

exercised by Stolt-Nielsen Gas.

Mr Abu Bakar, MD (Gas & Specialised Vessels), Keppel O&M, said, "These LNG carriers will be the fourth and fifth vessels capable of LNG bunkering, as well as the 11th and 12th LNG-powered vessels that Keppel will be building. We look forward to furthering this track record as the industry increasingly adopts LNG as a marine fuel."

Similar to its preceding two units, the two LNG carriers will each have a capacity of 7,500 cubic metres, and is equipped with engines that can run on both diesel and LNG. To be completed in 4Q 2020 and 1Q 2021 respectively, the carriers will have a class notation for bunkering which enables the provision of LNG bunkering services. [keppelite](#)

Strengthening proposition

Keppel Capital has been actively pursuing opportunities with best-in-class partners to grow into new markets and asset classes, in a bid to strengthen its product offerings and broaden its investor base.

EDUCATION REAL ESTATE FUND

Keppel Capital Ventures, a wholly-owned subsidiary of Keppel Capital, signed a non-binding Memorandum of Understanding (MOU) on 26 July 2018 with Mindchamps Preschool Limited (MindChamps), the first Singapore Exchange-listed operator of preschools and early learning centres, to cooperate and establish a new private fund to be named “Keppel MindChamps Education Real Estate Fund”, which will have an initial target fund size of \$200 million.

The parties intend to manage the proposed fund through a 50-50 joint venture. With Keppel Capital and MindChamps as sponsors, the proposed fund will seek to invest in preschool and early learning real estate assets in the Asia-Pacific region. These real estate assets will be leased to MindChamps or its related fund entities, franchisees or licensees under long-term leases.

The fund will benefit from Keppel Capital’s investment capabilities in the real estate sector, asset management expertise and in-depth knowledge of the region, as well as MindChamp’s track record as the largest operator and franchisor of premium preschool centres in Singapore.

A\$1 BILLION PROPERTY FUND

On 6 August 2018, Keppel Capital Ventures entered into an MOU with Vicinity Centres (Vicinity), a leading Australian retail property group listed on the Australian Securities Exchange, to establish a new private fund. Keppel Capital’s first retail-focused real estate fund intends to invest in an initial A\$1 billion portfolio of Australian retail properties currently owned by Vicinity.

The parties intend to manage the proposed fund through a 50-50 joint venture. Vicinity is expected to initially inject approximately A\$1 billion of retail assets, located across five Australian states, into the proposed fund, and continue to provide property and development services for these assets. Each party is expected to initially hold up to a 10% equity interest in the

proposed fund, which is targeted to close by the end of 1Q 2019.

The investment strategy of the proposed fund will be to own, acquire and grow a diversified portfolio of Australian retail assets with stable yields and potential long-term capital growth, underpinned by high occupancy rates, balanced lease expiries and a diversified tenant base predominantly focused on non-discretionary spending.

The proposed fund will benefit from Keppel Capital’s extensive investor network and Vicinity’s strong capabilities in the retail sector in Australia. As one of the largest retail property managers listed on the Australian Securities Exchange, Vicinity has a fully integrated asset management platform and A\$26 billion in retail assets under management across 81 shopping centres.

Ms Christina Tan, CEO of Keppel Capital, said, “Keppel Capital has been actively pursuing opportunities with best-in-class partners to grow into new markets and asset classes. The proposed fund, which will be Keppel Capital’s first retail-focused real estate fund, will expand our track record in Australian

real estate investments beyond office developments to include retail properties. It will allow us to connect our investors to a select diversified portfolio of Australian retail assets that generate stable cashflow with growth potential.”

CHINESE FUND MANAGEMENT PLATFORM

Keppel Capital China, a wholly-owned subsidiary of Keppel Capital, signed an MOU with the China-Singapore Tianjin Eco-City Administrative Committee and Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd. on 27 September 2018 to establish a fund management entity in the Sino-Singapore Tianjin Eco-City’s Eco-Business Park. The MOU was inked at the eighth Singapore-Tianjin Economic and Trade Council meeting in Tianjin, China.

Focused on RMB fund management business, the entity will serve as a platform for Keppel Capital to work with Chinese investors and capture opportunities in the market, including those brought by the Belt and Road Initiative. keppelite

Keppel expands into senior living sector

Keppel Corporation has expanded into a new growth sector of senior living through Keppel Capital Senior Living, its wholly-owned subsidiary held through Keppel Capital. It had entered into a conditional equity purchase agreement on 2 August 2018 to acquire a 50% stake in a leading United States (US) senior living operator, Watermark Retirement Communities (Watermark), as well as 50% of the minority interests held by the owners of Watermark in certain retirement communities managed by Watermark, for a purchase

price of up to around US\$77.3 million.

Watermark currently manages 52 senior housing communities with about 9,400 beds under management in 21 states across the US, with a definitive pipeline that will bring the portfolio to more than 60 communities by 2020.

With assets under management of US\$2.7 billion, Watermark is among the largest senior living operators in the US. Its senior housing communities offer a variety of services

including independent living, assisted living, memory care and skilled nursing. With more than 30 years of experience in the senior living sector, Watermark has developed a network of systems and tools that are robust, fully integrated and scalable.

Mr Loh Chin Hua, CEO of Keppel Corporation, said, "Against the backdrop of fast ageing populations across many regions, demand is growing exponentially for senior care services and retirement communities.

"The acquisition of Watermark, an established

developer and operator of senior living communities with a strong track record, is a strategic move for Keppel to expand into this new growth sector, leveraging Watermark's deep expertise and agile business model. It will also expand the range of asset classes that Keppel Capital is involved in.

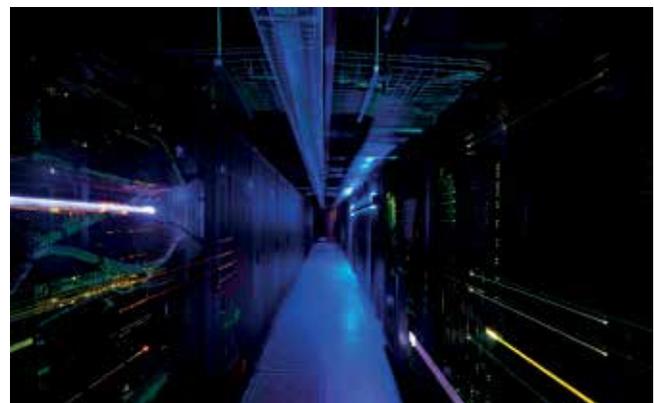
"As a solutions provider for sustainable urbanisation, Keppel is well placed to expand our capabilities into the senior living sector with a view to offering customised solutions to Singapore and other markets in Asia."

Pooling expertise

Keppel Data Centres Holding (Keppel Data Centres) has inked a cooperation agreement to develop more efficient and robust data centres.

Together with leading global information and communications technology (ICT) solutions provider Huawei; Xiangjiang Science & Technology, a technology firm specialising in the development and

manufacturing of data centre equipment for leading multinational companies, and Cloud Engine (Beijing) Network Technology, a data centre operator and cloud services systems integrator serving major telecommunications companies in China, the companies intend to jointly promote each other's services when pursuing data centre projects in China and around the world. [keppelite](#)



Through the collaboration, the companies will tap one another's expertise to develop, operate and maintain high-availability data centres in China and around the world by leveraging their respective core strengths



La Noumbi (pictured) will be stationed at the Yombo Masseko permit, held by SNPC. It is capable of producing 12,000 barrels of oil per day, processing 120,000 barrels of water per day and storing 762,062 barrels of oil

Extending track record

A trusted name in ship repair and conversion, Keppel Offshore & Marine (Keppel O&M) is the market leader in Floating Production Storage and offloading vessel (FPSO) conversions and topside modules fabrication.

In October, Keppel Shipyard successfully delivered the La Noumbi FPSO – Keppel O&M’s sixth project for the Perenco Group and fifth for the Republic of the Congo, Africa – on time and with a strong safety record. The vessel will be operated by Perenco Congo at the Yombo Masseko permit held by National Petroleum Company of the Congo (SNPC). The work scope included the installation and integration of topside process skids, fabrication of a new accommodation

module as well as life extension works.

Over in Brazil, BrasFELS has completed its scope of work on the P-69 FPSO for Petrobras. The vessel sailed away on 31 August 2018 for deployment in the Santos Basin pre-salt region. BrasFELS will continue to undertake offshore commissioning activities to support the vessel’s operations.

BrasFELS’ work scope for this project comprised fabrication, integration, testing and commissioning of topside modules. It also undertook hull carry over work including the installation of equipment and cables for the hull, as well as the commissioning of marine systems. [keppelite](#)

Seizing opportunities

Alpha Investment Partners’ (Alpha) Alpha Data Centre Fund (Alpha DC Fund) and Alpha Asia Macro Trends Fund III (AAMTF III) made strategic investments during the quarter to seize opportunities in the data centre and real estate sectors.

The Salim Group and the Keppel Group, through the Alpha DC Fund and Keppel Data Centres Holding, have signed conditional agreements to jointly develop and operate a high-availability data centre in Bogor, about 35km distance from Jakarta, Indonesia.

The 105,300 sf data centre, IndoKeppel Data Centre 1 (IKDC 1), will be developed and operated by a 60:40 joint venture between the Salim Group and Keppel

Data Centres. IKDC 1 and its underlying 3ha land plot will be held by a 60:40 joint venture between the Salim Group and the Alpha DC Fund respectively.

Separately, AAMTF III, together with Allianz Real Estate and a co-investor, have partnered to acquire a prime office building, Bay Valley C6, in the Bay Valley Business Park in Shanghai, China, for an investment consideration of approximately US\$48 million. Completed in June 2014, the 13-storey Grade A office property offers a total aboveground gross floor area of 19,768 sm and has seen positive leasing demand. Through a wholly-owned subsidiary, AAMTF III will subscribe to a 48% stake in Bay Valley C6. [keppelite](#)



AAMTF III and Allianz, together with a co-investor, are partnering to acquire a prime office building, Bay Valley C6, in the Bay Valley Business Park in Shanghai, China

Advancing LNG solutions

Over the past quarter, Keppel Offshore & Marine (Keppel O&M) marked several new milestones that will further strengthen its LNG solutions and track record.

