

Appendix dated 25 March 2019

The Singapore Exchange Securities Trading Limited (the "SGX-ST") assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Appendix.

If you are in any doubt as to the contents herein or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred your units in Keppel Infrastructure Trust ("KIT"), you should immediately forward this Appendix to the purchaser or transferee or bank or stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Keppel Infrastructure Trust

(Business Trust Registration No. 2007001)
(Constituted in the Republic of Singapore as a business trust pursuant to a trust deed dated 5 January 2007 (as amended))

MANAGED BY

KEPPEL INFRASTRUCTURE FUND MANAGEMENT PTE. LTD.

(Company Registration No. 200803959H)
(as Trustee-Manager of Keppel Infrastructure Trust)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL
MEETING DATED 25 MARCH 2019**

IN RELATION TO THE

- (1) PROPOSED RENEWAL OF THE UNITHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS;**
- (2) PROPOSED RENEWAL OF THE UNIT BUY-BACK MANDATE;**
- (3) PROPOSED ISSUANCE OF NEW UNITS IN KIT PURSUANT TO (I) THE PREFERENTIAL OFFERING OR (II) THE PREFERENTIAL OFFERING AND THE PLACEMENT, TO RAISE GROSS PROCEEDS OF UP TO S\$750 MILLION; AND**
- (4) PROPOSED PLACEMENT OF NEW UNITS IN KIT TO KEPPEL INFRASTRUCTURE HOLDINGS PTE. LTD. AS PART OF THE PLACEMENT.**

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GLOSSARY

In this Appendix, the following definitions shall apply throughout (including to the Annex hereto) unless the context otherwise requires or unless otherwise stated:

%	:	Per centum or percentage
2018 AGM	:	The AGM held on 17 April 2018
2019 AGM	:	The AGM to be held at Suntec Singapore Convention and Exhibition Centre, Summit 2, Level 3, 1 Raffles Boulevard, Suntec City Singapore 039593 on Tuesday, 16 April 2019 at 10.30 am, notice of which is set out in the Notice of AGM
2019 EGM	:	The extraordinary general meeting of KIT held on 12 February 2019
Acquisition	:	The acquisition of 100% of the shares in Ixom HoldCo Pty Ltd
AGM	:	The annual general meeting of KIT
Appendix	:	This Appendix dated 25 March 2019
Approved Exchange	:	A stock exchange that has rules which safeguard the interests of shareholders/unitholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual
Approving Authority	:	The relevant approving authority whose approval must be obtained before an Interested Person Transaction can be executed, as described in paragraphs 7.2.5(b) and 7.3.3 of Annex A of this Appendix
Associate	:	In the case of a business trust, (a) in relation to any director, chief executive officer, or controlling shareholder of the trustee-manager, substantial shareholder of the trustee-manager, substantial unitholder or controlling unitholder of the business trust (being an individual), means: (i) his immediate family member; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and

(b) in relation to the controlling shareholder of the trustee-manager or substantial unitholder or controlling unitholder of the business trust (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more

Audit and Risk Committee	:	The audit and risk committee of the Trustee-Manager
Average Closing Price	:	The average of the closing market prices of the Units over the last five Market Days, on which transactions in Units were recorded, immediately preceding the date of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days
Bartley	:	Bartley Investments Pte. Ltd., a company incorporated in the Republic of Singapore, and which is a wholly-owned subsidiary of Temasek
Board	:	The board of directors of the Trustee-Manager
Bridge Facility	:	The S\$750 million facility agreement dated 12 February 2019 entered into between the Trustee-Manager, the Original Lenders named therein and the Facility Agent named therein
Business Trusts Act or BTA	:	The Business Trusts Act (Chapter 31A of Singapore) (including all subsidiary legislation made thereunder) as modified, supplemented or amended from time to time
CDP	:	The Central Depository (Pte) Limited
Circular	:	The circular to Unitholders dated 28 January 2019
Code	:	The Singapore Code on Take-overs and Mergers
Companies Act	:	The Companies Act Chapter 50 of Singapore (including all subsidiary legislation made thereunder) as modified, supplemented or amended from time to time
control	:	Has the meaning ascribed to it in the Listing Manual
controlling shareholder	:	Has the meaning ascribed to it in the Listing Manual

controlling unitholder	:	A person who: <ul style="list-style-type: none"> (a) holds directly or indirectly 15% or more of the total number of issued units in a business trust (unless the SGX-ST has determined such a person not to be a controlling unitholder); or (b) in fact exercises control over a business trust
date of the making of the offer	:	The date on which the Trustee-Manager makes an offer for an Off-Market Purchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Purchase
Directors	:	Directors of the Trustee-Manager
DPU	:	Distribution per Unit
EAR Group	:	<ul style="list-style-type: none"> (a) KIT; (b) subsidiaries of KIT (excluding subsidiaries listed on the SGX-ST or an Approved Exchange); and (c) associated companies of KIT (other than an associated company that is listed on the SGX-ST or an Approved Exchange) over which KIT and its subsidiaries, or the KIT Group and its interested person(s), has or have control, <p>and “EAR” means each of them</p>
Equity Fund Raising	:	<p>An equity fund raising which may comprise:</p> <ul style="list-style-type: none"> (a) the Preferential Offering; or (b) the Preferential Offering and the Placement, <ul style="list-style-type: none"> in each case, pursuant to the approvals sought under Resolution 6; or (c) the Rights Issue, pursuant to (i) the General Mandate or (ii) specific Unitholders’ approval to be obtained at a date subsequent to the 2019 AGM, <p>so as to raise gross proceeds of up to S\$750 million</p>

