

TEMASEK

Investor Presentation

WITH  
**TOMORROW**  
IN MIND



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Temasek's consolidated financial information as at and for the financial years ended 31 March 2022 to 2024 included in this presentation have been prepared in accordance with both International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and Singapore Financial Reporting Standards (International).

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# Global Investment Company Headquartered in Singapore

Overview of  
Temasek



About **1,000 staff** across  
**13 offices** in **nine countries**



Incorporated in 1974  
as a commercial investment company;  
100% owned by Singapore Government



One of three Singapore Government  
investment entities,  
alongside GIC and MAS



Own and manage our assets  
on a commercial basis;  
not state-directed

**S\$389b<sup>1</sup>**  
**(US\$288b)**  
Net Portfolio Value<sup>2</sup>

**14%**  
Total Shareholder Return  
since inception<sup>2</sup>



Rated  
**Aaa/AAA** by Moody's/S&P

Temasek seeks to deliver sustainable returns over the long term

<sup>1</sup> Marking our unlisted portfolio to market would provide S\$31b of value uplift and bring our Net Portfolio Value to S\$420b as at 31 March 24.

<sup>2</sup> Based on our Net Portfolio Value of S\$389 billion as at 31 March 24.



# Building a Sustainable Temasek

## Mandate

- Deliver sustainable returns over the long term

## Building a Sustainable Organisation

- Embed principles of sustainability, inclusivity and good governance in our processes
- Develop a company culture that embraces sustainability
- Value diversity, equity and inclusion

## Constructing a Resilient and Forward-Looking Portfolio

- Portfolio that seeks to withstand exogenous shocks and perform through market cycles, while at the same time capitalise on growth opportunities, with the potential for sustainable returns above risk-adjusted cost of capital over the long term

## Engaging Our Portfolio Companies to Build Sustainable Businesses

- Engage portfolio companies to enhance shareholder value; advocate good governance, sustainability, and corporate practices

# Temasek's Investment Approach

Overview of  
Temasek

**Aim to construct a resilient and forward-looking portfolio;  
predominantly equities**

**Top-down: Investment activities aligned to structural trends**



**Digitisation**



**Sustainable Living**



**Future of Consumption**



**Longer Lifespans**

**Bottom-up: Actual investments based on intrinsic value and risk-return framework**

**Investment  
Flexibility**

- Can invest across the business life cycle
- May take concentrated positions
- No specific targets for investing by asset class, country, sector, or single name

# Engaging Our Portfolio Companies



## Governance

- Support formation of high-calibre and effective boards
- Protect interests when exercising shareholder vote
- Do not direct portfolio companies' business decisions or operations
- Do not provide financial guarantees for portfolio companies' obligations



## Expectation

- Share expectations with portfolio companies to deliver sustainable returns over the long term
- Expect portfolio companies to comply with applicable laws, abide by sound corporate governance, appropriate codes of conduct and ethics



## Engagement

- Exchange ideas, share best practices; organise roundtable and networking events
- Engage portfolio companies to advance their climate transition plans; drive value creation by stepping up Environmental, Social, and Governance practices or shifting their business focus
  - Contributes to Temasek's target to halve 2010 portfolio-level net carbon emissions<sup>1</sup> by 2030; aim to achieve net zero<sup>1</sup> by 2050

<sup>1</sup> Net carbon emissions (Scope 1 and 2) attributable to Temasek's portfolio

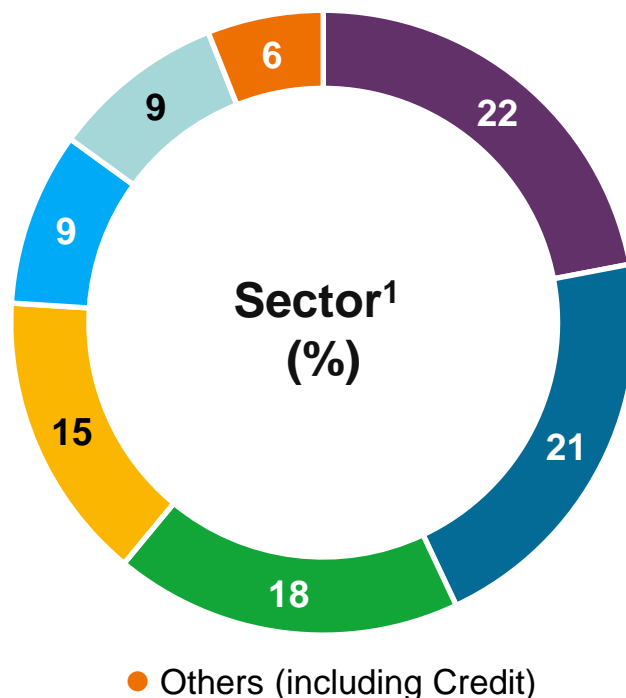
# Assessing & Managing Risks Across Various Pillars