JOINT EFFORTS

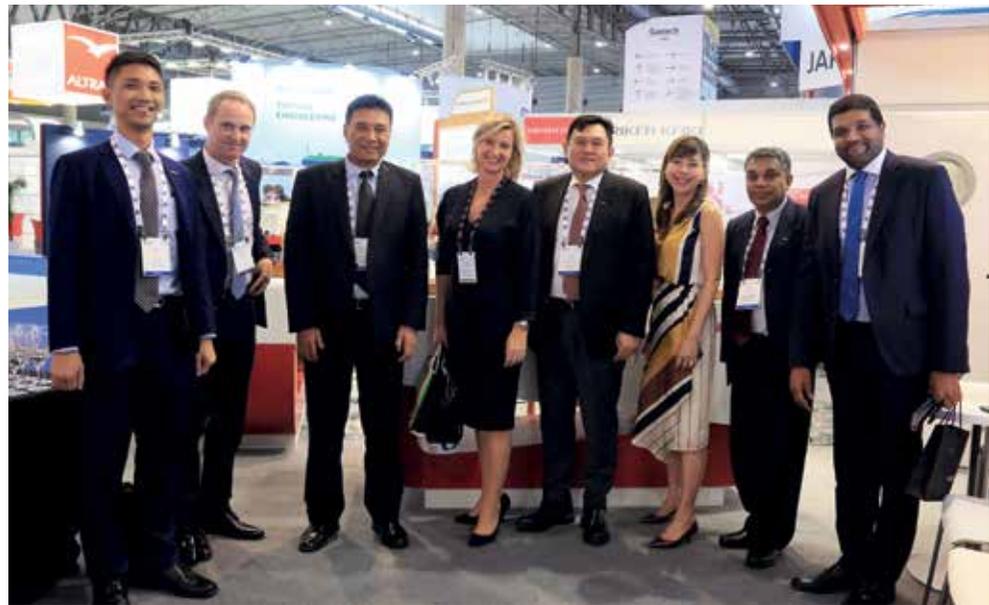
Keppel O&M signed a Technical Assistance and License Agreement with Gaztransport & Technigaz (GTT) in September 2018 that will enable the companies to jointly market LNG solutions by leveraging GTT's membrane containment systems and Keppel's shipyard expertise.

Keppel O&M's network of global yards will be able to offer GTT's LNG systems in the design, construction and maintenance of LNG carriers, LNG bunker vessels, LNG-fuelled vessels as well as floating storage and regasification units.

GTT systems have become the technology of choice for new LNG carrier orders and offshore applications. More than 70% of the world's LNG carrier fleet currently in service are equipped with GTT's membrane technologies.

NEW FUEL SUPPLIER OF THE YEAR

FueLNG, a joint venture between Keppel O&M and Shell Eastern Petroleum (Pte) Ltd, was crowned New



Management from Keppel O&M met with customers such as BW Group at Gastech 2018 to discuss opportunities for further collaboration

Fuel Supplier of the Year at the Lloyd's List Asia Pacific Awards on 27 September 2018. FueLNG provides LNG bunkering services for South East Asia's first dual-fuel tugs operated by Keppel Smit Towage and Maju Maritime, and has conducted more than 40 truck-to-ship bunkering operations.

GASTECH 2018

Keppel O&M participated in the Gastech exhibition held from 17 to 20 September 2018 in Barcelona, Spain, to showcase its range of solutions and network with other industry players. One of the biggest gas exhibitions in the world, Gastech 2018 saw 35,000 attendees and

700 exhibitors from more than 90 countries come together to network and discuss LNG-related topics.

DUAL-FUEL TUG DELIVERY

On 17 September 2018, Keppel Singmarine delivered its second dual-fuel tug capable of running on LNG. Built for Maju Maritime and named Maju Loyalty, the vessel was completed on time, within budget and with a perfect safety record.

The tug is equipped with containerised, type-C ISO-certified LNG tanks on the main deck, as well as a patented LNG vaporiser which is compact and cost-effective.

FIRST STEEL STRUCK

Keppel AmFELS, a wholly-owned subsidiary of Keppel O&M in the United States, on 25 September 2018 celebrated the cutting of the first steel plates for the two LNG-fuelled containerships to be built for Honolulu-based Pasha Hawaii. When completed, the two 774-foot Jones Act vessels will be able to carry 2,525 TEUs (twenty-foot equivalent units) with a sailing speed of 23 knots.

keppelite



(Front row, from L-R) Mr Danny Teoh, Board of Director (BOD) of Keppel Corporation; Mr Alvin Yeo, BOD of Keppel Corporation; Mr Chan Chun Sing, Minister for Trade and Industry; Dr Lee Boon Yang, Chairman of Keppel Corporation; Prime Minister Lee Hsien Loong; Mr Loh Chin Hua, CEO of Keppel Corporation; Mr Ong Ye Kung, Minister for Education; Mr Tan Ek Kia, BOD of Keppel Corporation; Ms Veronica Eng, BOD of Keppel Corporation. (Back row, from L to R) Ms Christina Tan, CEO of Keppel Capital; Dr Ong Tiong Guan, CEO of Keppel Infrastructure; Mr Till Vestring, BOD of Keppel Corporation; Mr Tan Puay Chiang, BOD of Keppel Corporation; Mr Chan Hon Chew, CFO of Keppel Corporation; Mr Chris Ong, CEO of Keppel Offshore & Marine; Mr Thomas Pang, CEO of Keppel Telecommunications & Transportation

Celebrating 50 years

Keppel Corporation celebrated its growth story at the company's 50th anniversary Gala Dinner on 3 August 2018. To commemorate this occasion, Keppel made a \$10 million donation to the Institute of Technical Education to promote education for financially disadvantaged students.

Keppel Corporation has come a long way over the last 50 years. From a small shipyard incorporated in 1968, Keppel has grown and diversified into a multi-business company, providing solutions for sustainable urbanisation. This important milestone was celebrated at the company's 50th anniversary Gala Dinner at Shangri-La Hotel on 3 August 2018.

Singapore's Prime Minister, Mr Lee Hsien Loong, was the Guest-of-Honour at

the Gala Dinner, which was attended by more than 600 guests including Singapore's ministers – Mr Chan Chun Sing, Minister for Trade and Industry, and Mr Ong Ye Kung, Minister for Education, senior government officials, ambassadors, business partners, customers, union representatives as well as Keppel's directors, management and staff.

During his welcome speech, Dr Lee Boon Yang,



Dr Lee Boon Yang, Chairman of Keppel Corporation, expressed his appreciation for the strong support of all stakeholders and reiterated Keppel's commitment to becoming a more sustainable company

You turned adversity into opportunity. You looked outward and broke new ground in external markets, businesses and technologies. You transformed yourself as the world changed, developing new capabilities and businesses beyond your original focus. Your success is also Singapore's success as you contributed to our economic growth and international branding, and uplifted the livelihoods of many Singaporeans.

Singapore Prime Minister,
Mr Lee Hsien Loong



Speaking to an audience of over 600 guests, Prime Minister Lee shared how Keppel's journey over the past 50 years mirrors Singapore's own nation-building story

Chairman of Keppel Corporation, expressed appreciation for the strong support and confidence of all stakeholders, without which the company's success over the past five decades would not have been possible. Dr Lee said, "I want to acknowledge the valuable contributions of the previous chairmen, boards and management of Keppel, whose vision and foresight laid the

foundation for the company's growth and success today...As we grow beyond our first 50 years, Keppel is committed to becoming an even stronger, more nimble and more sustainable company, one that will make a positive impact on the community, wherever we operate."

Dr Lee's announcement of a \$200 cash gift for each of Keppel's more than 20,000

staff in Singapore and overseas, in appreciation of their hard work and dedication, was met with resounding applause from the audience. Earlier in July, Keppel had also declared a special dividend of five cents per share on the occasion of its 50th anniversary.

In his speech, Prime Minister Lee spoke on how Keppel's journey over the past 50 years mirrors Singapore's

own nation-building story. Prime Minister Lee said, "You turned adversity into opportunity. You looked outward and broke new ground in external markets, businesses and technologies. You transformed yourself as the world changed, developing new capabilities and businesses beyond your original focus. Your success is also Singapore's

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success as you contributed to our economic growth and international branding, and uplifted the livelihoods of many Singaporeans.”

Prime Minister Lee also expressed confidence in Keppel’s ability to thrive in a rapidly-changing world. He shared, “You have a firm foundation of dedicated and competent Keppelites. You have over time established a solid reputation of reliability, which has given you the ability and the goodwill to recover from setbacks and mistakes.

“As you celebrate your 50th anniversary, I hope that you will remain steadfast to your core values and build on your legacy of excellence, so that Keppel and Singapore will continue to shine brightly on the world stage.”

In his thank you remarks later in the evening, Mr Loh Chin Hua, CEO of Keppel Corporation, expressed his appreciation for the company’s many stakeholders who have helped Keppel in its journey thus far, including government bodies; customers; suppliers; service providers; bankers; partners, shareholders as well as Keppelites, both past and present.

Mr Loh said, “Fifty years is a long time. Whilst we are here to celebrate this remarkable milestone, it is also timely for us to reflect on what lies ahead and what Keppel as a company must do to remain relevant and continue on our growth path for the coming decades.”

He added, “Our push for collaboration within the Group, as *OneKeppel*, in the

past few years has yielded results. When you look beneath the hood, there is a lot more in common amongst our different businesses. The potential for synergies is enormous. But not all solutions and ideas can come from within Keppel. Keppelites will also collaborate and co-create with our partners, as part of an eco-system, to provide better solutions for all our customers.”

