

TEMASEK

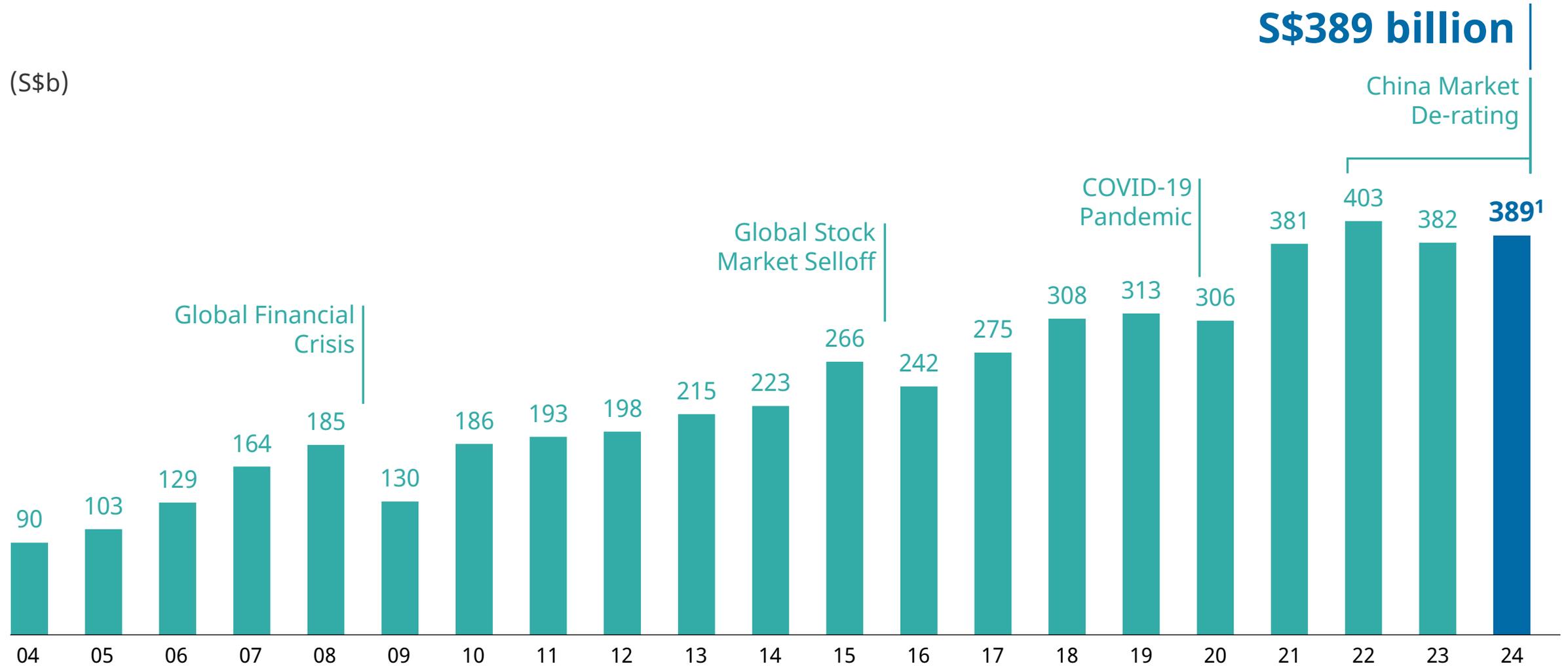
Temasek Review 2024

WITH  
**TOMORROW**  
IN MIND



# Net Portfolio Value of S\$389 billion

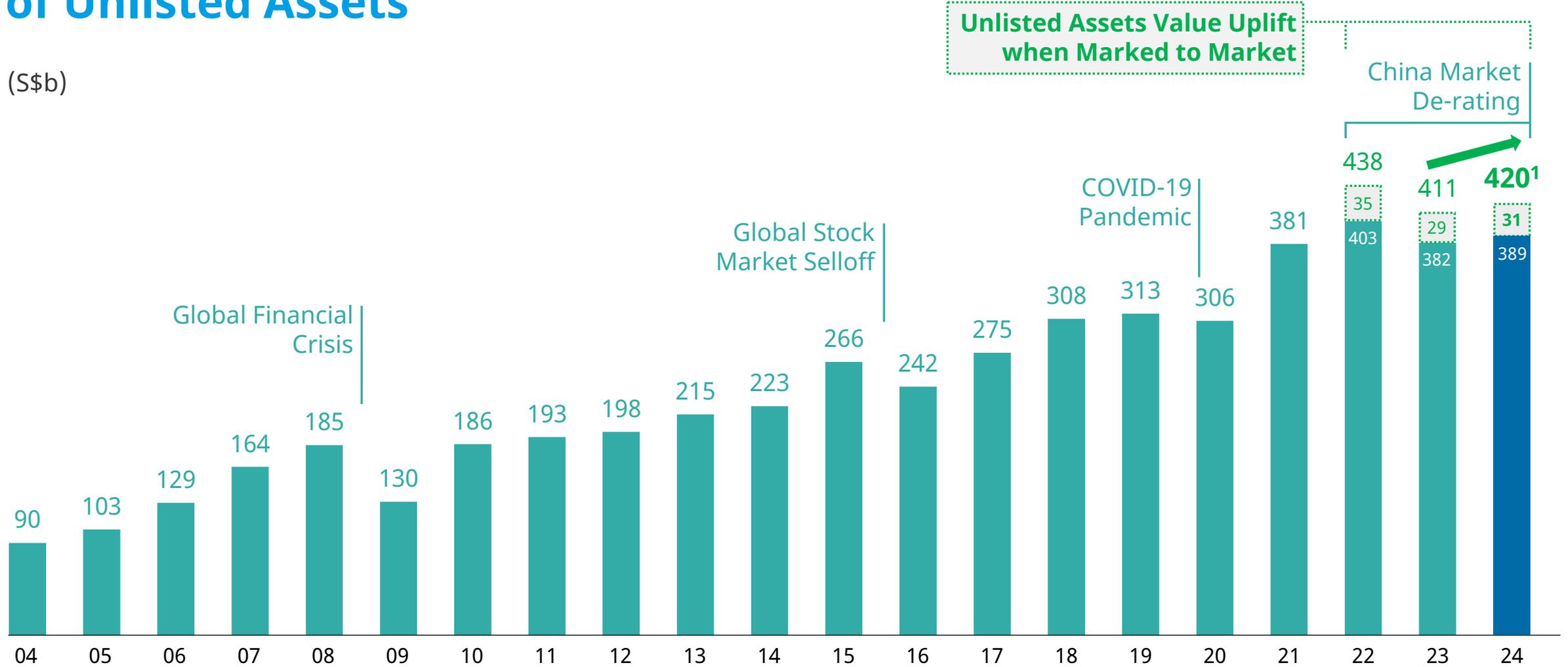
(S\$b)



<sup>1</sup> Based on valuing our listed investments at share prices and unlisted investments at book value less impairment. All figures in this presentation deck are in reference to our net portfolio value of S\$389 billion, which is equivalent to US\$288 billion as at 31 March 2024. (as at 31 March)

# \$420 Billion NPV Including Mark to Market of Unlisted Assets

(S\$b)