Extraordinary Resolution	:	A resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
FY 2018	:	The financial year ended 31 December 2018
FY 2018 Audited Financial Statements	:	The audited consolidated financial statements of the KIT Group for FY 2018
General Mandate	:	The general mandate for the Trustee-Manager to issue new Units, to be proposed as Ordinary Resolution 3 at the 2019 AGM
Independent Director	:	The independent directors for purposes of the BTA
Interested Person Transactions	:	The categories of transactions by the EAR Group, or any of them, with the Interested Persons which fall within the Unitholders' Mandate, in the manner set out in paragraph 6 of Annex A of this Appendix
Interested Persons	:	<p>(a) The sponsor of KIT, which is a controlling unitholder of KIT, and its Associates;</p> <p>(b) a director, chief executive officer or controlling shareholder of the Trustee-Manager;</p> <p>(c) Trustee-Manager or controlling unitholder of KIT (other than the controlling unitholder described in sub-paragraph (a) above); and</p> <p>(d) an Associate of any of the persons or entities in sub-paragraphs (b) and (c) above,</p> <p>and "Interested Person" means each of them</p>
KC	:	Keppel Capital Holdings Pte. Ltd., a company incorporated in the Republic of Singapore
KCL	:	Keppel Corporation Limited, a company incorporated in the Republic of Singapore
KIFM	:	Keppel Infrastructure Fund Management Pte. Ltd., a company incorporated in the Republic of Singapore
KIHPL	:	Keppel Infrastructure Holdings Pte. Ltd., a company incorporated in the Republic of Singapore and a wholly-owned subsidiary of KCL
KIT	:	Keppel Infrastructure Trust, a business trust constituted in the Republic of Singapore and registered with MAS

KIT Group	:	KIT and its subsidiaries, if any
Latest Practicable Date	:	4 March 2019, being the latest practicable date prior to the printing of this Appendix
Listing Manual	:	The Listing Manual of the SGX-ST
Listing Rules	:	Listing Rules of the SGX-ST
Mandate Duration	:	<p>Unless revoked or varied by Unitholders in a general meeting, the period commencing from the date on which the AGM is held and the Unit Buy-Back Mandate is approved and expiring on the earliest of the following dates:</p> <ul style="list-style-type: none"> (i) the date on which the next annual general meeting of KIT is held; (ii) the date by which the next annual general meeting of KIT is required by applicable laws and regulations or the provisions of the Trust Deed to be held; or (iii) the date on which the repurchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated
Market Capitalisation	:	<p>The market capitalisation of KIT as at any date means the product of:</p> <ul style="list-style-type: none"> (a) the weighted average number of Units in issue as at the end of the financial year of KIT immediately preceding such date, measured over the last 15 trading days prior to the end of that financial year; and (b) the volume weighted average price of all Units traded on the SGX-ST over such 15-trading day period
Market Day	:	A day on which the SGX-ST is open for trading in securities
Market Purchases	:	Has the meaning ascribed to it in Paragraph 3.3.3 of this Appendix
MAS	:	The Monetary Authority of Singapore

Maximum Price	:	Means: <ul style="list-style-type: none"> (i) in the case of a Market Purchase, 105.0% of the Average Closing Price of the Units in accordance with Rule 884 of the Listing Manual; and (ii) in the case of an Off-Market Purchase, 110.0% of the Average Closing Price of the Units
Napier	:	Napier Investments Pte. Ltd., a company incorporated in the Republic of Singapore, and which is a wholly-owned subsidiary of Temasek
Nassim	:	Nassim Investments Pte. Ltd., a company incorporated in the Republic of Singapore, and which is a wholly-owned subsidiary of Temasek
NAV	:	Net asset value
New Units	:	Units to be issued pursuant to the Equity Fund Raising
Notice of AGM	:	The notice of AGM dated 25 March 2019 enclosed with the Annual Report for KIT for the period 1 January 2018 to 31 December 2018 convening the 2019 AGM
Off-Market Purchases	:	Has the meaning ascribed to it in Paragraph 3.3.3 of this Appendix
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Placement	:	The private placement of New Units to institutional and other investors, pursuant to the approvals sought under Resolution 6, which may form part of the Equity Fund Raising
Preferential Offering	:	The non-renounceable preferential offering of New Units to eligible Unitholders on a <i>pro rata</i> basis, pursuant to the approvals sought under Resolution 6, which may form part of the Equity Fund Raising
Proposed KIHPL Placement	:	The proposed private placement of New Units to KIHPL as part of the Placement
Public Float	:	Refers to the percentage of Units held by the public
Register	:	The register of Unitholders kept in accordance with the Trust Deed