Overview of  
Temasek

<b>Investment</b>	<ul style="list-style-type: none"> <li>▪ All investments subject to due diligence commensurate with the nature of the investment to be made</li> <li>▪ Post-investment monitoring done regularly</li> <li>▪ <b>FX risk:</b> <ul style="list-style-type: none"> <li>– Projected risk-adjusted return takes into account any anticipated FX movements against the Singapore dollar</li> <li>– Selectively hedge FX exposures from confirmed nearer term cash flows and expected divestments within a forecast period</li> </ul> </li> <li>▪ <b>ESG risk:</b> <ul style="list-style-type: none"> <li>– Evaluated for each investment using an ESG framework, which includes material ESG considerations</li> </ul> </li> </ul>
<b>Liquidity and Leverage</b>	<ul style="list-style-type: none"> <li>▪ Manage liquidity, leverage and balance sheet prudently for resilience and flexibility</li> <li>▪ Ensure primary recurring sources of cash flows can cover non-discretionary uses of cash</li> <li>▪ Total debt is restricted to overall limit set by Board</li> </ul>
<b>Portfolio Value</b>	<ul style="list-style-type: none"> <li>▪ Focus on risk of sustained loss of portfolio value; do not manage portfolio to short term mark to market changes</li> </ul>
<b>Operational</b>	<ul style="list-style-type: none"> <li>▪ Contingency management framework covering incidents arising from safety, physical security and other threats</li> <li>▪ Risk incident reporting process for staff to report gaps, analyse root cause, and adopt appropriate remediating measures</li> </ul>
<b>Cybersecurity</b>	<ul style="list-style-type: none"> <li>▪ Regularly monitor and track cyber risks and continuously enhance cybersecurity defence and resilience</li> </ul>
<b>Legal and Regulatory</b>	<ul style="list-style-type: none"> <li>▪ Policies, processes, and systems designed in line with applicable laws and regulations, and aligned with firm's objectives</li> <li>▪ Regulatory requirements and monitoring systems regularly reviewed and updated</li> </ul>
<b>Macro and Geopolitical</b>	
<ul style="list-style-type: none"> <li>▪ Monitor risks and aim to stay abreast of policy developments in key markets that could impact activities</li> <li>▪ Engage thought leaders and authorities to exchange views so as to promote better outcomes in the design and implementation of policy</li> </ul>	

# Investments by Sector

Portfolio



Transportation & Industrials <sup>2</sup>	
Financial Services	
Telecommunications, Media & Technology	
Consumer & Real Estate	
Life Sciences & Agri-Food	
Multi-sector Funds	

(as at 31 March 24)

<sup>1</sup> Distribution based on (i) underlying assets and (ii) our Net Portfolio Value of S\$389 billion as at 31 March 24.

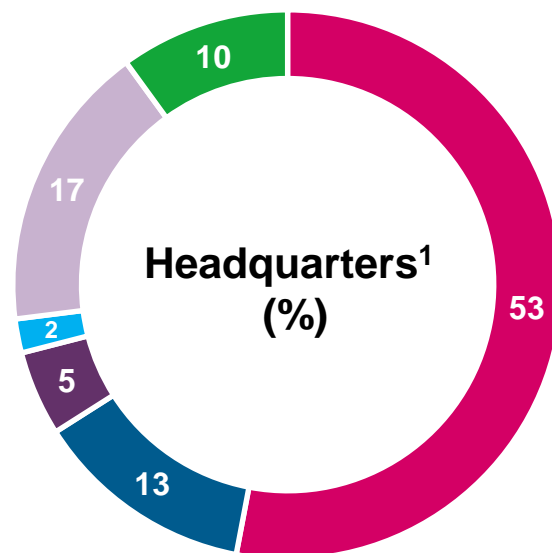
<sup>2</sup> The Transportation & Industrials sector includes investments in Energy & Resources.