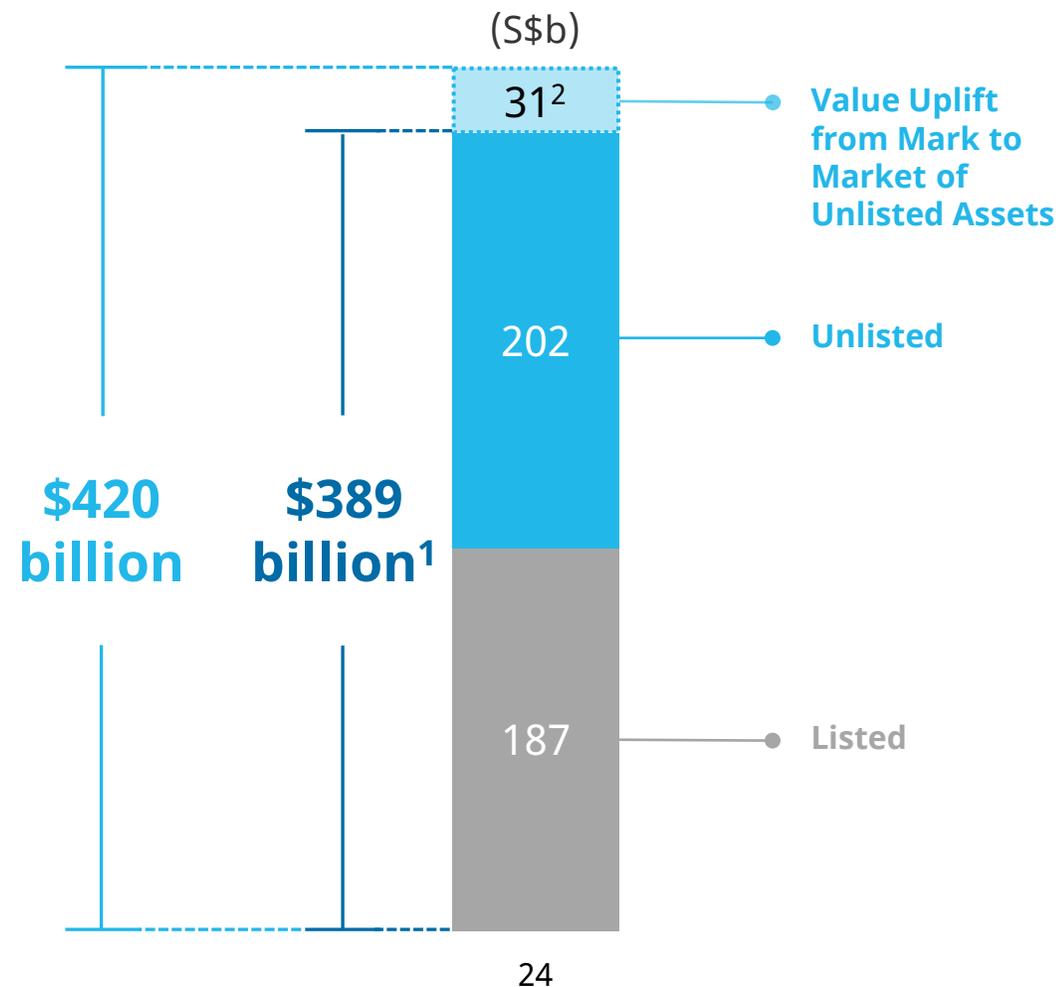
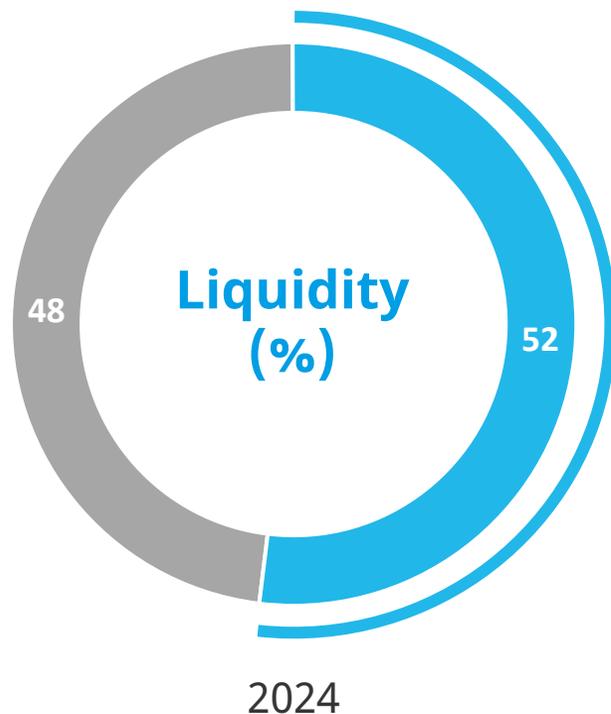
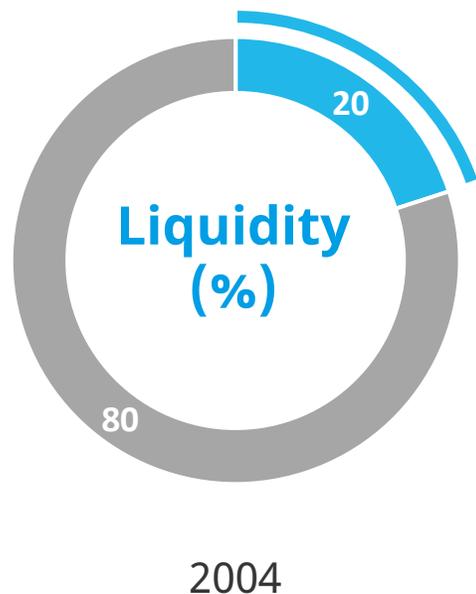


<sup>1</sup> Applying a similar methodology, marking our unlisted portfolio to market would bring our net portfolio value to S\$411 billion and S\$438 billion for the financial years ended 31 March 2023 and 2022 respectively.

(as at 31 March)

# \$31b of Value Uplift from Mark to Market of Unlisted Assets

- Unlisted Assets
- Listed Assets



<sup>1</sup> Based on valuing our listed investments at share prices and unlisted investments at book value less impairment.

<sup>2</sup> For our unlisted portfolio, we mark the valuation 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.

(as at 31 March)