CONTINUING THE TRADITION OF GIVING

To commemorate this special occasion, Keppel Corporation made a \$10 million donation to the Institute of Technical Education (ITE) to promote education for financially-disadvantaged students from ITE. At the Gala Dinner, Prime Minister Lee witnessed the cheque presentation by Dr Lee to Mr Bob Tan, Chairman of ITE.

Keppel’s donation will be credited to the ITE Education Fund and will be matched 1.5:1 by a Singapore government grant, resulting in a total contribution of \$25 million to the Fund. The donation will be used to set up the Keppel Care Foundation Scholarship and Keppel Merit Awards. The Keppel Care Foundation Scholarship aims to recognise and reward outstanding ITE students from disadvantaged backgrounds, while the Keppel Merit Awards provide monthly financial support for

deserving students from low-income families.

Dr Lee said, “Keppel believes in investing in education and developing capabilities to support Singapore’s growth into the future. We believe that by improving access to education, we will empower youths and maximise their potential. Keppel’s donation towards the ITE Education Fund will expand the pool of financial assistance available to students, provide relief for them and their families, and encourage the students to continue to excel in their studies.

Mr Tan, Chairman of ITE, added, “Many students who enrol in ITE come from disadvantaged backgrounds. Providing financial assistance to these students will go a long way in helping them stay focused on their studies, instead of having to supplement family income with excessive part time work. I can’t begin to tell you how much this will mean to them. We are very grateful to Keppel for their generosity. It will most definitely help to alleviate the financial burden of our students and their families. This can make a big difference in their lives and future prospects.”

SHAPING THE FUTURE

Underpinning Keppel’s growth trajectory is its commitment to shaping the future for the benefit of all its stakeholders – Sustaining Growth,



Mr Loh Chin Hua, CEO of Keppel Corporation, thanked the company’s many stakeholders who have journeyed with Keppel, and reflected on what lies ahead as the company forges into the future



1. (From L-R) Dr Lee Boon Yang, Chairman of Keppel Corporation; Mr Leung Chun-ying, Vice Chairman of the National Committee of the Chinese People's Political Consultative Conference, former Board Director of Keppel Corporation and former Chief Executive of Hong Kong; Mr Lim Chee Onn, former Executive Chairman of Keppel Corporation; and Mr Loh Chin Hua, CEO of Keppel Corporation

2. (From L-R) Mr Samuel Tsien, Group CEO of OCBC Bank; Ms Christina Tan, CEO of Keppel Capital; Dr Lee Boon Yang, Chairman of Keppel Corporation; Mr Piyush Gupta, CEO of DBS Group; Mr Loh Chin Hua, CEO of Keppel Corporation; and Mr Frederick Chin, Head of Group Wholesale Banking at UOB

3. Mr Chris Ong (back row, fifth from left), CEO of Keppel Offshore & Marine, and Ivana Chua (back row, third from left), Assistant GM, Group Corporate Communications at Keppel Corporation, with analysts (front row, from L-R), Mr Joel Ng, KGI Fraser Securities; Mr Foo Zhiwei, UOB Kay Hian; Mr Ajay Mirchandani, JP Morgan Securities; (back row, from L-R) Mr Gerald Wong, Credit Suisse; Ms Ho Pei Hwa, DBS Bank; Ms Lim Siew Khee, CGS-CIMB Research; Mr Conrad Werner, Macquarie Securities; Ms Janice Chua, DBS Bank; and Mr Low Horng Han, CLSA

4. (From L-R) Dr Ong Tiong Guan, CEO of Keppel Infrastructure; Mr Amos Tan, MD of DBS Bank; and Mr Thio Shen Yi, Board Director of Keppel Infrastructure Trust

5. (From L-R) Yong San Wee, Deputy Manager, Group Corporate Development at Keppel Corporation; Mr Zhang Lei, CEO of Envision; Ms Cindy Lim, Director, Group Corporate Development at Keppel Corporation and MD of Keppel Urban Solutions; Mr Michael Ding, Group ED of Envision; Mr Ben Lee, President of Keppel Land China; and Ms Paige Liu, Strategy Business Development Director, Envision

6. (From L-R) Mr Alvin Mah, CEO of Alpha Investment Partners; Ms Marie Yan, Head, Portfolio Management at Keppel Capital; Mr Gilles Chow, MD, Real Estate Investments Asia at Canada Pension Plan Investment Board; and Mr Thomas Pang, CEO of Keppel Telecommunications & Transportation

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Empowering Lives, and Nurturing Communities.

These three thrusts came to life in a sharing session by Keppelites Nguyen Duc Minh, Deputy GM, Keppel Land Vietnam; Mr Ivan Lim, GM (Operations), Keppel Shipyard; Ricky Ling, Assistant HR Manager, Keppel Telecommunications & Transportation; and Alicia Li, Senior Vice President, Keppel Capital, who spoke passionately on how they have grown professionally and personally in Keppel (see box story on page 31).

Capping the engaging sharing by Keppelites, the Keppel-supported Singapore Dance Theatre brought the evening to a rousing finish with an uplifting performance by its young dancers, who dazzled

the crowd with a beautiful rendition of the Nutcracker Pas de Deux and the Swan Lake Waltz. [keppelite](#)



Singapore Dance Theatre's young dancers brought the evening to a rousing finish with a beautiful rendition of the Swan Lake Waltz

STRENGTH TO STRENGTH



At the dinner, Keppel also launched a commemorative book written by Ms Lee Su Shyan, then Business Editor of The Straits Times.

Entitled "Strength to Strength – Keppel at 50 and beyond", the book provides a snapshot of how Keppel has grown to be a multi-business company, providing solutions for sustainable urbanisation, as well as its plans for the future.

In chronicling the company's journey, Ms Lee interviewed many Keppelites – ranging from the company's Chairman and senior management, both past and present, as well as long-serving staff like Keppel Shipyard senior yard manager Chua Chee Wah, 66, who joined the company as a 16-year-old apprentice in 1969.

VOICES OF KEPPELITES



"In 2004, after being admitted to the MBA programme at the National University of Singapore, I received a Keppel Corporation scholarship from Mr Lim Chee Onn, then Executive Chairman of the company. It was a chance to be part of an organisation that was already making waves in Ho Chi Minh City with the Saigon Centre, one of the first skyscrapers in the city.

When I graduated, I chose to work with Keppel Land, which was fast becoming one of the biggest foreign developers in Vietnam. I've been with Keppel for 12 years now, working on projects that have a real impact on the city. My story is not unique. Every day, I see my colleagues, Keppelites across the world, going beyond the call of duty because they know that they are making a difference."

Nguyen Duc Minh,
who joined Keppel Land in 2006



"I come from a humble background and started my career at the Keppel Harbour Yard after my O Levels. I was lucky to be given a scholarship by Keppel the same year to pursue a Diploma in marine engineering. After starting work as an Assistant Engineer, I obtained a degree in marine engineering in 2005 with the company's support.

What really inspired me was the trust Keppel had in me. In 2007 when I was just 29, there was a big kick off meeting for the Espirito Santo Floating Production Storage and Offloading project and I presented the project execution plan. The clients asked me, "Where's the project manager?" When I said it was me, they didn't believe that it could be someone quite so young.

Through the years, I benefited from the mentorship of senior Keppelites, and I hope to also be a guiding light for the next generation."

Ivan Lim,
who is paying it forward as the President of Keppel Young Leaders



"Recently, I was on an overseas volunteer trip to visit a primary school in Mabian County, one of the poorest regions in Sichuan, China. In these mountains, basic needs like drinking water, food, medical care and education are hard to come by for many. But for these children, I was struck that they did not ask for things – all they wanted was a few hours of our friendship. We had wonderful conversations and we created precious memories.

My biggest take-away? Their smiles – right from their heart, despite the challenges they face and the conditions they live in."

Ricky Ling,
whose experience volunteering overseas has inspired him to play a more active role in Keppel Volunteers



"At Keppel, we want to foster creative and critical thinking through an appreciation of the arts for children, our future. That is the goal of Keppel Nights, a programme in partnership with Esplanade, as well as the Keppel Centre for Art Education at National Gallery Singapore. Such programmes encourage curiosity and allow our children to let their imagination take flight.

I have a young daughter and I am expecting another child in a few months. Like most parents, I am concerned about the overall development of my child... I believe the arts balances out an individual's perspective and helps one to look at things differently."

Alicia Li,
who shared on how Keppel seeks to foster creativity and expression in children through its support for the arts

Making a difference in China



Keppel Corporation marked its 50th Anniversary by launching a new partnership with the China Foundation for Poverty Alleviation (CFPA) at a commemorative dinner on 31 August 2018 in Beijing, China. The partnership with the CFPA was launched by Dr Lee Boon Yang (third from right), Chairman of Keppel Corporation, and Mr Zheng Wenkai (third from left), Chairman of CFPA, together with Mr Stanley Loh (second from right), Ambassador of the Republic of Singapore to China, Keppel Corporation's CEO Mr Loh Chin Hua (second from left), CFO Mr Chan Hon Chew (first from right), and Chief Representative (China) Mr Eric Goh (first from left)

Keppel Corporation marked its 50th Anniversary in China with a commemorative dinner on 31 August 2018 in Beijing, during which it launched a new partnership with the China Foundation for Poverty Alleviation (CFPA). The dinner was attended by government officials from China and Singapore, business partners, customers as well as Keppel's senior management and staff in China.

The partnership with CFPA was launched by Dr Lee Boon Yang, Chairman of Keppel Corporation, and Mr Zheng Wenkai, Chairman of CFPA, together with

Mr Stanley Loh, Ambassador of the Republic of Singapore to China, Keppel Corporation's CEO Mr Loh Chin Hua, CFO Mr Chan Hon Chew, and Chief Representative (China) Mr Eric Goh.

Dr Lee Boon Yang, Chairman of Keppel Corporation, said, "The Keppel Group is glad to have contributed for more than 30 years to meeting China's diverse needs. To commemorate our golden jubilee, Keppel will launch a new partnership with the China Foundation for Poverty Alleviation to support the Chinese Government's plans to combat rural poverty and stimulate the development

We look forward to building on our track record, deepening our presence in China, and continuing to contribute to China's sustainable development for many years to come.