<sup>3</sup> TJ Holdings (III) Pte. Ltd. owns a 100% equity interest in CLA Real Estate Holdings Pte. Ltd., which in turn owns a 100% equity interest in CapitaLand Group Pte. Ltd. ("CLG"). CLG has a privately held property development arm, CapitaLand Development, and a 53% stake in CapitaLand Investment Limited (the real estate investment management business of CLG, which is listed on the SGX-ST).

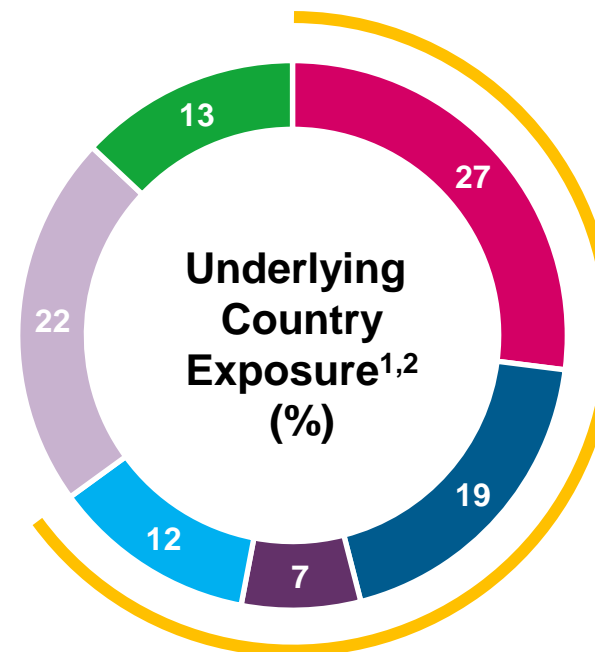


# Global Investment Portfolio

Portfolio



- Singapore
- China
- India
- Asia Pacific (ex Singapore, China & India)
- Americas
- Europe, Middle East & Africa



- Singapore
- China
- India
- Asia Pacific (ex Singapore, China & India)
- Americas
- Europe, Middle East & Africa

**65%  
in  
Asia  
Pacific**

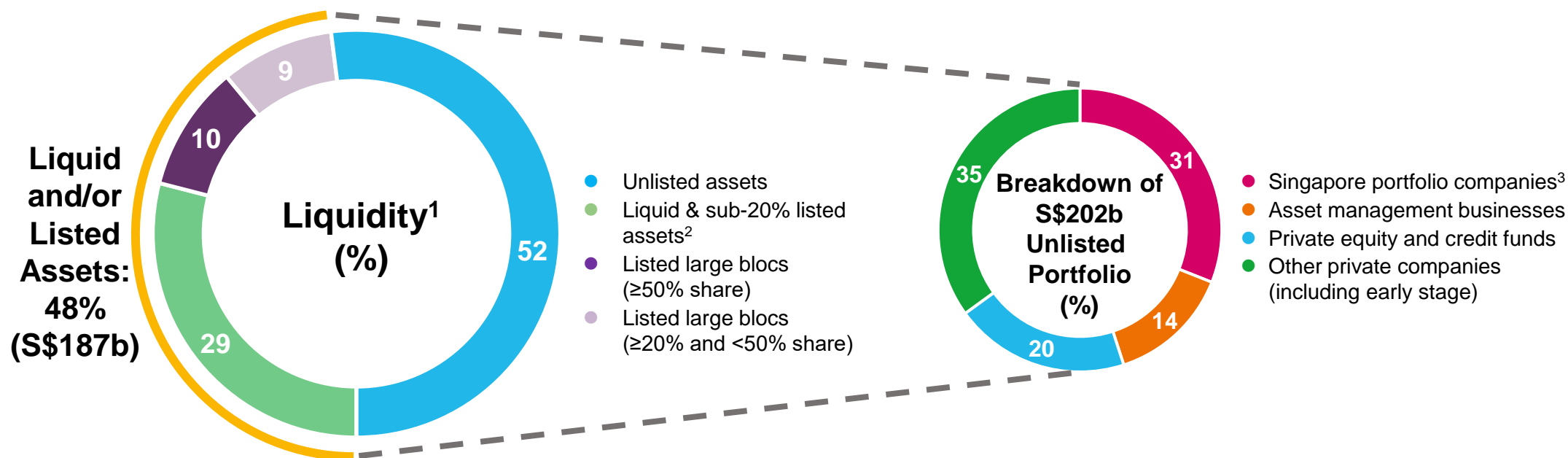
<sup>1</sup> Based on our Net Portfolio Value of S\$389 billion as at 31 March 24.