Review Committee	:	A committee comprising a Director, and either the chief executive officer or chief financial officer (or Head, Finance, in the absence of the chief financial officer) of the Trustee-Manager for the time being, and such other person as the Board may from time to time appoint. For the avoidance of doubt, a Director shall not form part of the Review Committee in the event that such Director has an interest in the relevant transaction
Securities and Futures Act or SFA	:	The Securities and Futures Act (Chapter 289 of Singapore) (including all subsidiary legislation made thereunder) as modified, supplemented or amended from time to time
Rights Issue	:	The renounceable rights issue of New Units to eligible Unitholders on a <i>pro rata</i> basis, pursuant to (i) the General Mandate or (ii) specific Unitholders' approval to be obtained at a date subsequent to the 2019 AGM, which may form part of the Equity Fund Raising
Rights Issue Units	:	The New Units to be issued pursuant to the Rights Issue
S\$ and cents	:	Singapore dollars and cents
Securities Account	:	Securities account or sub-account maintained by a Depositor with CDP
SGX-ST	:	Singapore Exchange Securities Trading Limited
Substantial Unitholder	:	A person with an interest in Units constituting not less than 5.0% of the total number of Units in issue
Temasek	:	Temasek Holdings (Private) Limited, a company incorporated in the Republic of Singapore
Tembusu	:	Tembusu Capital Pte. Ltd., a company incorporated in the Republic of Singapore, and which is a wholly-owned subsidiary of Temasek
Treasury Transactions	:	Means the treasury transactions between any member within the EAR Group and any Interested Person
Trust Deed	:	The trust deed dated 5 January 2007 constituting KIT, as amended and restated by an Amendment and Restatement Deed dated 18 May 2015 and as supplemented by a First Supplemental Deed dated 17 April 2018
Trust Property	:	Has the meaning ascribed to it in the Business Trusts Act
Trustee-Manager	:	KIFM, acting in its capacity as trustee-manager of KIT

Underwriter(s)	:	The banks(s) to be appointed as underwriter(s) for the Equity Fund Raising
Underwriting Agreement	:	The underwriting agreement to be entered into between the Trustee-Manager and the Underwriter(s) in relation to the Equity Fund Raising
Unit	:	A unit representing an undivided interest in KIT
Unit Buy-Back Mandate	:	The unit buy-back mandate to be given to the Trustee-Manager by way of an Ordinary Resolution in a general meeting, to exercise its powers to procure the repurchases of Units for and on behalf of KIT without the prior specific approval of Unitholders at a general meeting
Unitholders	:	The registered holders for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units
Unitholders' Mandate	:	<p>(a) For the purposes of this Appendix, excluding Annex A of this Appendix, the Unitholders' general mandate pursuant to Chapter 9 of the Listing Manual permitting KIT, its subsidiaries and associated companies who are considered to be "entities at risk" under Chapter 9 of the Listing Manual or any of them, to enter into interested person transactions with the interested persons, which was last amended and renewed at the AGM held on 17 April 2018; and</p> <p>(b) for the purposes of Annex A of this Appendix, the Unitholders' general mandate pursuant to Chapter 9 of the Listing Manual permitting KIT, its subsidiaries and associated companies who are considered to be "entities at risk" under Chapter 9 of the Listing Manual or any of them, to enter into Interested Person Transactions with the Interested Persons, proposed to be renewed, at the 2019 AGM</p>

All references to (1) the **"Trustee-Manager"** are to it acting in its capacity as trustee-manager of KIT and (2) **"KIT"** are to it acting through the Trustee-Manager.

The term **"Depositor"** shall have the meaning ascribed to it in Section 81SF of the Securities and Futures Act.

The terms **"associate"**, **"associated company"**, **"entity at risk"**, **"interested person"** and **"chief executive officer"** shall have the meanings ascribed to them respectively in the Listing Manual.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

References to persons shall include corporations.

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to two (2) decimal places.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Securities and Futures Act or the Listing Manual and used in this Appendix shall, where applicable, have the meaning ascribed to it under the Securities and Futures Act or the Listing Manual, as the case may be, unless otherwise provided. Summaries of the provisions of any laws and regulations (including the Listing Manual) contained in this Appendix are of such laws and regulations (including the Listing Manual) as at the Latest Practicable Date.

KEPPEL INFRASTRUCTURE TRUST

(Business Trust Registration No. 2007001)
(Constituted in the Republic of Singapore as a business trust
pursuant to a trust deed dated 5 January 2007 (as amended))

Directors of the Trustee-Manager

Mr Koh Ban Heng (*Independent Director and
Chairman of the Board*)
Mr Thio Shen Yi (*Independent Director*)
Mr Daniel Cuthbert Ee Hock Huat (*Independent Director*)
Mr Kunnasagaran Chinniah (*Independent Director*)
Mr Mark Andrew Yeo Kah Chong (*Independent Director*)
Ms Christina Tan Hua Mui (*Non-Executive and
Non-Independent Director*)
Ms Cindy Lim Joo Ling (*Non-Executive and
Non-Independent Director*)

Registered Office

1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632

25 March 2019

To: The Unitholders of Keppel Infrastructure Trust ("KIT")

Dear Sir/Madam

1 INTRODUCTION

1.1 Summary

We refer to the Notice of AGM dated 25 March 2019 and Ordinary Resolution 4 ("**Resolution 4**"), Ordinary Resolution 5 ("**Resolution 5**"), Ordinary Resolution 6 ("**Resolution 6**") and Ordinary Resolution 7 ("**Resolution 7**") under the "As Special Business" set out therein.