*Dr Lee Boon Yang
Chairman
Keppel Corporation*

of remote regions. We will focus in particular on helping students in rural areas, to improve their access to education resources and provide them with nutritious food items."

The collaboration with CFPA will begin with a three-year

programme focused on needy students from ten schools in Mabian County, Sichuan Province. The programme will provide students with nutritious food items on every school day, and encourage active learning and cultivate good reading habits by providing

library resources to the beneficiary schools. Beyond financial support, Keppel Volunteers from across the Keppel Group will also participate in the programme by volunteering their time, knowledge and skills to engage the students.

At the commemorative

dinner, artistes from Singapore and China put up joint performances filling the ballroom with beautiful music from both countries. Talented Keppelites, Xu Yawen from Keppel Land China, and Paddy Gu from Keppel Capital, also sang a medley of two meaningful songs – “Tomorrow will be

Better” and “We are the World”, reflecting Keppel’s commitment to make a positive impact on the community, wherever we operate.

The Keppel Group first ventured into China in 1984, when FELS (subsequently renamed “Keppel FELS”)

entered into a joint venture for an offshore maintenance and repair project in China. Over the years, the Group has further expanded its presence in China to include all key businesses in the Keppel Group.

Keppel currently has operations across 27 Chinese cities, providing solutions for sustainable urbanisation. Keppel is also the leader of the Singapore consortiums in the first two China-Singapore government-to-government projects, namely the China-Singapore Suzhou Industrial Park and the Sino-Singapore Tianjin Eco-City.

Dr Lee added, “We look forward to building on our track record, deepening our presence in China, and continuing to contribute to China’s sustainable development for many years to come.” keppelite



Keppelites Xu Yawen (front row, left) and Paddy Gu (front row, right) performing a duet at the commemorative dinner



Keppel Corporation marked its 50th anniversary with a commemorative dinner in Beijing on 31 August 2018 which was attended by government officials from China and Singapore, business partners, customers as well as Keppel’s senior management and staff in China

Celebrating Tianjin Eco-City's 10th year milestone

The Sino-Singapore Tianjin Eco-City (Eco-City), the landmark bilateral project between Singapore and China, commemorated its 10th anniversary milestone in September 2018 and charted a course for the future.

Since breaking ground on 28 September 2008, the Eco-City has been transformed from a barren and saline wasteland into a thriving green city. Today, the Eco-City has 100,000 people living and working there, as well as close to 7,000 registered companies.

REPLICATING ECO-CITY'S EXPERIENCE

At the 10th Sino-Singapore Tianjin Eco-City Joint Steering Council Meeting held on 20 September 2018, both countries reaffirmed the Eco-City's achievements over the past decade, and reiterated their commitment for the Eco-City to maintain its position as a forerunner in the development of more thriving eco cities in the next decade.

Looking ahead, both countries will go beyond the physical development of the Eco-City in Tianjin to promote sustainable city development in other Chinese cities, as well as along the Belt and Road. Singapore's Senior Parliamentary Secretary for Home Affairs and National Development Sun Xueling signed a Memorandum of Understanding (MOU) with



At the eighth STETC Meeting, SSTECE CEO Mr Tay Lim Heng (front row, third from left), ECAC Chairman Mr Wang Guoliang (front row, fourth from left) and Keppel Capital ED (Investments) Mr Danny Phuan (front row, third from right) signed an MOU outlining Keppel Capital's plan to establish an entity in the Eco-City

Vice Minister for China's Ministry of Housing and Urban-Rural Development Huang Yan on replicating the Eco-City's development experience. The signing was witnessed by Singapore's Deputy Prime Minister Teo Chee Hean and China's Vice Premier Han Zheng.

This cooperation will bring the Eco-City one step closer to realising its vision to be a practical, replicable and scalable model for sustainable development.

FORGING NEW PARTNERSHIPS

The eighth Singapore-Tianjin Economic and Trade Council (STETC) Meeting was held

in Tianjin on 27 September 2018.

At the meeting, Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd. (SSTECE), the master developer of the Eco-City, signed two MOUs: one with the Sino-Singapore Tianjin Eco-City Administrative Committee (ECAC) and Keppel Capital China, a wholly-owned subsidiary of Keppel Capital, and the other with ECAC and Surbana Jurong.

The first MOU outlined Keppel Capital's plan to establish a fund management entity in the Eco-City, expanding the

Keppel Group's current suite of solutions and capabilities in the Eco-City. The second MOU with Surbana Jurong outlined plans to establish an entity in the Eco-City to provide investment management services. Both new entities will be sited in the Eco-Business Park (EBP).

In addition, SSTECE will also work with Enterprise Singapore and ECAC to study the establishment of a one-stop shared office platform in the EBP. This platform is envisaged to facilitate Singapore and Singapore-based international companies in their entry into the greater Tianjin and North China markets.

SSTEC will also work with Enterprise Singapore to explore launching a China Ready Programme focusing on the Northern China market in 2019. The programme aims to equip Singapore enterprises with first-hand knowledge on the business environment in Northern China.

CELEBRATING 10 YEARS

As the Eco-City commemorates its 10th anniversary, it will embark on the next phase of development with a set of revised key performance indicators (KPIs).

Mr Lawrence Wong, Singapore's Minister for

National Development and Second Minister for Finance, met with Vice Minister Huang Yan and Tianjin Binhai New Area Party Secretary Zhang Yuzhuo on 28 September 2018 to discuss the future directions for the Eco-City project.

The leaders reiterated their commitment for the Eco-City to maintain its position as a front runner in eco-city development. A revised KPI framework was endorsed to guide the Eco-City in achieving higher targets in environmental, social and smart-city development.

The development experience and lessons learnt over the

past decade in building the Eco-City has been compiled by Singapore's Ministry of National Development (MND) and the ECAC into a documentation book, which was launched on the same day.

In line with its philosophy of being a model for sustainable development, the Eco-City also played host to the China-Singapore International Green Building Conference (CSIGBC) on 28 September 2018. Attended by some 400 delegates, the conference showcased building design trends and regulations in China, along with the achievements of the Eco-City over the past decade. [keppelite](#)

Successful bids for land parcels

Two residential land parcels in the Eco-City's Central District were successfully sold in the last quarter, further accelerating the development of the Central District.

The first plot, which has a total site area of 7.94 ha, was sold to Shanghai Shimao Construction for RMB 835.1 million. The plot is adjacent to the picturesque Huifeng Creek Park and Eco-Valley. It is also near Nankai High School and the future large-scale community and sports complex located in the Start-Up Area. The plot will be developed into an eco-community comprising duplex and small high-rise housing units amidst lush greenery.

The second plot, which has a total site area of 8.77 ha, was sold to Tianjin Yeshine Group for RMB 1.46 billion. The plot is adjacent to the Eco-Valley and near Nankai High School and Nankai Primary School. It will be developed into an eco-community focused on high-rise residential projects.



As part of the Eco-City's 10th anniversary commemoration, Minister Lawrence Wong (centre) unveiled a 10-year milestone sculpture "Towards Greater Heights" with Vice Minister Huang Yan (right) which signifies that the Eco-City project has taken off under the care and nurture of the people of Singapore and China

Hallmarks of excellence

The Keppel Group received recognition for product excellence, sustainability and contributions to the community in recent months.

CORPORATE RECOGNITION

Keppel Land garnered 18 accolades in the global Euromoney Real Estate Survey 2018 conducted by leading business and financial publication, Euromoney. Keppel Land was also the developer presented with the highest number of accolades across Asia at this year's Survey.

Notable accolades accorded to Keppel Land include Best Residential Developer in Asia as well as Best Overall Developer in China, Vietnam and Indonesia. Keppel Land also swept all the accolades under the Developers categories for China, and was also named Best Office and Business Developer in Singapore for the 11th consecutive year.

SUSTAINABILITY BENCHMARKS

The Group was also recognised for its efforts and commitment towards sustainable practices at the Global Real Estate Sustainability Benchmark (GRESB) 2018.

Keppel Land topped globally and in Asia-Pacific, the

Developer / Diversified – Office / Residential category. In addition, Keppel Land ranked second in the Developer category in the Asia and East Asia sectors, as well as sixth globally.

Keppel REIT, managed by Keppel REIT Management, maintained its Green Star Status while both the Alpha Asia Macro Trends Fund (AAMTF) II and AAMTF III under Alpha Investment Partners achieved the Green Star Status.

Separately, Keppel REIT's David Malcolm Justice Centre, which is the first building in Perth to attain the Green Building Council of Australia's 6 Star Green Star – Performance Certified Rating, also won the MizCo Western Australia Commercial Property of the Year Award (over 20,000 sm) and the Environmentally Sustainable Design & Sustainability Award (Premium/A Grade) by the Property Council of Australia.

In recognition of Keppel Land's efforts to promote a healthy lifestyle among its employees, the company was conferred the Platinum Award under the new BCA-HPB Green Mark for Healthier Workplaces scheme introduced by the Building and Construction Authority of Singapore (BCA)



Keppel Land won a slew of accolades recently, including at PropertyGuru's Asia Property Awards (pictured), where the company was recognised in seven categories

and the Health Promotion Board (HPB).

PRODUCT EXCELLENCE

Keppel Land garnered a slew of awards at PropertyGuru's Asia Property Awards held on 12 October 2018. The company was recognised for corporate social responsibility, building communities as well as design and construction, while its latest condominium project, Highline Residences at Tiong Bahru, was awarded the Best Private Condo Landscape Architectural Design, as well as received Highly Commended distinctions for Best Universal Design Development, Best Residential Green Development and Best Private Condo Development.

Keppel Land's The Podium integrated mixed-use development also bagged eight accolades at PropertyGuru's Philippines Property Awards, including Best Universal Design Development, Best Green Development, Best Office Development in Manila as well as Best Mixed-use Development (see related story on page 40).