# Valuation Methodology for MTM of Unlisted Assets



## Market Approach

Investee company's  
recent funding round

Market multiples of  
comparable public companies

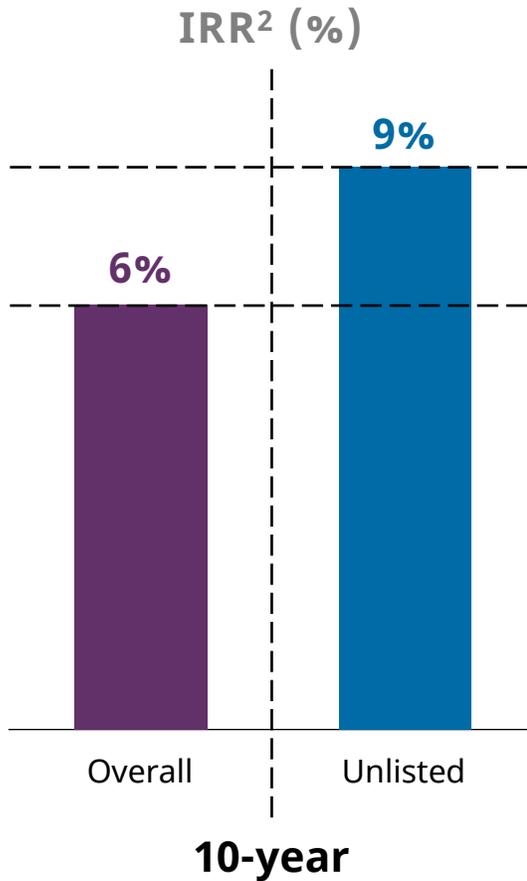
and/or



## Income Approach

Discounted cash flow model

# Diversified Portfolio of Quality Unlisted Assets



## Other Private Companies (Including Early Stage)

AS Watson Group  
element  
manipalhospitals  
LIFE'S ON

## Singapore Portfolio Companies<sup>1</sup>

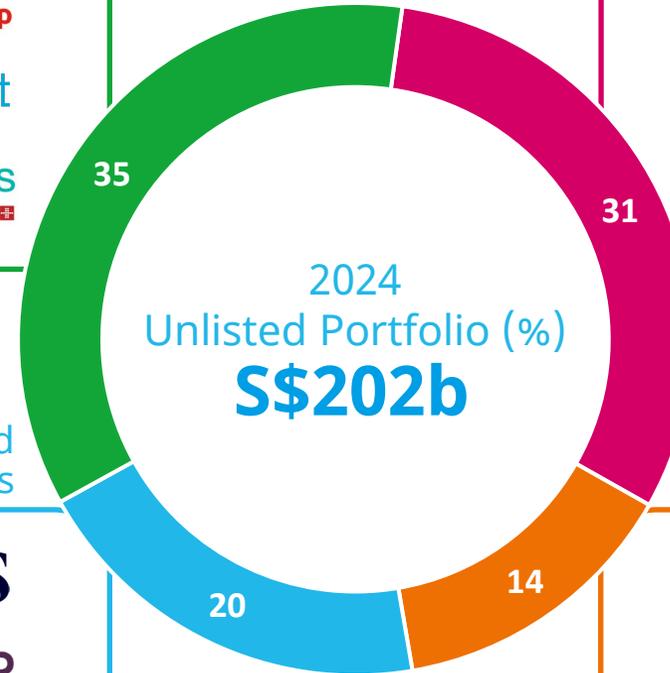
mapleiree  
PSA  
SPgroup  
Empowering the Future of Energy

## Private Equity and Credit Funds

HPS  
KKR  
TPG

## Asset Management Businesses

Azalea  
SEVIORA  
vertex

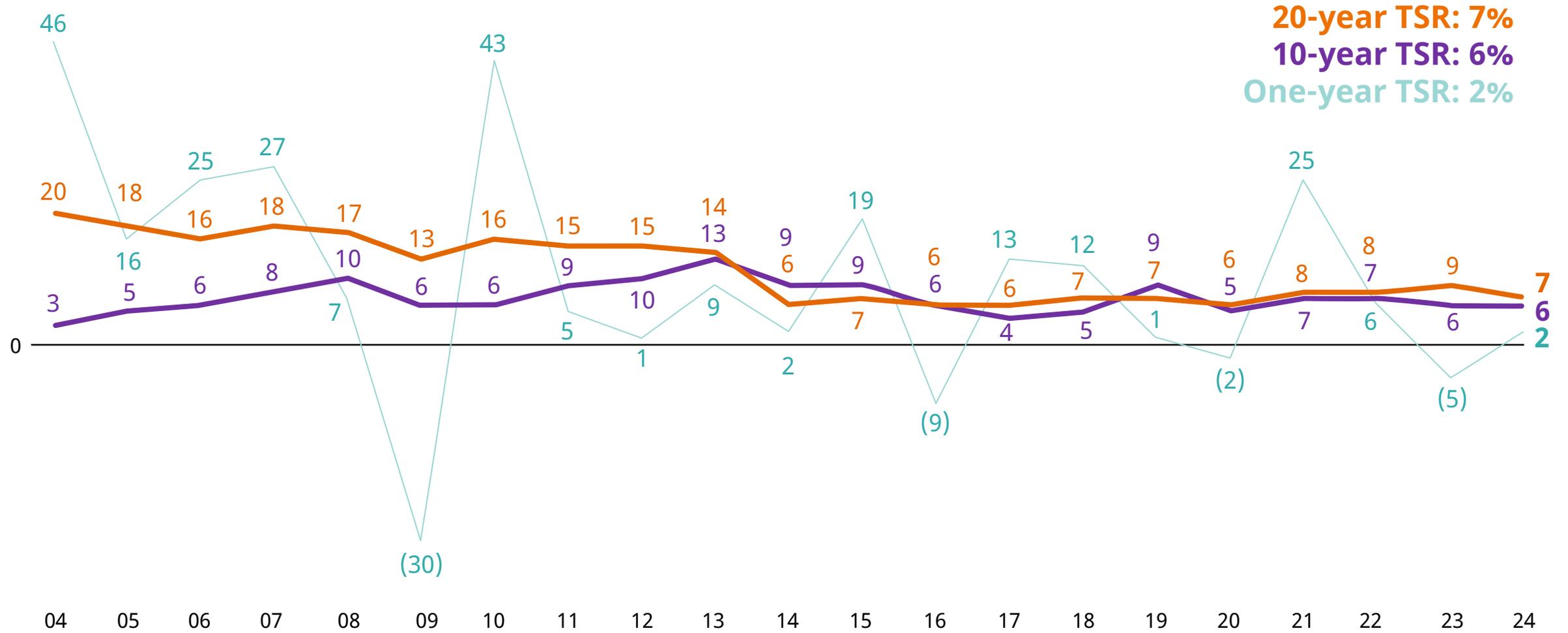


<sup>1</sup> Includes only key portfolio companies headquartered in Singapore.

<sup>2</sup> IRR is the money weighted returns of our invested portfolio and its sub-portfolios and takes into account the timing and size of our cash flows with investees, whereas TSR is a time weighted returns of the total portfolio level, after considering effects of cash flow between Temasek and its shareholder.

(as at 31 March 2024)

# Long-Term Returns Remain Stable



20-year TSR: 7%  
 10-year TSR: 6%  
 One-year TSR: 2%

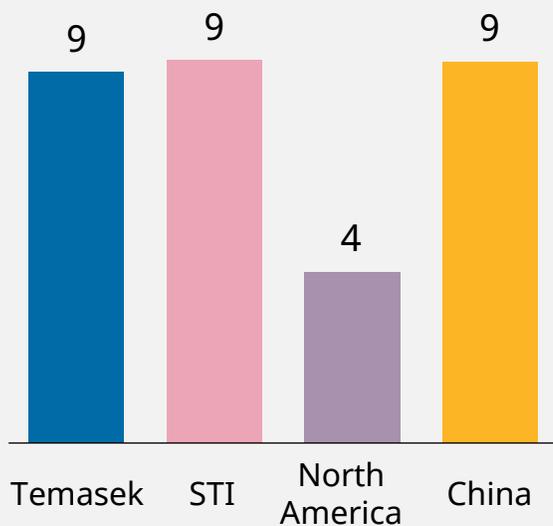
— 20-year — 10-year — One-year

(as at 31 March)