<sup>2</sup> Distribution based on underlying assets.

(as at 31 March 24)

# A Liquid Portfolio

Portfolio



## Access liquidity via:

- Divestments
- Dividends
- Distribution from Funds
- Public Listings

<sup>1</sup> Based on our Net Portfolio Value of S\$389 billion as at 31 March 24. Marking our unlisted portfolio to market would provide S\$31b of value uplift and bring our Net Portfolio Value to S\$420b as at 31 March 24. Based on market approaches such as investee company's recent funding round, market multiples of comparable public companies, and/or income approach such as discounted cash flow model.

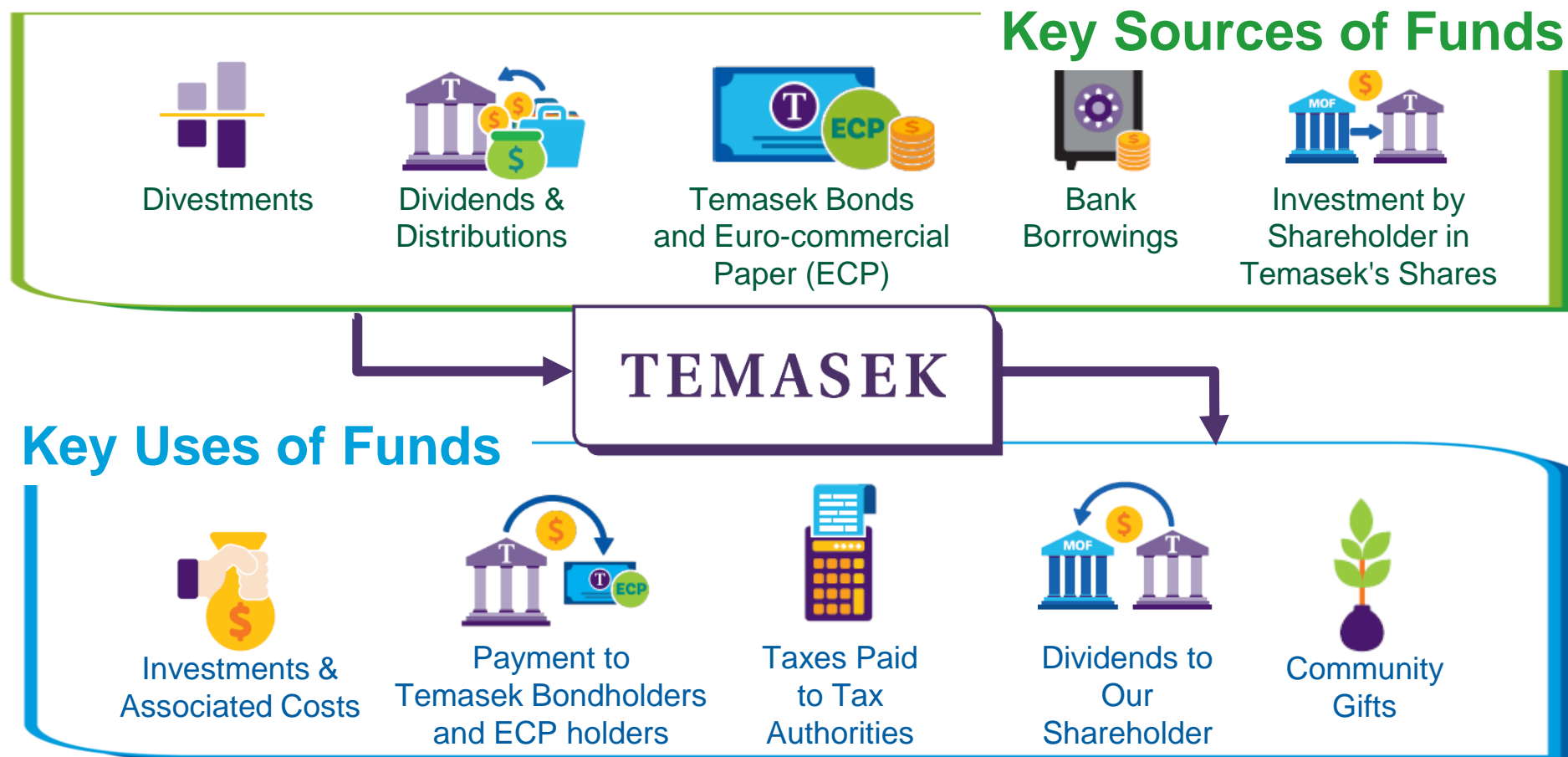
<sup>2</sup> Mainly cash and cash equivalents, and sub-20% listed assets