Meanwhile, Corals at Keppel Bay won the prestigious International Architecture Award 2018 organised by The Chicago Athenaeum Museum of Architecture and Design. The award was conferred at a ceremony on 28 September 2018 in Athens, Greece. [keppelite](#)

Green pioneer

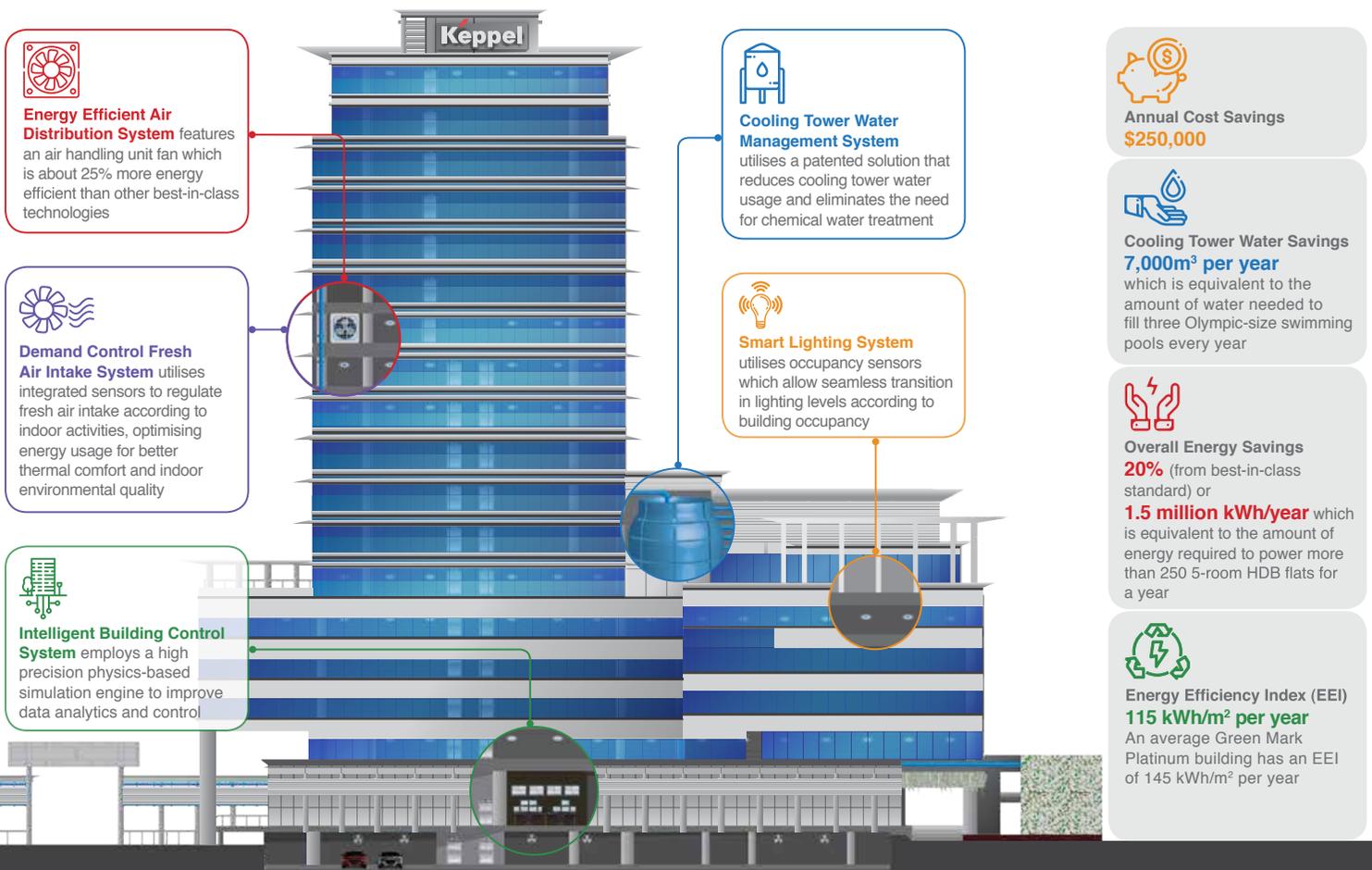
Keppel Land has been awarded a grant of up to \$1.28 million by the Building and Construction Authority of Singapore (BCA) to implement new and emerging green technologies at the Green Mark Platinum-certified Keppel Bay Tower,

where Keppel Corporation is headquartered.

With the completion of the pilot, estimated by July 2020, Keppel Bay Tower's annual energy consumption is expected to improve from about 145 kilowatt

hour (kWh)/m² per year to 115 kWh/m² per year. This is a 20% improvement from its current annual energy consumption. Keppel Land is working with the BCA to certify Keppel Bay Tower under the new Green Mark for Super Low Energy

scheme, qualifying it as Singapore's first Super Low-Energy High-Rise Existing Commercial Building. keppelite



Keppel Bay Tower gears towards becoming a super low-energy building as part of an innovative test-bedding project supported by the BCA Green Building Innovation Cluster

Taking Innovation in HSE to the next level

Dear Keppelites,

In this era where the digital economy is disrupting many aspects of business, innovation and harnessing technology must continue to be at the core of our safety efforts and operations across the Group. We have progressed well in these aspects – our various businesses have been doing well in innovating solutions for safer and more productive and efficient operations.

This year, Keppel Shipyard used advanced technology to develop a gas monitoring system equipped with an alarm feature that continually monitors the gas status within confined spaces, constantly ensuring workers' safety round-the-clock and considerably reducing the risks of confined space entry. At Keppel Merlimau Cogen, a pre-loading sampling device was designed to ensure that tank valves are only opened when the device detects the correct chemical based on its conductivity, eliminating the risk of incompatible chemicals being loaded into the wrong tanks, which could otherwise cause adverse reactions and major disruption to operations.

But we can do more in this area. Business units are encouraged to step up a gear in using available technology such as AI, Augmented Reality/Virtual Reality, data analytics, robotics, IoT, drones, and 3D printing. At the Group level, Group HSE is collaborating with Keppel Technology &

Innovation to harness video analytics and the power of business intelligence, among others. With these tools, we will be able to generate data analytics based on the vast data coming from hazard reporting, observations, inspections, and other areas to create visualisations on site safety. This will potentially transform how we present and analyse safety, delivering deeper insights and coming up with timely interventions to pre-empt injuries based on real-time data.

Leveraging technology to drive improvements is a key strategic pillar in our Zero Fatality Strategy, so let's work together to take innovation in HSE to the next level.

I would also like to take this opportunity to advise all Keppelites on a material change in the incident reporting procedure. With immediate effect, Keppelites are required to report all work-related traffic accidents to their supervisor or HSE department. Details are included in this issue of HSE Matters.



R K Jaggi

*GM, Group HSE, Keppel Corporation and
Chairman, Inter-Strategic Business Unit Safety Committee*

SAFETY ACCOLADES

As a strong testament to the Group's concerted efforts in safety, Keppel clinched 28 awards at this year's Workplace Safety and Health (WSH) Awards held on 31 July 2018, which was the highest number of awards won by a single organisation this year.

Keppel Offshore & Marine (Keppel O&M) bagged 22 of the 28 awards under the Safety and Health Award Recognition

for Projects (SHARP) category, while Keppel FELS, Keppel Singmarine and Keppel DHCS clinched the WSH Performance Awards for exemplary safety performance and implementation of strong WSH management systems.

Keppel FELS earned an Innovation Award for its new shackle jig which improved efficiency and cost-savings for rigging and re-rigging jobs. The award recognises companies for their

efforts to create solutions that improve workplace safety.

On the individual level, Mr Thanarajan Verasalam, Facility Superintendent at Keppel FELS, as well as Mr Balasubramaniam Appathurai, Principal Operations Specialist at Keppel DHCS, were conferred Supervisor Awards for ensuring safe working environments for workers under their charge.



Workers at the Group's various worksites, plants and offices took a GSTO in July 2018 to reaffirm their commitment to safety

HARMONISING SYSTEMS & PROCESSES

As part of our Zero Fatality Strategy to harmonise safety systems and processes across the Group's global operations, the Incident Investigation and Root Cause Analysis (I2RCA) training programme was first rolled out in Singapore in April 2018. To date, 60 Keppelites have been trained over five sessions. Efforts are now underway to translate this programme into Chinese, for implementation in Keppel's offices and worksites in China.

The programme was initiated with the aim of equipping operations and HSE personnel with a simple and standardised incident investigation tool to investigate and report safety incidents, allowing them to make recommendations to prevent recurrence. By presenting reports and root causes in a logical flow diagram, it makes information about the incident easily accessible to any party.

SYNCHRONISED GLOBAL EFFORTS

Keppel's worksites participated in a Global Safety Time-Out (GSTO) on 17 July 2018, where work stopped and workers took time out to reinforce their commitment to safe working conditions. To maximise the impact, this was conducted simultaneously across all

BUs with activities ranging from safety briefings, tool box talks, safety videos, and sharing of lessons learnt from past accidents.

Adding to the Group's strong safety presence around the world, the latest Safety Awareness Centre (SAC) was opened in Wuxi, China, on 14 August 2018. Since then, 92 site personnel across Keppel Land projects have been trained at the SAC. Compact and mobile, the Wuxi SAC is suitable for deployment at various offices and worksites for training. It also aids in recruitment drives at various Chinese universities.

CONTRACTOR COMMITMENT

On 13 July 2018, 150 Keppel Infrastructure (KI) suppliers, contractors and staff gathered for their annual Contractor HSE Forum to reaffirm their commitment to safety and align all stakeholders with the Ministry of Manpower's approach to Total WSH. Mr Zaqy Mohamad, Minister of State, Ministry of Manpower and Ministry of National Development was the Guest of Honour. In his reflections shared on Facebook after the event, he said that he was "heartened to have corporations such as Keppel to drive home the message that everyone has a part to play in preventing workplace accidents." keppelite

FREQUENTLY ASKED QUESTIONS:

Work-Related Traffic Accidents*

Did you know that as of August 2018, all Keppelites are required to report any work-related traffic accidents to their supervisor or HSE department?