# Portfolio Returns are Impacted by Recent Underperformance of China's Capital Markets

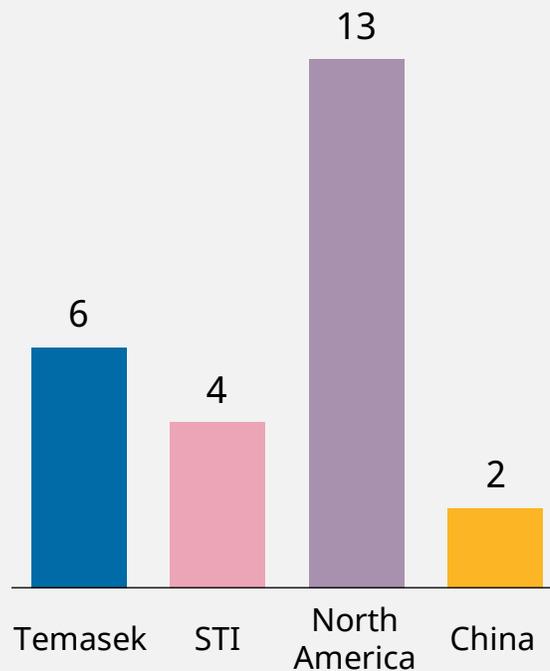
## April 2004 – March 2014

- Benefitted from China exposure



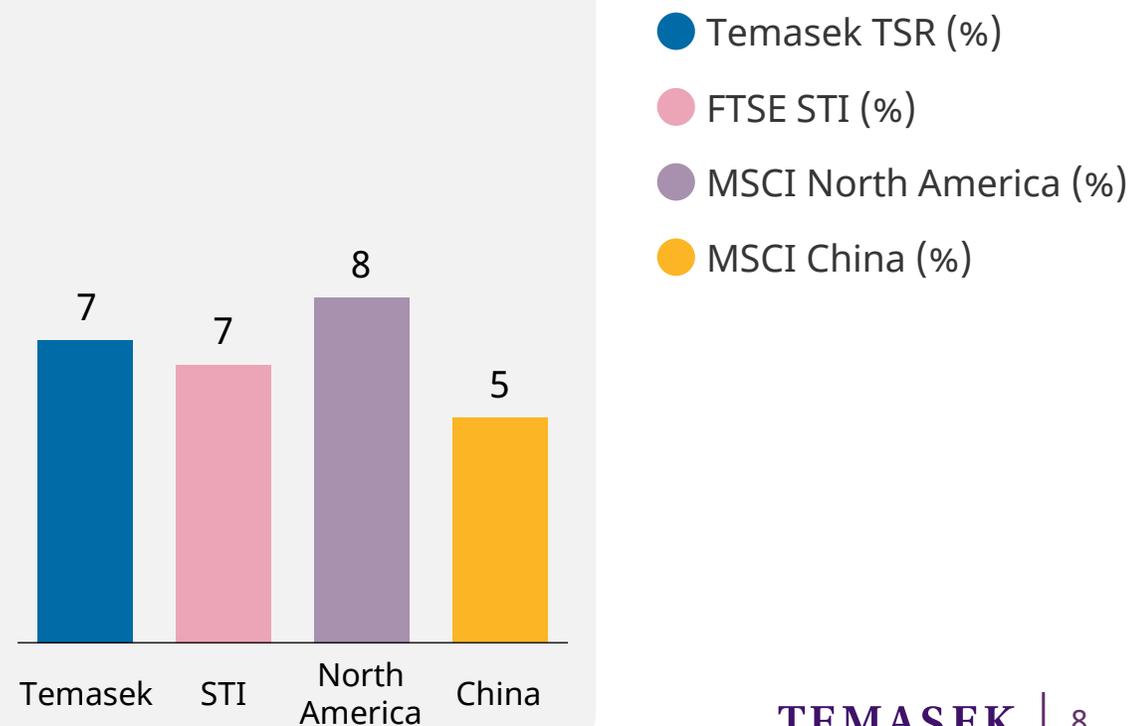
## April 2014 – March 2024

- Doubled exposure to developed markets
- Exposure to China has impacted performance in recent years



## April 2004 – March 2024

- 20-year TSR outperformed STI and MSCI China



- Temasek TSR (%)
- FTSE STI (%)
- MSCI North America (%)
- MSCI China (%)

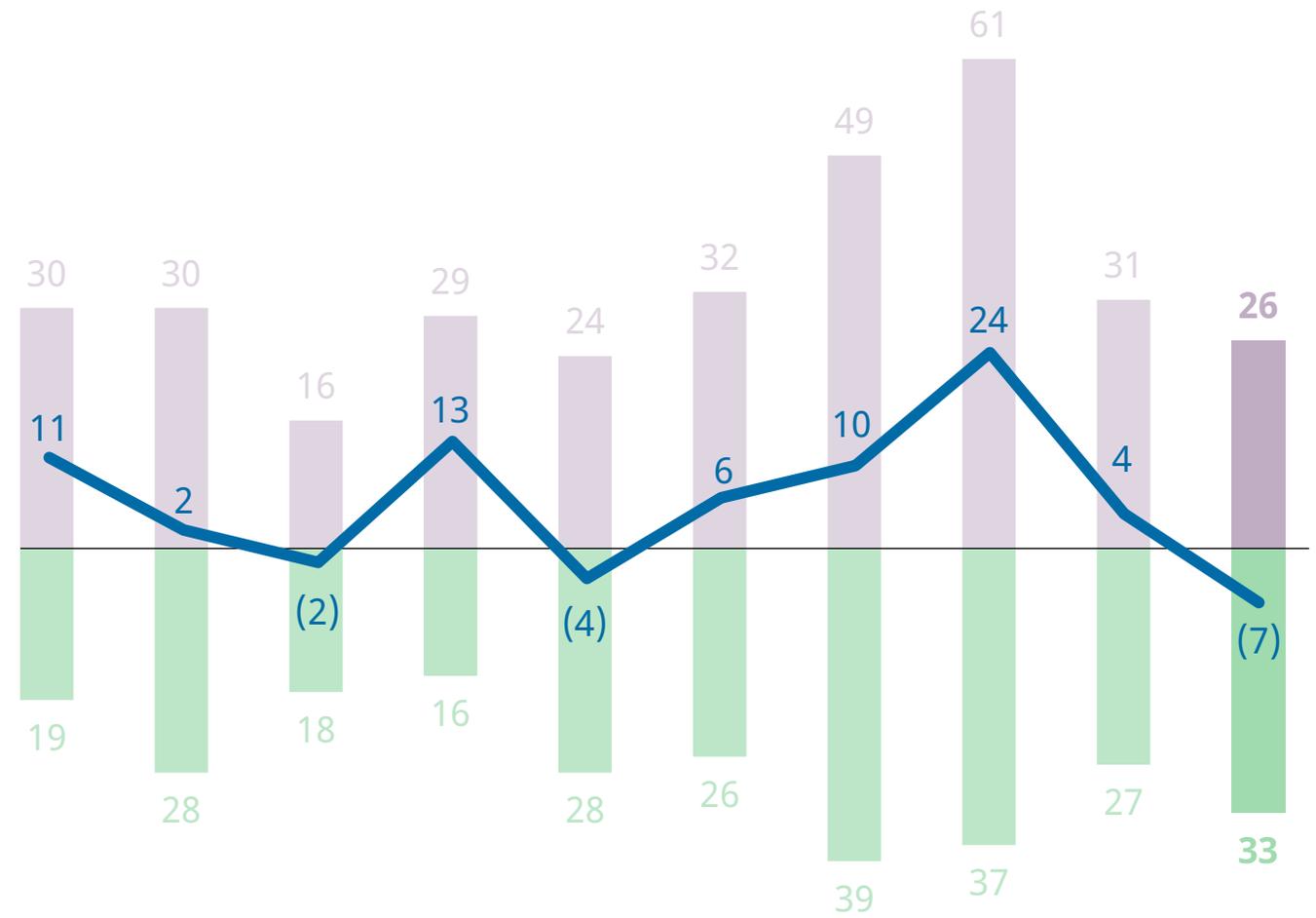
# Steady Pace of Investment Over the Decade