<sup>3</sup> Includes only key portfolio companies headquartered in Singapore

(as at 31 March 24)

# Our Sources and Uses of Funds

Portfolio



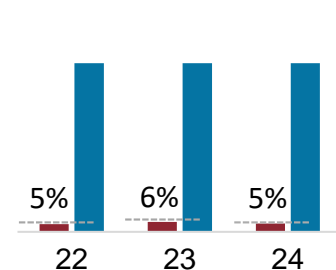
(as at 31 March 24)

# Leverage and Coverage Ratios

## Key Temasek<sup>2</sup> Credit Ratios

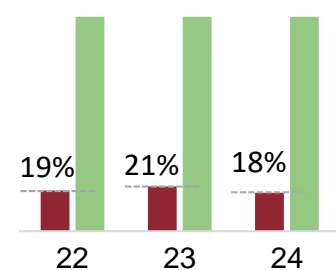
### Leverage

**Total Debt**  
5% of Net Portfolio Value<sup>1</sup>



● Total Debt<sup>3</sup> ● Net Portfolio Value

**Total Debt**  
18% of Liquid Assets<sup>4</sup>

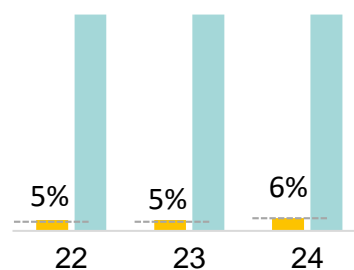


● Total Debt ● Liquid Assets

In S\$b	Mar22	Mar23	Mar24
Total Debt <sup>3</sup>	22.0	21.7	20.9
Net Portfolio Value	403	382	389
Liquid Assets <sup>4</sup>	113.6	104.5	113.0

### Interest Coverage

**Interest Expense**  
6% of Dividend Income

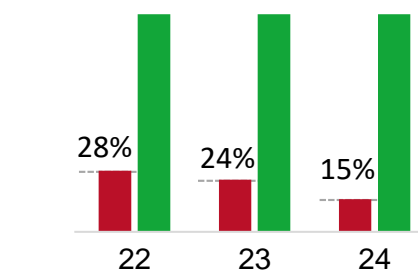


● Interest Expense ● Dividend Income

In S\$b	Mar22	Mar23	Mar24
Interest Expense	0.5	0.5	0.5
Dividend Income	9.4	11.1	9.0

### Debt Service Coverage

**Total Debt due in next 10 years**  
15% of Liquidity Balance<sup>5</sup>



● Total Debt due in next 10 Years ● Liquidity Balance

In S\$b	Mar22	Mar23	Mar24
Total Debt due in next 10 Years	10.8	10.6	9.6
Liquidity Balance <sup>5</sup>	38.4	43.7	61.8

<sup>1</sup> Based on Net Portfolio Value in table.

<sup>2</sup> Temasek Holdings (Private) Limited and its wholly-owned Investment Holding Companies (rather than the consolidated group of Temasek Holdings (Private) Limited).

<sup>3</sup> Comprised notes issued under Temasek's Medium Note Programmes, commercial paper issued under Temasek's Euro-commercial Programme, and lease liabilities.

<sup>4</sup> Mainly cash and cash equivalents, and sub-20% listed assets.

<sup>5</sup> Mainly cash and cash equivalents, and short-term investments.