When should I report a work-related traffic accident?

When you meet with a traffic accident:

- While travelling during work or for business purposes (e.g. to a meeting or to attend training), regardless of the mode of transport
- While taking company transport to and fro between home and the workplace

In such cases, Keppelites should inform their supervisor, who is then responsible for reporting the incident to the relevant HSE department.

What type of traffic-related accidents are not reportable?

When a Keppelite meets with a traffic accident:

- While travelling in his own car, a friend's car or public transport between home and workplace
- While running personal errands during or after work in his own transport (including bicycle), his friend's transport or public transport
- While driving own or company transport for work, the employee is not injured but a member of public is injured and hospitalised

For more information, contact Group HSE, or HSE personnel from your business unit.

*Information taken from Ministry of Manpower's

Topping off The Podium West Tower

Keppel Land and its Philippine joint venture partner, Banco de Oro Unibank Incorporated (BDO), a member of the SM Group, marked the topping off of The Podium West Tower, a landmark Grade A office tower in Manila's Mandaluyong

City under Phase Two of the SM-KL Project, on 27 September 2018. Keppel Land's subsidiary, Keppel Philippines Properties, holds a 40% stake in the SM-KL Project, while BDO and an associate company hold the remaining stakes.

The ceremony was attended by Guest-of-Honour Ms Menchie Abalos, Mayor of Mandaluyong City; Singapore Ambassador to the Republic of the Philippines, Ms Kok Li Peng, as well as senior management from Keppel Land and BDO, amongst more than 250 guests.

completed in the second quarter of 2019, The Podium West Tower will meet the growing demand for high quality office premises by multinational and local corporations seeking a strategic and prime address in the heart of the city."



Keppel Land and Banco de Oro Unibank Incorporated marked the topping off of The Podium West Tower, a landmark Grade A office tower in Mandaluyong City, in the presence of Guest-of-Honour Ms Menchie Abalos (centre, in floral shirt), Mayor of Mandaluyong City and Singapore Ambassador to the Republic of the Philippines Ms Kok Li Peng (fifth from left)

Mr Sam Moon Thong, President (Regional Investments) at Keppel Land, said, "We are privileged to participate in the growing Philippine economy together with our partner BDO in developing this premier and eco-conscious commercial development. When

The development has bagged multiple awards in sustainability including the LEED Gold Mark (Core & Shell) pre-certification by the US Green Building Council and is the first Building and Construction Authority of Singapore (BCA) provisional Green Mark Gold Award recipient in the Philippines.

keppelite

In memory of Lim Kei Hin

Mr Lim Kei Hin, CFO of Keppel Land, passed away peacefully on 10 August 2018 at the age of 60.

Mr Loh Chin Hua, CEO of Keppel Corporation, and concurrently Executive Chairman of Keppel Land, said, "Kei Hin was a valued colleague and key member of the Keppel Land leadership team who had served the company faithfully since 2007. As the CFO, he had made great contributions to the company's business performance, financial

strengths and corporate governance. Kei Hin will be dearly missed."

Mr Lim was appointed Keppel Land's CFO in 2007, after more than 20 years of diverse experience in different financial and general management roles in Singapore, the Philippines, Australia and the US.

He was with Singapore Airlines from 1982 to 2000 and was CFO of SATS before joining Keppel Land.

keppelite



Mr Lim Kei Hin with his daughter and Keppelites at the Earth Day Run in 2017

Enhancing competencies

GLOBAL FINANCE MANAGERS CONFERENCE

The Keppel Global Finance Managers Conference (GFMC) 2018 is a biennial event for finance professionals across the Keppel Group. Held from 11 to 14 September 2018, the GFMC saw some 400 Keppelites from all over the world convene at Mandarin Orchard in Singapore.

In line with this year's theme of 'Finance DNA, Shape Our Future', GFMC 2018 explored areas in which finance professionals could stay ahead of the curve.

The conference addressed a wide range of topics, including automation and innovation, agile project management and financial reporting, regulatory and tax updates.

In his opening address, Mr Chan Hon Chew, CFO of Keppel Corporation emphasised the need for finance professionals to stay relevant amidst shifting business and operating conditions. He shared, "The finance function faces several challenges in the form of digital disruption, increasing stakeholder scrutiny and regulation, and a changing risk landscape."

To deal with challenges,



At the Keppel Global Finance Managers Conference 2018, Mr Chan Hon Chew (left photo, at podium), CFO of Keppel Corporation, emphasised the need for finance professionals to embrace changes, stay relevant and be agile

Mr Chan highlighted three broad areas - embracing digital transformation, nurturing finance professionals and adopting agile mindsets.

On Keppel's digital transformation journey, Mr Chan noted, "Through harmonisation of processes, Finance is able to achieve greater efficiencies and enhance controls. We can then better focus on value creation and business partnering and be in a better position to deliver financial insights and help drive the Group's multi-business strategy."

In conjunction with the GFMC 2018, several fringe events were held – a fundraising event, a visit to Keppel Shared Services Centre at Tai Seng Centre, and a Learning Series (LENS) workshop.

At the fund-raising event

on 11 September 2018, 85 Keppelites from finance teams across the Group created terrariums and tote bags with the support of Arts@Metta. The terrariums and tote bags were later put on display and sold at the GFMC 2018. Together with a donation from Keppel Care Foundation, a combined sum of over \$13,000 was raised for Metta Welfare Association.

As part of the LENS workshop, Ethixbase delivered a one-day Ethics and Compliance workshop to over 100 finance and compliance associates. The session covered practical approaches and best practices in dealing with compliance challenges and difficult situations. The programme ended with a quiz to gauge the participants' understanding of key principles under regulatory compliance policies.

RISK AND COMPLIANCE TRAINING

The Governance, Risk Management, Compliance and Safety programme is part of ongoing efforts to cultivate risk-conscious mindsets and reinforce the responsibilities of line managers to achieve full compliance, minimise control lapses and zero fatalities. Jointly delivered by PwC Consulting, the programme focuses on a line manager's responsibilities by learning through use of case studies and scenario-based discussions.

Separately, compliance training was provided to participants from Keppel Enterprise FinHub to reinforce the entity's role as one of the primary gatekeepers in managing compliance risks, while employees of Keppel Electric were trained on competition law to enable the company to compete effectively in the Open Electricity Market." keppelite



Nurturing future leaders

Keppel Young Leaders (KYL) is a platform that aims to develop young Keppelites into dynamic, resilient, enterprising and transformational leaders who can contribute and grow with the business. With this aim in mind, KYL organised several events during the quarter.

KYL WEEK

To engage high-potential Keppelites, KYL organised 'KYL Week: Shaping Future Leaders', a series of activities from 15 to 17 August 2018 promoting creativity, entrepreneurship and corporate social responsibility.

Day 1 of the programme featured Ms Jessica Cheam, Managing Editor of Eco-Business, a digital media company focused on sustainability. She shared with 80 Keppelites from across the Group takeaways from her expedition to Antarctica which aimed to raise awareness about the global climate crisis. Jessica shared how warming temperatures are altering fragile ecosystems, its negative effects on vulnerable cities in Asia and the urgent need to shift to more sustainable ways of living.

As part of the session, a short documentary produced by Eco-Business, titled 'From Asia to Antarctica', was screened, and a photo collection from her expedition, titled 'Changing



A photo exhibition, titled "Changing Course" by Jessica Cheam (front row, centre), Managing Editor of Eco-Business, was showcased at Keppel Leadership Institute as part of KYL Week. The initiative was aimed at raising awareness among Keppelites about the global climate crisis

Course', was showcased at the Keppel Leadership Institute. Both initiatives tell a story of the impact of climate change on Antarctica's wild, untouched landscape.

Ma Yuen Ki from Human Resources at Keppel Land said, "The sharing by Jessica was truly inspiring and insightful. It serves as a wakeup call, and reminds us to play our part to protect the environment."

The young leaders also engaged in an art workshop as part of a collaboration with the National Gallery Singapore. Award-winning



As part of a collaboration with the National Gallery Singapore, artist Tang Ling Nah (left) shared the basics of charcoal drawing with Keppelites

artist Tang Ling Nah shared the basics of charcoal drawing with participants, including the intricacies of perspective and various drawing techniques. Ling Nah's works are inspired by transitional spaces in Singapore, with alleys, corridors, staircases, pillars and void decks featuring prominently in her work. She designed "Wandering in Black and White", the ongoing art installation at the Keppel Centre for Art Education's Art Playscape.

On the second day, Keppelites learnt about Microsoft's solutions for organisations to unify enterprise Business Intelligence needs on one platform and empower business analysts to leverage data more easily. Keppelites also learnt how to utilise the self-service capabilities in Power BI, a business analytics service

provided by Microsoft, and access business insights with advanced analytics and Artificial Intelligence in Microsoft Azure.

In addition, Keppelites took part in an enriching session themed "Perfect Your Pitch" delivered by Mr Sebastien Lamy, Director of Group Strategy & Development, Keppel Corporation. With extensive experience on both the buy and sell sides of commercial deals, Mr Lamy shared his experience with Keppelites, and provided helpful tips on the key components of a good pitch deck.

On the last day of the programme, KYL gave back to the community. Together, Keppel Volunteers and KYL brought the elderly from Thye Hua Kwan to tour the Singapore Police Force Heritage Centre.

KYL Week capped off with a Wine Appreciation session at 75CL, in collaboration with UrbanFox. Embarking on the wine discovery trail, Keppelites were introduced to the essentials of wine tasting and given an overview to wine and food pairing.

LEADERSHIP DIALOGUE

The latest instalment of KYL's Leader's Dialogue took place on 20 July 2018 and featured Mr Chris Ong, CEO of Keppel Offshore & Marine (Keppel O&M). Speaking to some 100 Keppelites, Mr Ong shared his take on leadership, opportunities and preparing for the future.