(S\$b)

Investments

Divestments

Year 15 16 17 18 19 20 21 22 23 24



**S\$26 billion**

Invested over the year

**S\$57 billion**

Net investment over the decade

**S\$7 billion**

Net divestment over the year

**S\$33 billion**

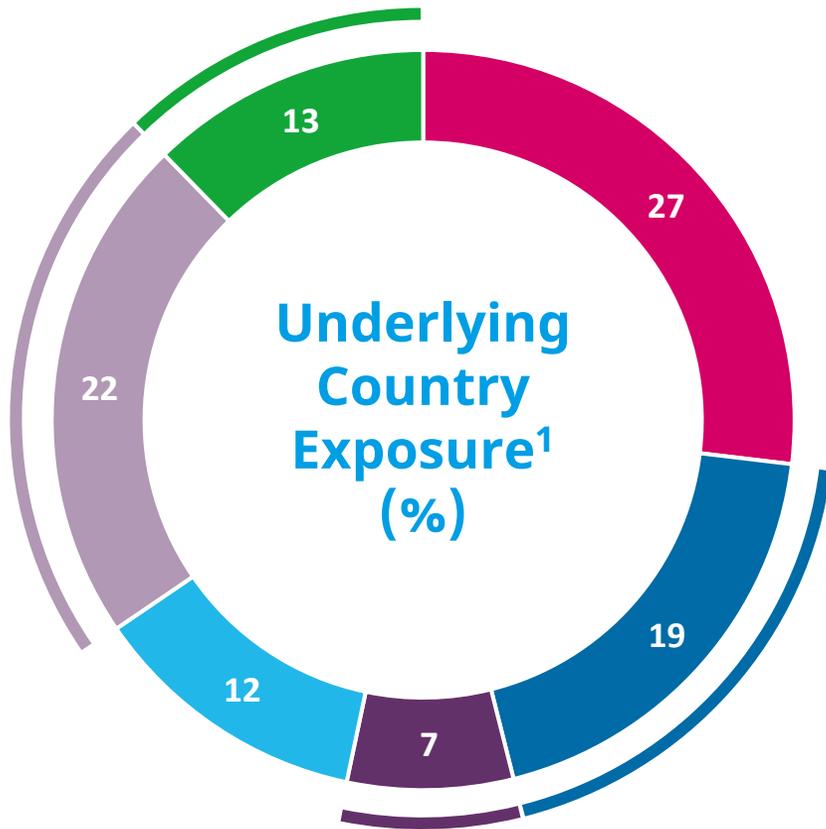
Divested over the year

(for year ended 31 March)

# Portfolio by Underlying Assets

64% in Developed Economies

PERFORMANCE



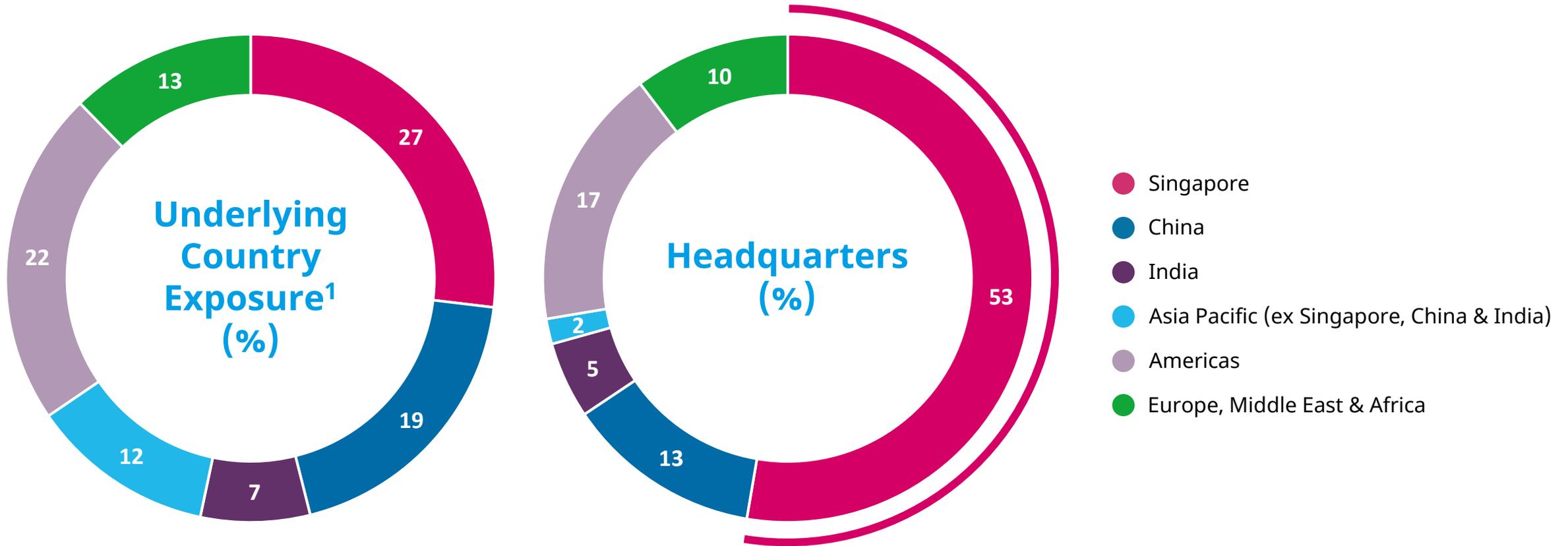
Year	2024	2023	2014	2004
● Singapore	27	28	31	52
● China	19	22	25	5
● India	7	6	5	1
● Asia Pacific (ex Singapore, China & India)	12	11	21	28
● Americas	22	21	10	7
● Europe, Middle East & Africa	13	12	8	7

(as at 31 March)

<sup>1</sup> Distribution based on underlying assets.