(as at 31 March 24)

# S\$20.7b (US\$15.4b<sup>1</sup>) of Temasek Bonds and ECP Outstanding

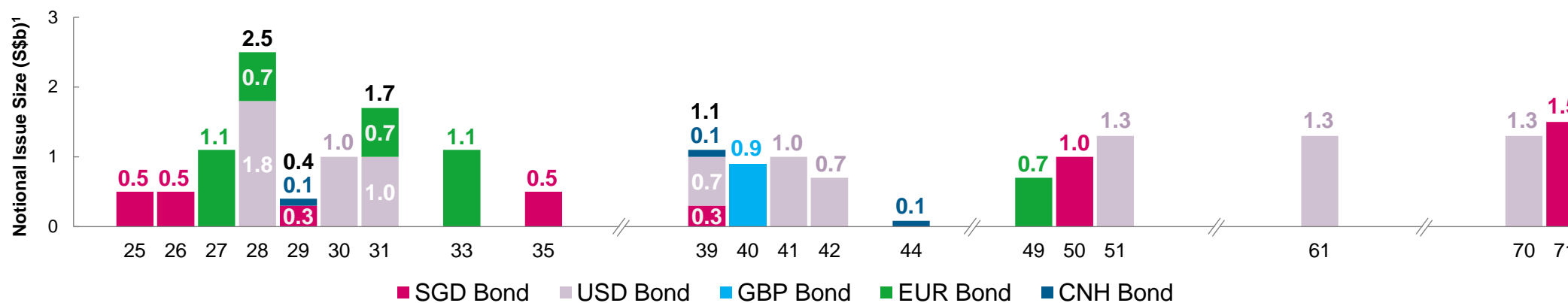
- Temasek Bonds and Euro-commercial Paper (ECP) are part of our funding toolkit to raise capital for investing
- Proactively plan for a well-distributed debt maturity profile, avoiding large refinancing risk in any one year
- Temasek's debt is not guaranteed by the Singapore Government

## Aaa/AAA Medium Term Note (MTN) Programmes:

- US\$25b Guaranteed Global MTN Programme
- S\$5b Guaranteed MTN Programme
- S\$20.2b (US\$15.0b<sup>1</sup>) Aaa/AAA bonds outstanding<sup>23</sup>
- Weighted average maturity of over 18 years

## P-1/A-1+ ECP Programme:

- US\$5b ECP Programme
- S\$0.5b (US\$0.4b<sup>1</sup>) ECP outstanding
- Weighted average maturity of above four months



<sup>1</sup> Exchange rates as at 31 March 24.

<sup>2</sup> All Temasek Bonds issued to date have been rated Aaa by Moody's and/or AAA by S&P.

<sup>3</sup> Post-31 March 24, Temasek issued CNH1.0b of T2034-CNH Temasek Bonds and CNH1.7b of T2054-CNH Temasek Bonds on 28 August 24.

(as at 31 March 24)



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[www.temasekreview.com.sg](http://www.temasekreview.com.sg)

[bond@temasek.com.sg](mailto:bond@temasek.com.sg)



# Temasek Review / Temasek Website: Key Reference Links

## **Performance and Portfolio**

- Performance Overview: <https://www.temasekreview.com.sg/performance-and-portfolio.html#performance-overview>
- Portfolio Highlights: <https://www.temasekreview.com.sg/performance-and-portfolio.html#portfolio-highlights>
- Investment Approach: <https://www.temasekreview.com.sg/performance-and-portfolio.html#investment-approach>
- Managing Risks: <https://www.temasekreview.com.sg/performance-and-portfolio.html#managing-risks>
- Major Investments: <https://www.temasekreview.com.sg/performance-and-portfolio.html#major-investments>

## **Temasek Bonds**

- Temasek Bonds: <https://www.temasek.com.sg/en/our-financials/temasek-bonds>
- Credit Profile: <https://www.temasekreview.com.sg/performance-and-portfolio.html#credit-profile>

## **Institution**

- Governance & Leadership: <https://www.temasekreview.com.sg/institution.html#governance-and-leadership>

## **Sustainability**

- Our Sustainability Journey: <https://www.temasek.com.sg/en/sustainability>
- Sustainability Report: <https://www.temasek.com.sg/content/dam/temasek-corporate/sustainability/temasek-sustainability-report-2024.pdf>

Note: These links are provided as information only and are not incorporated by reference in this presentation.