The purpose of this Appendix is to provide Unitholders with information relating to the:

- (a) Proposed Renewal of the Unitholders' Mandate for Interested Person Transactions;
- (b) Proposed Renewal of the Unit Buy-Back Mandate;
- (c) Proposed issuance of New Units in KIT pursuant to (i) the Preferential Offering or (ii) the Preferential Offering and the Placement, to raise gross proceeds of up to S\$750 million; and
- (d) Proposed KIHPL Placement.

2 THE PROPOSED RENEWAL OF UNITHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

Under Chapter 9 of the Listing Manual, a general mandate for transactions with interested persons is subject to annual renewal. The Unitholders' Mandate was last amended and renewed at the AGM held on 17 April 2018, and will continue to be in force until the conclusion of the 2019 AGM. Accordingly, it is proposed that the Unitholders' Mandate be renewed at the 2019 AGM to be convened, to take effect (unless revoked or varied by KIT in general meeting) until the conclusion of the next

AGM or the date on which the next AGM is required to be held, whichever is the earlier. General information relating to Chapter 9 of the Listing Manual is set out in **Annex A** of this Appendix.

Unitholders should note that by voting in favour of the resolution in relation to the Proposed Renewal of the Unitholders' Mandate, the proposed renewal of the Unitholders' Mandate will authorise the EAR Group, or any of them, in the ordinary course of their businesses, to enter into certain transactions with Interested Persons, provided that such transactions are made on normal commercial terms and are not prejudicial to KIT and its minority Unitholders, and are entered into in accordance with the review procedures for such transactions.

2.1 Statement of the Audit and Risk Committee

Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit and Risk Committee (comprising Mr Mark Andrew Yeo Kah Chong, Mr Koh Ban Heng (abstaining) and Mr Daniel Cuthbert Ee Hock Huat (abstaining)) confirms that:

- (i) the methods or procedures for determining the transaction prices under the Unitholders' Mandate ("**Review Procedures**") have not changed since the last Unitholders' approval of the Unitholders' Mandate obtained on 17 April 2018;
- (ii) the Review Procedures are sufficient to ensure that the Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of KIT and its minority Unitholders, and

as such, an independent financial adviser's opinion is not required for the renewal of the Unitholders' Mandate.

2.2 Validity Period of the Unitholders' Mandate

If approved by Unitholders at the 2019 AGM, the Unitholders' Mandate will take effect from the date of the passing of the resolution for the renewal of the Unitholders' Mandate, to be proposed at the 2019 AGM, and shall apply in respect of Interested Person Transactions entered or to be entered into from the date of the 2019 AGM until the conclusion of the next AGM or the date on which the next AGM is required to be held, whichever is the earlier, unless revoked or varied by KIT in general meeting.

KIT will obtain a fresh general mandate from the Unitholders if the methods or procedures set out in the Unitholders' Mandate, as proposed to be renewed and set out in **Annex A** of this Appendix, become inappropriate.

2.3 Disclosure

Pursuant to Chapter 9 of the Listing Manual, KIT will disclose in its annual report the aggregate value of the Interested Person Transactions entered into under the Unitholders' Mandate, as renewed, during the financial year under review, and in the annual reports of subsequent financial years during which the Unitholders' Mandate, as renewed, is in force. In addition, KIT will announce the aggregate value of the Interested Person Transactions entered into under the Unitholders' Mandate, as renewed, for the financial periods which it is required to report pursuant to Rule 705 of the Listing Manual within the time required for the announcement of such report. These disclosures will be in the form set out in Rule 907 of the Listing Manual.

3 THE PROPOSED RENEWAL OF THE UNIT BUY-BACK MANDATE

3.1 The Proposed Renewal of the Unit Buy-Back Mandate

At the 2018 AGM, Unitholders had approved, *inter alia*, the Unit Buy-Back Mandate to enable the Trustee-Manager to exercise its powers to procure the repurchases of Units for and on behalf of KIT without the prior specific approval of Unitholders at a general meeting in accordance with the provisions of the Trust Deed and all applicable laws and regulations, including but not limited to the Listing Manual. The authority and limitations on the Unit Buy-Back Mandate were set out in the Appendix to the notice of AGM dated 26 March 2018.

The Unit Buy-Back Mandate was expressed to take effect on the date of the 2018 AGM and will expire on the date of the forthcoming 2019 AGM. Accordingly, the Trustee-Manager intends to seek the approval of Unitholders for the proposed renewal of the Unit Buy-Back Mandate at the 2019 AGM under Resolution 5.

UNITHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF RESOLUTION 5 RELATING TO THE PROPOSED RENEWAL OF THE UNIT BUY-BACK MANDATE, THEY WILL BE AUTHORISING THE TRUSTEE-MANAGER TO PROCURE THE REPURCHASE OF UNITS ON THE TERMS AND CONDITIONS SET OUT IN THIS PARAGRAPH 3 AND IN ACCORDANCE WITH THE PROVISIONS OF THE TRUST DEED AND ALL APPLICABLE LAWS AND REGULATIONS, INCLUDING BUT NOT LIMITED TO THE LISTING MANUAL.

3.2 Rationale for the Unit Buy-Back Mandate

The approval of the Unit Buy-Back Mandate authorising the Trustee-Manager to repurchase Units for and on behalf of KIT would give the Trustee-Manager the flexibility to undertake repurchases of Units of up to the 5% limit described in paragraph 3.3.1 of this Appendix at any time, during the period commencing from the date on which the AGM is held and the Unit Buy-Back Mandate is approved and expiring on the earliest of the following dates:

- (a) the date on which the next AGM is held;
- (b) the date by which the next AGM is required by applicable laws and regulations or the provisions of the Trust Deed to be held; or
- (c) the date on which the repurchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated,

(the “Mandate Duration”).

The Unit Buy-Back Mandate would be a flexible and cost-effective capital management tool to return excess capital to Unitholders and/or optimise the capital structure. It will provide the Trustee-Manager with the flexibility to undertake Unit repurchases at any time, subject to market conditions, during the period when the Unit Buy-Back Mandate is in force. To the extent that KIT has capital and surplus funds which are in excess of its financial needs, the Unit Buy-Back Mandate will facilitate the return of excess cash and surplus funds to Unitholders in an expedient, effective and cost-efficient manner.

While the Unit Buy-Back Mandate would authorise Unit repurchases of up to the said 5% limit during the period when the Unit Buy-Back Mandate is in force, Unitholders should note that Unit repurchases may not necessarily be carried out to the entire 5% limit as authorised by Unitholders.

Repurchases of Units will be made only when the Trustee-Manager considers it to be in the best interests of KIT and the Unitholders.

Rule 723 of the Listing Manual requires KIT to ensure that at least 10.0% of its Units are at all times held by the public (the “Public Float”). As at Latest Practicable Date, the Public Float is approximately 65.91%, and accordingly, the Trustee-Manager is of the view that the orderly trading and the listing status of the Units on the SGX-ST is not likely to be affected by the Unitholders’ approval of the Unit Buy-Back Mandate and the repurchases of Units thereunder.

3.3 Authority and Limits on the Unit Buy-Back Mandate

The authority conferred on the Trustee-Manager and the limits placed on the repurchases of Units by the Trustee-Manager under the Unit Buy-Back Mandate are set out below:

3.3.1 Maximum Limit

The total number of Units which may be repurchased pursuant to the Unit Buy-Back Mandate is limited to that number of Units representing not more than 5% of the total number of issued Units as at the date of the AGM.¹

FOR ILLUSTRATIVE PURPOSES ONLY: On the basis of 3,858,567,772 Units in issue as at the Latest Practicable Date, and assuming that no further Units are issued on or prior to the AGM at which the Unit Buy-Back Mandate is approved, not more than 192,928,388 Units (representing 5% of the issued Units) may be repurchased by the Trustee-Manager pursuant to the Unit Buy-Back Mandate during the Mandate Duration.

3.3.2 Duration of Authority

Unless revoked or varied by Unitholders in a general meeting, the Unit Buy-Back Mandate, if approved by Unitholders, will be in force for the Mandate Duration, being the period commencing from the date on which the AGM is held and the Unit Buy-Back Mandate is approved and expiring on the earliest of the following dates:

- (i) the date on which the next AGM is held;
- (ii) the date by which the next AGM is required by applicable laws and regulations or the provisions of the Trust Deed to be held; or
- (iii) the date on which the repurchases of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated.

Under the Trust Deed and the prevailing laws and regulations of Singapore, KIT is required to convene an AGM of Unitholders once every calendar year

¹ Pursuant to the Listing Manual, a unit repurchase shall not exceed 10.0% of the total number of issued units excluding treasury units and subsidiary holdings (defined in the Listing Manual to mean shares referred to in Section 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act) in each class as at the date of the resolution passed by unitholders for the unit repurchase. For the avoidance of doubt, KIT does not hold any treasury units and there are no subsidiary holdings as none of the subsidiaries of KIT hold any Units. There is also only one class of units in KIT.

and not more than 15 months after the holding of the last preceding annual general meeting and in any case within four months from the financial year end of KIT.

The authority conferred on the Trustee-Manager under the Unit Buy-Back Mandate to repurchase Units may be renewed at the next AGM of Unitholders. When seeking the approval of Unitholders for any subsequent Unit buy-back mandates, the Trustee-Manager shall disclose details of each Unit buy-back made during the Mandate Duration in respect of the Unit buy-back mandate immediately preceding such Unit buy-back mandate being sought, including the total number of Units repurchased, the repurchase price per Unit or the highest and lowest prices paid for such repurchases of Units, where relevant, and the total consideration paid for such repurchases.