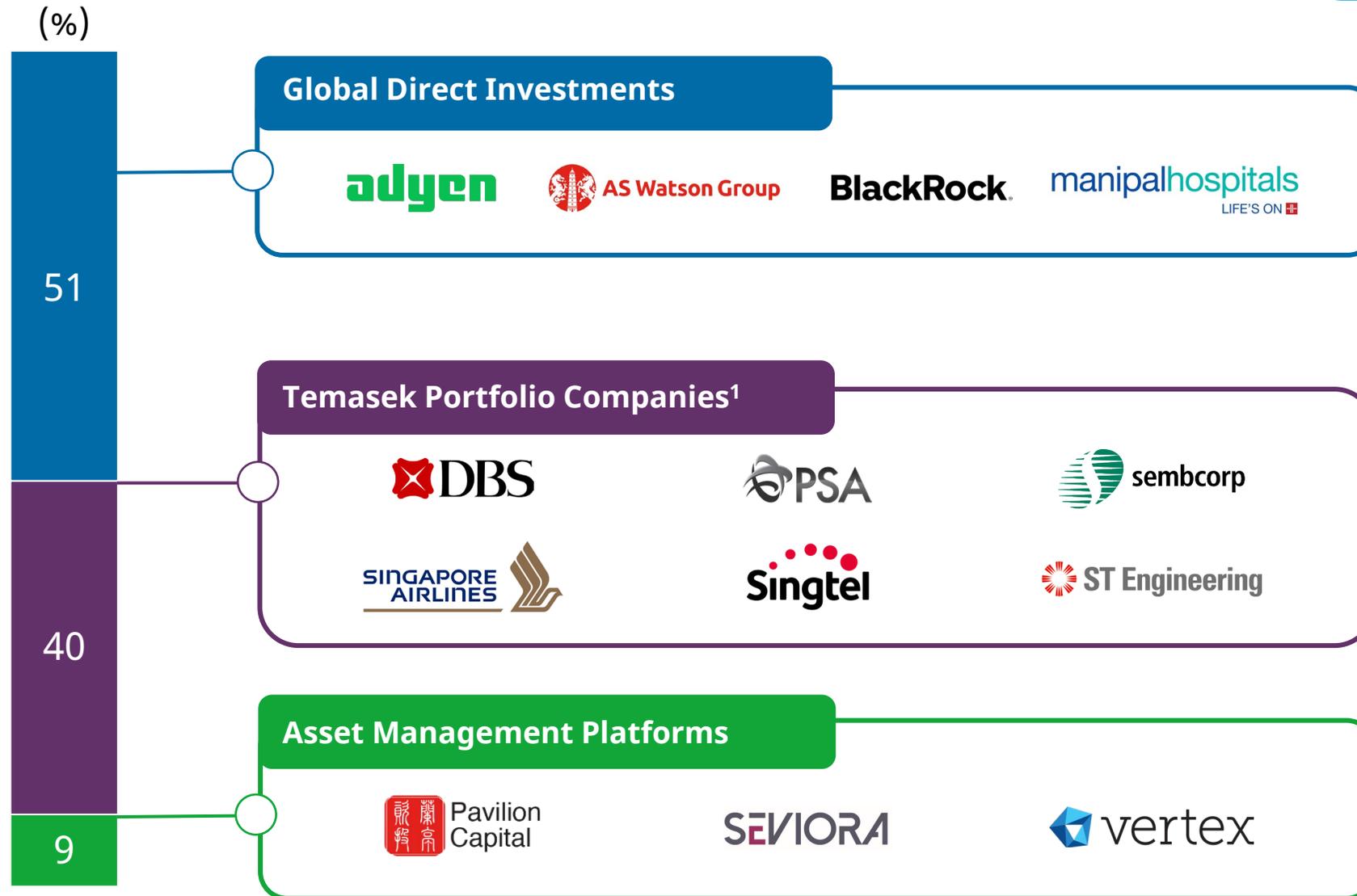
# Portfolio by Headquarters

Over Half of Portfolio Headquartered in Singapore



<sup>1</sup> Distribution based on underlying assets.

# Resilient & Forward-Looking Portfolio



<sup>1</sup> Includes only key portfolio companies headquartered in Singapore.  
(Portfolio composition as at 31 March 2024)

# Active Portfolio Management for Long-Term Returns



**Sustainable and Resilient Business**



**Strong Balance Sheet**



**Positioned for Growth**



**Accountability of Boards and Management**

# Aligning Our Portfolio to Structural Trends Since 2016



Digitisation



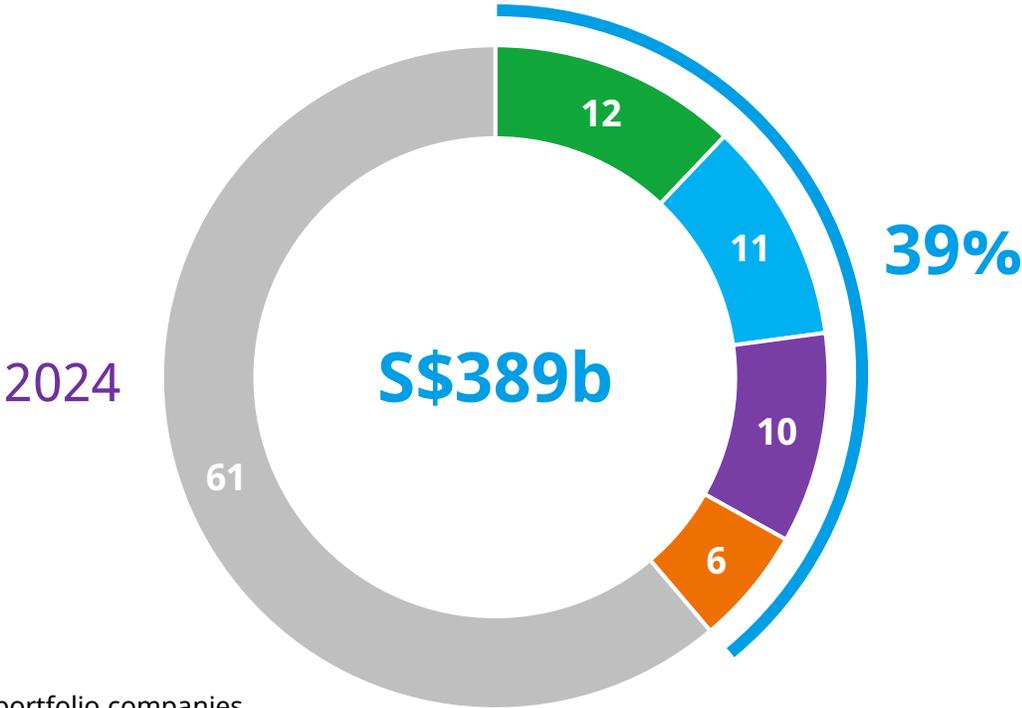
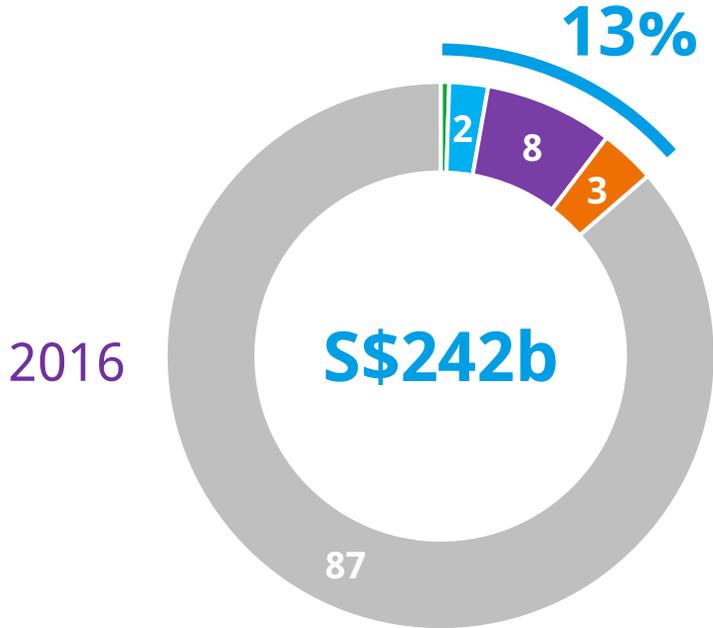
Sustainable Living