Have risen through the ranks, Mr Ong takes a personal interest in the development of talent in Keppel O&M and personally engages management trainees to understand their career goals.

Recognising the changing business landscape, he highlighted the need to build on the company's strong foundation of engineering, production and operations while staying ahead of the curve through innovative initiatives to offer new products and services. These include developing solutions along the gas value chain and adopting new technologies in yard operations.

Mr Ong added, "Looking ahead, Keppel O&M will harness its combined strengths to hunt as a pack in seizing opportunities while optimising resources. As we grow, there will be exciting opportunities for employees to improve themselves, take on new challenges and transform the company".

keppelite



As part of the Leader's Dialogue organised by KYL, Mr Chris Ong, CEO of Keppel O&M, shared his take on leadership, opportunities and preparing for the future

Keppelites Around the World

Growing with an urbanising China

When Mr Eric Goh, Keppel Corporation's Chief Representative (China) and Keppel Capital's CEO (China), first went to China in 1988, the country was very different then. "My means of transportation was a bicycle and the internet was non-existent. Phone calls were very expensive too," recalls Eric.

"Today, China is the world's second largest economy. Bike-sharing businesses are sweeping across China and people use phone applications such as WeChat for communication and payments."

Eric has worked in China for nearly 30 years, and a quarter of that time as a Keppelite. He first

joined Alpha Investment Partners in 2011 to grow its China businesses. He then concurrently assumed the role of Keppel Corporation's Chief Representative (China) in 2016 to lead the Group's effort in seizing opportunities in China. Under his watch, Keppel Corporation set up a China office in June 2018 to strengthen the Group's "hunt as a pack" initiatives and branding, as well as to promote sharing of resources among business units in China.

"China is experiencing rapid urbanisation and there is great demand for energy, infrastructure, high-quality urban living and connectivity. Leveraging the strengths and synergies in the Group, Keppel is well poised to

capture the opportunities and provide our quality solutions to support China's sustainable urbanisation efforts."

Today, the Group has operations in 27 Chinese cities, with businesses spanning offshore & marine, property, infrastructure, and asset management. Keppel is also the leader of the Singapore consortiums in the first two China-Singapore Government-to-Government projects, namely the China-Singapore Suzhou Industrial Park and the Sino-Singapore Tianjin Eco-City.

Eric added, "Our fund management business in China has been adding value and achieving good returns for investors. Moving forward, we strive to launch new funds and expand our asset classes, connecting our Chinese co-investors to a diversified portfolio of assets."

Besides growing businesses, the Group is also actively contributing back to the Chinese community. In celebration of its 50th anniversary, Keppel Corporation launched a new partnership with the

China Foundation for Poverty Alleviation (CFPA) to support the Chinese Government's plans to combat rural poverty and stimulate the development of remote regions. The collaboration will begin with a three-year programme focused on needy students from ten schools in Mabian County, Sichuan Province.

In June 2018, Eric led a group of Keppel Volunteers to visit one of the schools in Mabian County. Reflecting on his trip to Mabian, he said, "It was a very meaningful trip. The five-hour drive from Chengdu to Mabian gave me a first-hand experience of how difficult it is for the local students to gain access to educational resources. Every little thing we do can make an impact on their lives. I hope that more Keppel Volunteers will step forward and join us in this meaningful journey."

"Our success in China in the past three decades would not have been possible without support from all our stakeholders. I look forward to working closely with them in our next phase of growth in China," said Eric. **keppelite**



Mr Eric Goh (first from right) sharing Singapore local snacks with underprivileged students during a Keppel Volunteer trip to Mabian County, Sichuan Province, in June 2018

Majulah Singapura

Keppelites joined Singapore in celebrating the nation's 53rd birthday.



Keppel's senior management, led by Mr Loh Chin Hua (seated, sixth from right), CEO of Keppel Corporation, joined the Keppel marching contingent in an NDP rehearsal session

As a homegrown multi-business company, Keppel joined Singapore in commemorating its independence as a major sponsor of the National Day Parade (NDP) 2018. The event on 9 August 2018 at the Marina Bay floating platform was a heartwarming celebration of national pride and the Singapore spirit.

Keppelites participating in the NDP marching contingent flew the Keppel flag high. The Keppel contingent this year was led by Ng Shi Yun, Project Manager, Keppel FELS.

Demonstrating their support for the contingent, Keppel senior management, led by Mr Loh Chin Hua, CEO

of Keppel Corporation, attended a rehearsal session on 28 July 2018 at the F1 Pit Building, and joined the contingent in celebrating the birthdays of Keppelites born in the month of July.

Separately, Keppel Offshore & Marine (Keppel O&M) celebrated the nation's birthday with its first combined National Day Observance Ceremony held on 10 August 2018 at its head office. The event was graced by Minister for Education Mr Ong Ye Kung and well attended by over 2,000 staff. During the ceremony, 552 employees who have been with Keppel O&M for at least a decade were recognised for their hard work and contributions.



The Keppel contingent marched smartly at the NDP 2018 parade and ceremony segment

In China, the Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd. (SSTEC) held its annual National Day reception on 8 August 2018 at Hilton Tianjin Eco-City. The event was hosted by SSTEC CEO

Mr Tay Lim Heng and graced by the Sino-Singapore Tianjin Eco-City Administrative Committee Vice Chairman Mr Luo Jiajun and Tianjin Eco-City Investment and Development Chairman Mr Meng Xianzhang. **keppelite**



Doing well, doing good



Sharing a slice of happiness with a birthday celebration at the Sunshine Welfare Home in Tianjin Binhai New Area – Keppel Volunteers were led by Dr Lee Boon Yang (standing, third from right), Chairman of Keppel Corporation and Mr Loh Chin Hua (far right), CEO of Keppel Corporation

Keppel is committed to making a difference in the communities wherever it operates through its social and environmental programmes and volunteerism efforts both in Singapore and abroad.

BRINGING SUNSHINE TO SPECIAL NEEDS STUDENTS

On 31 August 2018, Keppel Volunteers were joined by Dr Lee Boon Yang, Chairman of Keppel Corporation, Mr Loh Chin Hua, CEO of Keppel Corporation, and senior management from the Group to engage special needs students

through craftwork and a special birthday celebration at the Sunshine Welfare Home in Tianjin Binhai New Area. Dr Lee, Mr Loh and senior management were in Tianjin in conjunction with Keppel Corporation's 50th anniversary celebration in Beijing (see story on pages 32 and 33).

Dr Lee said, "Keppel believes in nurturing and engaging communities wherever we operate. We believe in giving back to society, and doing our part to make a positive difference in the lives of the less privileged among us."

Apart from donating food items like rice, flour and fruits to the home, Keppel Volunteers also presented the students with educational materials as well as local snacks from Singapore.

As a supporter of Sunshine Welfare Home in Tianjin, Keppel Land China has rallied more than 200 volunteers to participate in volunteer activities, touching the lives of over 80 beneficiaries. In October 2017, the company also organised a charity bazaar to raise funds for the home.

"I was deeply moved by the children. I was particularly touched when one of the older boys refused to open his present, saying that he will save it for his younger sister back home. These pure-hearted children are deserving of all our care and concern, and I am thankful for this opportunity to bring joy to those in need," shared volunteer Zhang Sheng Sheng, Management Trainee in Keppel Land China.

SHARING MID-AUTUMN JOY

Keppel Land, supported by UrbanFox, People's Association and National

Parks Board, celebrated the Mid-Autumn Festival with residents of the Tiong Bahru neighbourhood at Kim Pong Park on 22 September 2018.

Against the backdrop of Highline Residences, Keppel reached out to about 1,000 households from surrounding estates with gift boxes of mooncakes proudly designed and packed by UrbanFox.

The event was graced by Grassroots Adviser

Ms Indraneel Rajah, Minister, Prime Minister's Office and Second Minister, Ministry of Finance and Ministry of Education and Adviser to Tanjong Pagar GRC Grassroots Organisations. At the park, residents bonded over fringe activities such as Chinese calligraphy and Chinese knot making, as well as traditional treats such as dragon beard candy and malt candy.

PROMOTING ACTIVE AGEING

In collaboration with

Empower Ageing, a charity that promotes an active and holistic lifestyle to vulnerable and at-risk seniors, volunteers from Keppel FinHub led seniors from Tembusu Seniors Activity Centre in an exercise session at Bedok Town Park.

Under the careful guidance of volunteers, the seniors completed a variety of exercises which were designed to target under-utilised muscle groups, thereby improving their mobility.

"Helping the seniors with their exercise was a meaningful experience. While some of the exercises were quite tough, the elderly were all smiles at the end of this fulfilling session," shared Chia Euwen, Accounts Executive at Keppel FinHub.

KEEPING TRASH AT BAY

On 15 September 2018, 42 volunteers from Keppel Batangas Shipyard rallied to clean up a 1km stretch of beach at a coastal village

near the yard as part of International Coastal Cleanup Day.

Braving a downpour, volunteers armed with trash bags, gloves and raincoats collected 78 kg of marine trash that day.

Mr Julio C Dalangin, Chairman of San Miguel Barangay of the Batangas Province, commended Keppel's efforts in helping to keep the coastal areas clean. He said, "Apart from working in heavy industries, many of our constituents rely on fishing for their livelihoods. We are thankful for Keppel's support in protecting the environment for the benefit of our community."

ENGAGING THE COMMUNITY

From June to October 2018, over 150 volunteers from Keppel Capital organised a series of activities with the Muscular Dystrophy Association of Singapore (MDAS) and Fei Yue Family Service Centre (Fei Yue).

Volunteers brought cheer to MDAS beneficiaries through board games and art jamming sessions, as well as history lessons at The Maritime Experiential Museum. Separately, volunteers also packed and distributed cleaning kits to Fei Yue's elderly beneficiaries living in the Commonwealth and Holland Village area.

keppelite

Continues on page 48...