3.3.3 Manner of Repurchase

Repurchases of Units may be made by way of:

- (i) market purchase(s) ("**Market Purchases**"); and/or
- (ii) off-market purchase(s) ("**Off-Market Purchases**").

Market Purchases refer to repurchases of Units by the Trustee-Manager effected on the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, through one or more duly licensed stockbrokers appointed by the Trustee-Manager for the purpose.

Off-Market Purchases refer to repurchases of Units by the Trustee-Manager (which are not Market Purchases) made under an equal access scheme or schemes for the repurchase of Units from Unitholders in accordance with the Trust Deed. In this regard, an Off-Market Purchase must satisfy all the following conditions:

- (i) offers for the repurchase or acquisition of Units shall be made to every person who holds Units to repurchase or acquire the same percentage of their Units;
- (ii) all of the above-mentioned persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (a) differences in consideration attributable to the fact that offers may relate to Units with different accrued distribution entitlements;
 - (b) differences in consideration attributable to the fact that the offers may relate to Units with different amounts remaining unpaid; and
 - (c) differences in the offers introduced solely to ensure that each Unitholder is left with a whole number of Units.

Additionally, the Listing Manual provides that, in making an Off-Market Purchase, the Trustee-Manager must issue an offer document to all Unitholders which must contain, *inter alia*:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Unit repurchases;
- (iv) the consequences, if any, of Unit repurchases by the Trustee-Manager that will arise under the Singapore Code on Take-overs and Mergers (the “Code”) or other applicable takeover rules;
- (v) whether the Unit repurchases, if made, could affect the listing of the Units on the SGX-ST;
- (vi) details of any Unit repurchases made by the Trustee-Manager in the previous 12 months (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Units repurchased, the repurchase price per Unit or the highest and lowest prices paid for such repurchases of Units, where relevant, and the total consideration paid for the repurchases; and
- (vii) whether the Units repurchased by the Trustee-Manager will be cancelled.

3.3.4 Repurchase Price

The Trustee-Manager has the discretion to determine the repurchase price for a repurchase of Units under the Unit Buy-Back Mandate, subject to such repurchase price not exceeding:

- (i) in the case of a Market Purchase, 105.0% of the Average Closing Price (as defined below) of the Units in accordance with Rule 884 of the Listing Manual; and
- (ii) in the case of an Off-Market Purchase, 110.0% of the Average Closing Price of the Units,

(the “Maximum Price”) in either case, excluding related expenses of such repurchase. For the purposes of this paragraph 3.3.4:

“Average Closing Price” means the average of the closing market prices of the Units over the last five Market Days, on which transactions in the Units were recorded, immediately preceding the date of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days.

“date of the making of the offer” means the date on which the Trustee-Manager makes an offer for an Off-Market Purchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

3.4 Status of Repurchased Units

Under the Trust Deed, a Unit repurchased under the Unit Buy-Back Mandate shall be deemed cancelled immediately on repurchase (and all rights and privileges attached to such Unit will expire on such cancellation).

3.5 Reporting Requirements

Rule 886 of the Listing Manual specifies that an issuer shall notify the SGX-ST of all repurchases or acquisitions of its Units not later than 9.00 a.m.:

- (i) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; or
- (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of any such repurchases of Units to the SGX-ST (in the form of an announcement on the SGXNet) shall be in such form and shall include such details as the SGX-ST may prescribe.

The Trustee-Manager shall make arrangements with the appointed stockbrokers and/or custodians to ensure that they provide the Trustee-Manager in a timely fashion the necessary information which will enable the Trustee-Manager to make the notifications to the SGX-ST.

Further, the Trustee-Manager shall make an announcement on the SGX-ST at the same time it notifies the SGX-ST of any repurchase of Units pursuant to the Unit Buy-Back Mandate, that the Board is satisfied on reasonable grounds that, immediately after the repurchase of Units, the Trustee-Manager will be able to fulfil, from the Trust Property, the liabilities of KIT as these liabilities fall due, in accordance with the Business Trusts Act.

3.6 Sources of Funds

The Trustee-Manager may only apply funds for the repurchase of Units as provided in the Trust Deed and in accordance with the applicable laws and regulations in Singapore. The Trustee-Manager may not repurchase Units for a consideration other than in cash.

The Trustee-Manager intends to utilise KIT's internal sources of funds, external borrowings or a combination of both to finance the Trustee-Manager's repurchase of Units on behalf of KIT pursuant to the Unit Buy-Back Mandate, subject always to the requirements of the applicable laws and/or regulations in force at the relevant time.

3.7 Financial Effects

It is not possible for the Trustee-Manager to calculate realistically or quantify the impact of repurchases of Units that may be made pursuant to the Unit Buy-Back Mandate on the NAV per Unit and distribution per Unit ("DPU") as the resultant effect would depend on, among others, the aggregate number of Units repurchased and the repurchase prices paid for such Units.

KIT's total number of issued Units will be diminished by the total number of Units repurchased under the Unit Buy-Back Mandate as such Units will be cancelled.