Future of Consumption



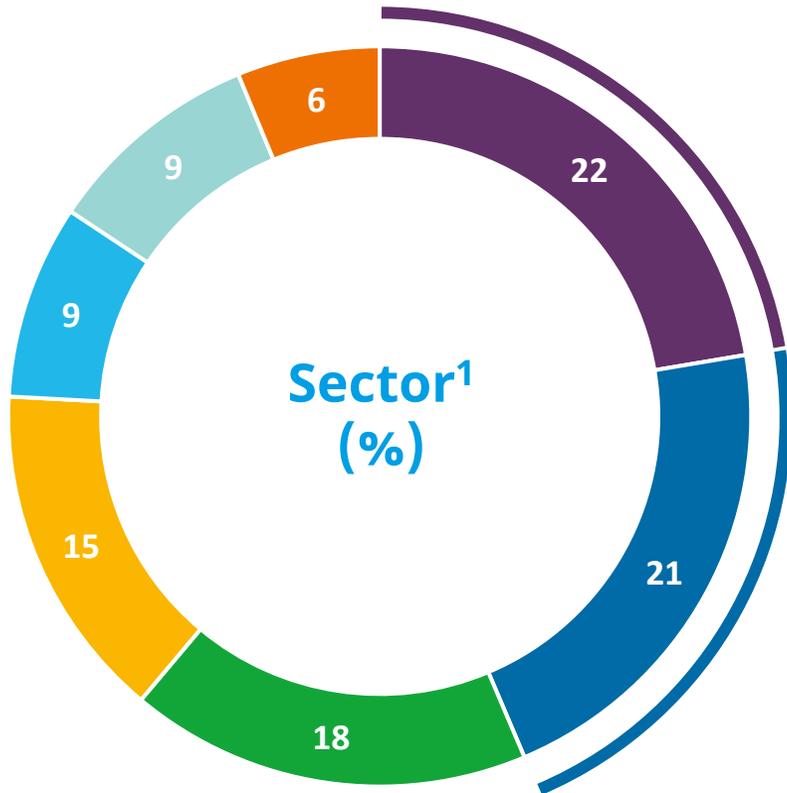
Longer Lifespans



The increase in our Sustainable Living exposure is mainly due to a reclassification of selected portfolio companies as at 31 March 2024, to better reflect their alignment with the trend.

(as at 31 March)

# Composition of Our Portfolio by Sectors



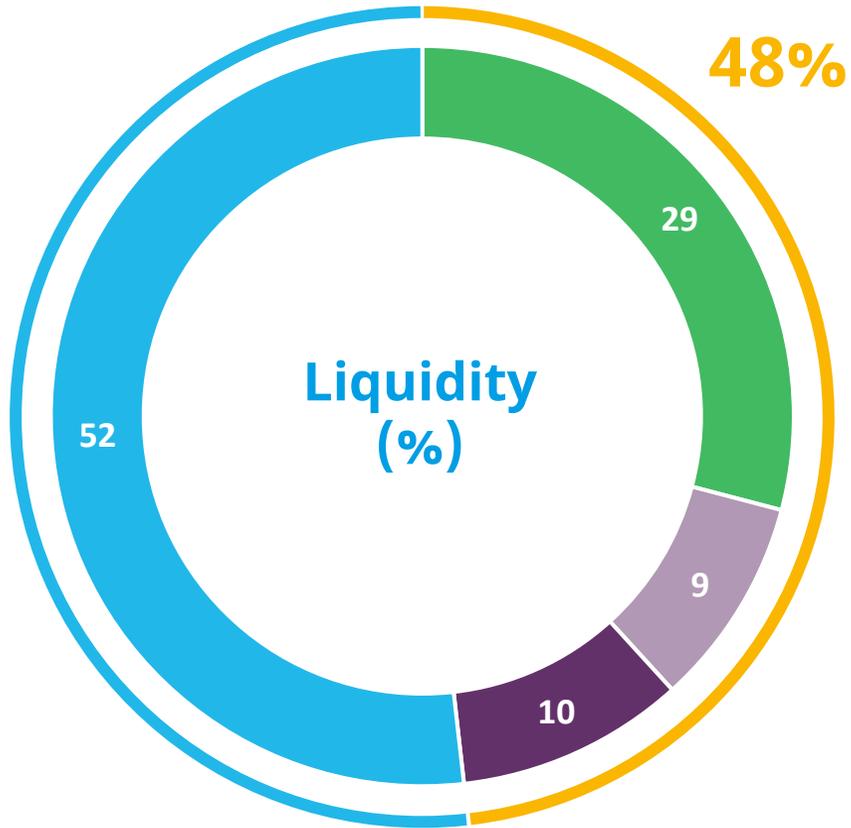
Year	2024	2023	2014
● Transportation & Industrials <sup>2</sup>	22	23	// 26
● Financial Services	21	21	30
● Telecommunications, Media & Technology	18	17	23
● Consumer & Real Estate	15	16	12
● Life Sciences & Agri-Food	9	9	2
● Multi-Sector Funds	9	8	5
● Others (including Credit)	6	6	2

(as at 31 March)

<sup>1</sup> Distribution based on underlying assets.

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

# Portfolio Remains Liquid



Year	2024	2023	2014
● Liquid & sub-20% listed assets <sup>1</sup>	29	27	36
● Listed large blocs (≥ 20% and < 50% share)	9	9	14
● Listed large blocs (≥ 50% share)	10	11	20
● Unlisted assets	52	53	30

(as at 31 March)

<sup>1</sup> Mainly cash and cash equivalents, and sub-20% listed assets.

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# Global Outlook



- Global economy has been more robust than expected
- Recession risks in key developed markets have largely subsided
- Inflation remains sticky in many markets, but coming down from elevated levels
- Geopolitical tensions remain a concern



- Broadly easing inflationary pressures
- The Fed might leave policy rates higher for longer
- Uncertain that inflation can reach 2%
- Resilient labour market and continued growth



# Looking Ahead: Europe

- Economy on track to recovery
- Slowing inflation and pickup in real wage growth allow ECB to normalise monetary policy
- Opportunities in energy transition
- Less supportive fiscal impulse
- Watchful of tail risks from political shifts



- Pro-growth policy stance has aided recovery, but structural challenges remain
- Downward pressure on growth and inflation unless domestic demand picks up
- Continued geopolitical risks, which could impact export demand



- Strong economic growth trajectory alongside improving macro stability
- Key drivers of growth include infrastructure-led capex, private consumption and supply chain diversification
- Emerged as a key geopolitical player
- Long-term potential in financial services, consumer and healthcare



## Looking Ahead: **Southeast Asia**

- Near-term outlook: resilient domestic demand, upturn in the global manufacturing cycle, and tourism recovery
- Constructive on medium-term: structural reforms, supply chain diversification
- One of the fastest growing regions in the next decade



# Investment Stance



## US will continue to be the largest destination of our capital

AI enablers and adopters and businesses benefitting from US industrial policy



## Select opportunities in Europe

E.g., green transition, global companies



## Increased focus on India

Large and growing domestic market and beneficiary of supply chain diversification