Ms Indraneel Rajah (foreground, in pink), Minister, Prime Minister's Office and Second Minister, Ministry of Finance and Ministry of Education, Mr Louis Lim (background), COO of Keppel Land, and Keppel Volunteers distributed over 1,000 boxes of mooncakes to residents of the Tiong Bahru neighbourhood



Keppel Capital volunteers distributed cleaning kits to Fei Yue's elderly beneficiaries

...continued from page 47.

KEPPEL COMMUNITY MONTH

August has been designated as Keppel Community Month, during which Keppelites across the Group rally behind good causes that make a positive impact on people in need wherever we operate.



Friendships bloomed on 21 August 2018, when volunteers from Keppel Corporation spent the morning with seniors from Montfort Care at the National Orchid Garden at the Singapore Botanic Gardens



On 17 August 2018, Keppel Volunteers and Keppel Young Leaders accompanied seniors from Thye Hua Kwan for a tour of the Singapore Police Heritage Centre



'Keppel Run4Future' saw more than 200 Keppelites and their families participate in a 5km run at Empire City in Ho Chi Minh City, Vietnam to promote a healthy lifestyle. Keppel Land also presented scholarships to students of Big Friend Foundation, a non-profit organisation supporting Vietnamese high school graduates with financial needs, at the event



Volunteers from Keppel Batangas Shipyard had a book reading session with pre-school pupils at SIBOL Learning Center at the Keppel-GK Eco Village, with the aim of inculcating a reading habit in young children



BrasFELS shipyard volunteers continued the Teach-It-Forward (Passe Adiante) programme, a social initiative that supports local students through education, providing career advice and motivational sharing sessions. The ongoing programme has benefitted about 120 students in the year to date

Spotlight on: Louis Lim

In this instalment of interviews with senior management, we chat with Mr Louis Lim, COO of Keppel Land and MD of Keppel Technology & Innovation (KTI), who shares with *Keppelite* his views on leadership, driving transformation and innovation, and on being a parent.

Q: You have been driving transformation and agility in Keppel. Can you share with us your experience and how you see Keppel growing into the future?

The transformation journey and move towards being more agile was already in motion before I joined Keppel almost two and a half years ago. It has been exciting to be part of this journey and energising to see how the organisation has

galvanised itself to achieve the goals that have been set out. Keppel's intrinsic *Can Do!* spirit is a powerful force – there will always be individuals whose mindsets might take more time and effort to shift, but as a whole, it is inspiring how much change Keppel has embraced, and what has been accomplished towards our mission to be a Solutions Provider for Sustainable Urbanisation. There remains so much potential for growth

across the sectors we play in as we ride the global urbanisation trend, from urban spaces and energy to clean environments and connectivity. I look forward to Keppel innovating to capture value as the boundaries across these sectors continue to blur.

Q: Who or what has influenced you most in the way you lead, and why?

I have been fortunate to have

had about a hundred or so supervisors and clients whom I have been accountable to over the past 20 plus years since I started working. A large number of these have been truly inspirational leaders, and a handful, well, let's just say there could have been some room for improvement! The exposure to what works and what doesn't, and how I have personally responded to different styles, has had a significant impact on



Mr Louis Lim (second from left), COO of Keppel Land, with Keppel Land senior management at the Annual Staff Conference's question and answer segment

how I choose to work with my teams. When I get it wrong, I reflect on how a past experience might have made me feel, and I try to fix decisions I've made that could have affected the team adversely.

Q: You were a partner at Bain before joining Keppel. How would you compare and contrast your current and previous roles?

I look back very fondly on my time with Bain. One of the key reasons is that I had the opportunity to work on a broad range of business problems, and always felt that I was learning something new. I have to say that my speed of learning has ramped up significantly since joining Keppel, given the breadth of issues, opportunities and challenges that we face. Whilst I spent a lot of time trying to convince people on the "what", "why" and "how" to focus and move forward on, I'm spending more time in my current roles trying to get things done. It has certainly been very rewarding making the transition from Bain to Keppel, and applying some of what I'd picked up in my previous vocation to the situations I grapple with today.

Q: As MD of KTI, how do you encourage creative thinking within the organisation?

KTI is a platform, and we

have built it around five pillars – InnovateKeppel, IncubateKeppel, TechKeppel, DigitalKeppel and PartnerKeppel. I am fortunate that we have a talented and energised team in place, who work hard to find solutions to our business problems, and, as importantly, are committed to engaging the rest of the organisation as they push things along instead of working in isolation. Their willingness to confront the status quo, navigate uncomfortable situations and ask tough questions is what I feel contributes to inspire others to think and play outside their sandboxes. The emphasis on creative thinking has been core to the entrepreneurial spirit that Keppel embodies, and has been around long before KTI was formed. We see KTI as a catalyst to galvanise the creative energy within the Keppel Group, to work more effectively across our businesses, and with other organisations beyond Keppel, to positively impact and add value to the sectors where we choose to play.

Q: What are your strategic priorities for Keppel Land as its Chief Operating Officer?

Keppel Land's strategic priorities are five-fold:

- Sharpening our strategic market focus;
- Deriving value from our business model;
- Embarking on a digital transformation;

- Re-igniting our operating model; and
- Enhancing collaboration within and beyond Keppel Land

My role is to channel and build on the strengths of our newly-formed capability and platform teams to support our businesses and help them be more effective in their respective markets, by making material progress on each of these five priorities.

Q: What is your advice to young Keppelites today?

The world is changing at an unprecedented rate around us (clichéd but very true!) and that makes life more exciting but also frightening at the same time. I believe the emphasis around "resilience" and "relevance" at last year's Global Keppelites Forum continues to be very pertinent in this context. I think all Keppelites, both young and old(er), will need to more frequently retool and rethink their purpose and how they can contribute at work and beyond, in order to be happy and fulfilled in what they do.

Q: What is your parenting philosophy as a father of two young girls?

I wish I had a good answer to this! I'm sure my wife does as well... At the end of the day, I want my girls to experience life fully, to be joyous and feel passionate about what they do. At my elder daughter's school, they run The Virtues Project™,

an initiative to inspire the practice of virtues everyday (there is an official list of 52 virtues). Whilst I certainly find it challenging to practice The Virtues Project™ approach all the time (i.e. I still get very short when they try my patience), I have found this a compelling way to imbue a sense of right and wrong in our children.

Q: What excites you?

New experiences, a fun or funny incident or thought, a good movie, problem solving... it's hard to pin it down! I'm not a very excitable person by nature and I suppose I find some level of excitement in both the little and bigger things in life that (hopefully) go well – like moving back into a revamped Keppel Bay Tower at the end of the year!

Q: What do you do to unwind?

This really is a tall order these days with a three- and a six-year-old running amuck at home. Back in the day, I would indulge in a good night out, hang out with friends, read a book or watch some TV... I haven't really turned on the TV for much else other than Paw Patrol or Peppa Pig in the past six years! These days, I tend to unwind in the company of friends with young kids, at our respective homes, so that the kids can entertain themselves over a play-date and we get a bit of a breather and some fun ourselves! keppelite

Strategic initiatives

Keppel Corporation announced on 27 September 2018, a strategic initiative to gain majority control of M1, in collaboration with Singapore Press Holdings (SPH), to drive business changes that will enable M1 to compete more effectively in the telecommunications industry.

Keppel Corporation, together with SPH, announced through an 80-20 indirectly held special purpose vehicle, Connectivity, a Pre-Conditional Voluntary General Offer for M1 (the Offer) to seek majority control of M1 while giving shareholders a cash exit at a compelling premium over the share price as at the date of announcement. The Offer will not be extended to Keppel Telecommunications & Transportation (Keppel T&T) as it is a related corporation of Connectivity.

In addition, Keppel Corporation and Keppel T&T are jointly proposing a Scheme of Arrangement (the Scheme) to also provide Keppel T&T's minority shareholders with a cash exit at a compelling premium

over the share price as at the date of announcement.

OFFER FOR M1

The cash consideration of \$2.06 for each M1 share represents a 30% premium to the 1-month Volume Weighted Average Price (VWAP) as at the date of announcement.

Keppel Corporation believes that with the necessary transformational efforts, M1 can significantly improve its performance and be a long-term contributor to the Group. However, the business transformation is expected to be a complex multi-year journey. The Offer provides an opportunity for M1 shareholders who are not prepared to bear the risks associated with the transformation to realise their investment in M1 for cash, at a compelling premium to the share price as at the date of announcement.

Regulatory approval is a pre-condition to making the Offer. On satisfaction of the pre-condition, the Offer will be formally made, and is conditional upon Connectivity and its concert parties obtaining more than

50% of the issued share capital of M1 at the close of the Offer.

KEPPEL T&T SCHEME

The Scheme consideration of \$1.91 in cash per share exceeds the highest closing price since September 2008 and represents a 40% premium to the 1-month VWAP as at the date of announcement.

As Keppel T&T will remain a shareholder of M1, the Scheme gives Keppel T&T's minority shareholders an opportunity to realise their investment in Keppel T&T for cash at a compelling premium to the last traded share price before announcement of the Scheme. Keppel T&T's minority shareholders who are cautious of the prospects of M1 in the face of heightened competition, can obtain a clean cash exit from Keppel T&T if the Scheme is approved by shareholders and becomes effective.

In view of the relatively small public float of Keppel T&T, the Scheme is designed to delist and privatise Keppel T&T if approved by the minority shareholders of

Keppel T&T at a Scheme meeting to be convened.

Mr Loh Chin Hua, CEO of Keppel Corporation, said, "The Offer for M1 is in line with Keppel Corporation's mission as a solutions provider for sustainable urbanisation. Keppel Corporation has increasingly been transforming its traditional B2B business to include retail customers in gas, electricity and urban logistics. Incorporating M1's capabilities and two million customers in a combined digital platform would provide opportunities for synergies and cross selling of services.

"Keppel and SPH have been long-term shareholders of M1 since the 1990s. Notwithstanding the challenges currently facing the industry, we see considerable potential in M1 and have developed a transformation plan to sharpen M1's competitiveness. Through majority control, we would, together with SPH, be better able to support M1's management to drive changes and create greater value in the company." keppelite

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