The Trustee-Manager will only exercise the Unit Buy-Back Mandate when it considers it to be in the best interests of KIT and the Unitholders. The Trustee-Manager will consider factors such as the working capital requirements, availability of financial resources, the investment and growth strategies of KIT and the prevailing market conditions before repurchasing Units under the Unit Buy-Back Mandate. The Trustee-Manager will exercise the Unit Buy-Back Mandate with a view to enhancing the return on equity for Unitholders and/or optimising its capital structure. The Trustee-Manager does not intend to exercise the Unit Buy-Back Mandate to such an extent as would have a material adverse effect on the financial position of KIT.

FOR ILLUSTRATIVE PURPOSES ONLY: The financial effects of a Unit repurchase on KIT are based on the assumptions set out below:

- (i) 192,929,388 Units (representing approximately 5% of the issued Units as at the Latest Practicable Date) are repurchased by the Trustee-Manager pursuant to the Unit Buy-Back Mandate on 1 January 2018;
- (ii) 3,858,567,772 Units are in issue as at the Latest Practicable Date (assuming no further Units are issued on or prior to the AGM at which the Unit Buy-Back Mandate is approved);
- (iii) Units are repurchased:
 - (a) in the case of Market Purchases by the Trustee-Manager at the Maximum Price of S\$0.537 per Unit (being 105.0% of the Average Closing Price of the Units immediately preceding the Latest Practicable Date), and accordingly, the maximum amount of funds required for the repurchase of the 192,928,388 Units, representing 5% of the issued Units as at the Latest Practicable Date (excluding related expenses) is approximately S\$103.6 million and
 - (b) in the case of Off-Market Purchases by the Trustee-Manager at the Maximum Price of S\$0.562 per Unit (being 110.0% of the Average Closing Price of the Units immediately preceding the Latest Practicable Date), and accordingly, the amount of funds required for the repurchase of the 192,928,388 Units, representing 5% of the issued Units as at the Latest Practicable Date (excluding related expenses) is approximately S\$108.4 million;
- (iv) all Units repurchased under the Unit Buy-Back Mandate are cancelled;
- (v) the repurchases of Units are funded solely by internal sources of funds of KIT and external borrowings; and
- (vi) there are no changes to the distribution policy to Unitholders.

Based on the assumptions set out above, the financial effects of the repurchase of 192,928,388 Units (representing 5% of the issued Units as at the Latest Practicable Date) by the Trustee-Manager pursuant to the Unit Buy-Back Mandate by way of (A) Market Purchases and (B) Off-Market Purchases, are set out below based on the audited consolidated financial statements of KIT and its subsidiaries (the "KIT Group")

for the financial year ended 31 December 2018 (“FY 2018” and the audited consolidated financial statements of the KIT Group for FY 2018, the “FY 2018 Audited Financial Statements”):

	FY 2018 Audited Financial Statements	Pro forma financial effects of Unit repurchases on the FY 2018 Audited Financial Statements	
		Market Purchases	Off-Market Purchases
Profit Attributable to Unitholders (\$ million)	32.0	29.9	29.8
Average Unitholders’ Funds (million)	1,102.7	1,001.6	996.7
<u>Financial Ratios</u>			
ROE (%)	2.9	3.0	3.0
DPU (cents)	3.72	3.72	3.72
Net Gearing (%)	40.6	43.1	43.2

Unitholders should note that the financial effects set out in the table above are based on the FY 2018 Audited Financial Statements and are presented strictly for illustrative purposes only. The results of the KIT Group for FY 2018 may not be representative of future performance. Although the Unit Buy-Back Mandate would authorise the Trustee-Manager to repurchase up to 5% of the total number of issued Units, the Trustee-Manager may not necessarily repurchase or be able to repurchase the entire 5% of the total number of issued Units at any time while the Unit Buy-Back Mandate is in force.

3.8 Taxation

Unitholders who are in doubt as to their respective tax positions or the tax implications of Unit repurchases by the Trustee-Manager, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

3.9 Black-Out Periods

The Trustee-Manager will not repurchase any Units for and on behalf of KIT at any time after a material price sensitive development has occurred or has been the subject of a decision until such time the price sensitive information has been publicly announced. In addition, the Trustee-Manager will not repurchase Units for and on behalf of KIT during the period commencing two weeks before the announcement of the KIT Group’s financial statements for each of the first three quarters of its financial year and one month before the announcement of the KIT Group’s full year financial statements.

3.10 Take-over Implications

The circumstances under which Unitholders and persons acting in concert with them will incur an obligation to make a mandatory take-over offer under Rule 14 of the Code after a repurchase of Units by the Trustee-Manager are set out in Appendix 2 of

the Code. The take-over implications which may arise from any repurchase by the Trustee-Manager of Units under the Unit Buy-Back Mandate are set out below.

3.10.1 Obligation to make a Take-over Offer

If, as a result of any repurchase by the Trustee-Manager of the Units, the proportionate interest in the voting rights of a Unitholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Code. Consequently, a Unitholder or a group of Unitholders acting in concert could obtain or consolidate effective control of KIT and become obliged to make a mandatory take-over offer under Rule 14 of the Code.

3.10.2 Persons Acting in Concert

Applying the Code to KIT, to the extent possible, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of Units (or otherwise), to obtain or consolidate effective control of KIT.