## Scaling up exposure to SEA and Japan



## Cautious approach to China; continue to monitor government policies in 2024



## Near-term opportunities in private credit and solutions for private equity firms seeking liquidity

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**Sustainability**



# Our Decarbonisation Journey

## Total Portfolio Emissions<sup>1</sup>

27 to 21 million tCO<sub>2</sub>e<sup>2</sup>



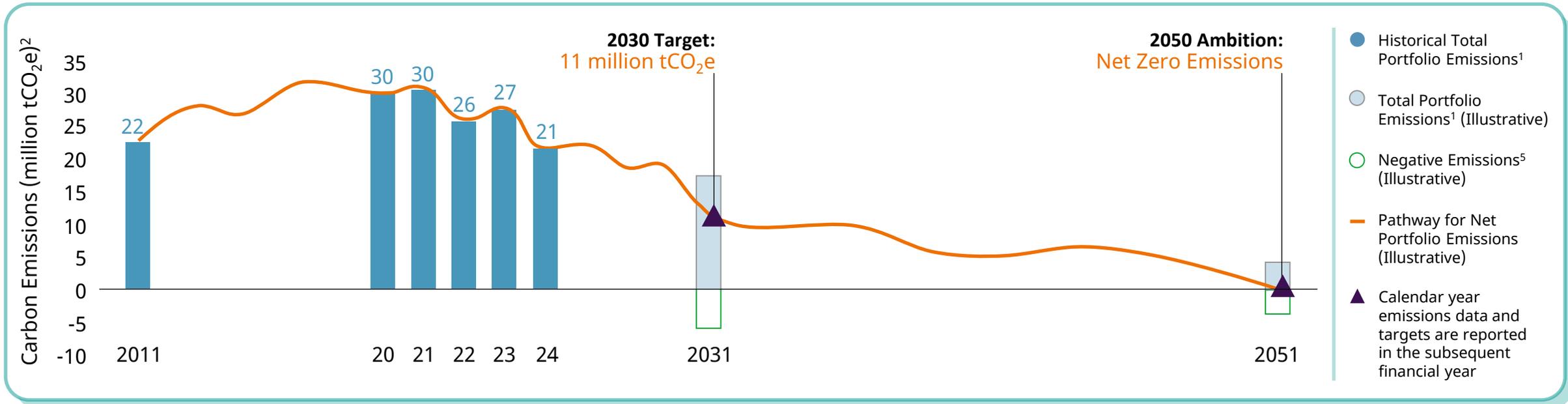
## Portfolio Weighted Average Carbon Intensity<sup>3</sup>

116 to 92 tCO<sub>2</sub>e/S\$M revenue



## Internal Carbon Price

US\$50 to US\$65<sup>4</sup> per tCO<sub>2</sub>e



<sup>1</sup> Total Portfolio Emissions reflect the absolute emissions (Scope 1 and Scope 2) associated with our investment portfolio, expressed in tCO<sub>2</sub>e.

Our investment positions in private equity funds, credit, and other assets are excluded.

<sup>2</sup> tCO<sub>2</sub>e refers to tonnes of carbon dioxide equivalent, a standard unit of measurement used in greenhouse gas emissions accounting and reporting.

<sup>3</sup> Portfolio Weighted Average Carbon Intensity reflects our portfolio's exposure to carbon-intensive companies by revenue, expressed in tCO<sub>2</sub>e/S\$M revenue.

Emissions are allocated based on portfolio weights (market value of the investment relative to the market value of the portfolio).

<sup>4</sup> As at 1 April 2024.

<sup>5</sup> Negative emissions acquired through investments and high-quality carbon offsets.

# Our Decarbonisation Strategy



Investing for  
a Low-Carbon  
Economy



H<sub>2</sub>green steel

OLA



Encouraging  
Decarbonisation  
Efforts in  
Our Portfolio  
Companies



Enabling  
Carbon Markets  
Solutions



# Driving Partnerships for Change

## Deploying Capital Across Growth Stages



Decarbonization Partners  
**BlackRock** | **TEMASEK**

**Brookfield**

## Accelerating Sustainable and Transition Finance



FAST-P | TRACTION

**THE WORLD BANK**  
PRIVATE SECTOR  
INVESTMENT LAB

## Convening Across Sectors



**THE  
EARTHSHOT  
PRIZE**

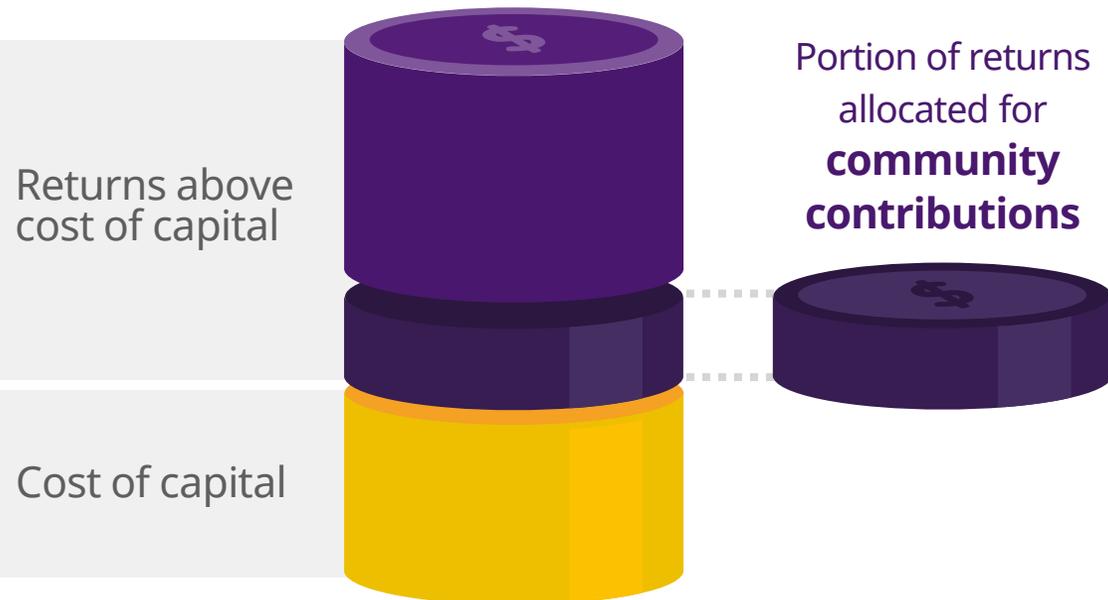
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Community



# Our Philanthropic Journey

Since 2003, we have been setting aside a portion of our investment returns for community contributions



Connecting People



Uplifting Communities

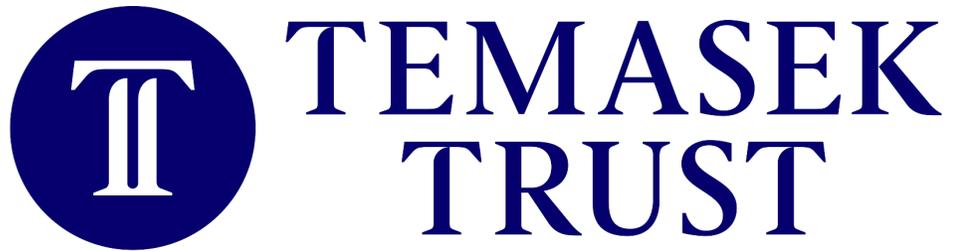


Protecting Planet



Advancing Capabilities

Benefitting  
3.7 Million People



# T50 Gift to the Community



Advancing Capabilities  
in Singapore



Our Purpose



So every *Generation* prospers



WITH TOMORROW  
IN MIND

Connect  
with us