Unless the contrary is established, the following persons, among others, will be presumed to be acting in concert, namely:

- (i) the following companies:
 - (a) a company ("**A**");
 - (b) the parent company of (A) ("**B**");
 - (c) the subsidiaries of (A) (each, "**C**");
 - (d) the fellow subsidiaries of (A) (each, "**D**");
 - (e) the associated companies of any of (A), (B), (C), or (D) (each, "**E**");
 - (f) companies whose associated companies include any of (A), (B), (C), (D) or (E); and
 - (g) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

For this purpose, a company is an "associated company" (as defined in the Code) of another company if the second company owns or controls at least 20.0% but not more than 50.0% of the voting rights of the first-mentioned company.

3.10.3 Effect of Rule 14 and Appendix 2 of the Code

In general terms, the effect of Rule 14 and Appendix 2 of the Code is that, unless exempted², Unitholders and/or persons acting in concert with them will incur an obligation to make a mandatory take-over offer under Rule 14 of the Code if, as a result of the Trustee-Manager repurchasing Units under the Unit Buy-Back Mandate, the voting rights of such Unitholders and/or their concert parties would increase to 30.0% or more, or in the event that such Unitholders and/or their concert parties hold between 30.0% and 50.0% of the voting rights in KIT, if the voting rights of such Unitholders and/or their concert parties would increase by more than 1.0% in any period of six months.

Under Appendix 2 of the Code, a Unitholder not acting in concert with the Directors will not be required to make a mandatory take-over offer under Rule 14 of the Code if, as a result of the Trustee-Manager repurchasing Units under the Unit Buy-Back Mandate, the voting rights of such Unitholder would increase to 30.0% or more, or, if such Unitholder holds between 30.0% and 50.0% of the voting rights in KIT, the voting rights of such Unitholder would increase by more than 1.0% in any period of six months. Such Unitholder need not abstain from voting in respect of the resolution relating to the proposed renewal of the Unit Buy-Back Mandate.

The Securities Industry Council had on 20 March 2015 granted a ruling to KIT to rebut the presumption that certain Temasek entities including Bartley, Napier and Nassim are acting in concert with the KCL group.

Based on the above and on the interests of the Substantial Unitholders³ in Units recorded in the Register of Substantial Unitholders as at the Latest Practicable Date, none of the Substantial Unitholders would become obliged to make a take-over offer for KIT under Rule 14 of the Code as a result of any repurchase of Units by the Trustee-Manager pursuant to the Unit Buy-Back Mandate of the maximum limit of 5% of its issued Units as at the Latest Practicable Date.

Important:

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all the implications that may arise under the Code. Unitholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a mandatory take-over offer would arise by reason of any Unit repurchases by the Trustee-Manager.

² Unitholders and/or persons acting in concert with them will be exempt from the requirement to make a mandatory take-over offer under Rule 14 of the Code upon the satisfaction of the conditions set out in paragraph 3(a) of Appendix 2 of the Code.

³ “**Substantial Unitholder**” means a person with an interest in Units constituting not less than 5.0% of the total number of Units in issue.

3.11 Details of Previous Unit Repurchases

There were no Unit repurchases made by the Trustee-Manager in the 12 months immediately preceding the Latest Practicable Date, pursuant to the Unit Buy-Back Mandate approved by Unitholders at the 2018 AGM.

3.12 Unitholders' Approval

In view of the foregoing, the Trustee-Manager is seeking the approval of Unitholders under Resolution 5 relating to the proposed renewal of the Unit Buy-Back Mandate.

Important:

Unitholders should note that by voting in favour of the resolution relating to the proposed renewal of the Unit Buy-Back Mandate, they will be authorising the Trustee-Manager to procure the repurchase of Units on the terms and conditions set out in paragraph 3 of this Appendix and in accordance with the provisions of the Trust Deed and all applicable laws and regulations including, but not limited to the Listing Manual.

4. THE EQUITY FUND RAISING

4.1 Background and Approvals Sought

At the 2019 EGM, the Trustee-Manager had sought and obtained Unitholders' approval for, among others, the issuance of New Units in the event the Equity Fund Raising comprises (i) the Preferential Offering or (ii) the Preferential Offering and the Placement, so as to raise gross proceeds of up to S\$750 million in aggregate to fully or partially repay the Bridge Facility drawn down to fund the Acquisition (the "**2019 EGM Mandate**"). The Bridge Facility was signed on 12 February 2019 and partially drawn down to fund the Acquisition, which was completed on 19 February 2019. As the Bridge Facility is repayable within a year of its signing, the Trustee-Manager has the flexibility to launch the Equity Fund Raising at a time that would be conducive for KIT and its Unitholders.

Under Section 36(3) of the BTA, any approval received by KIT for the issuance of new Units shall continue in force until the earlier of (a) the conclusion of the AGM commencing next after the date on which the approval was given or (b) the expiration of the period within which the next AGM after that date is required under the BTA to be held.

On the basis of the foregoing and as stated in the Circular, in the event that the Equity Fund Raising is not completed prior to the date of the 2019 AGM, the authority to issue New Units pursuant to the 2019 EGM Mandate will lapse. In addition, while the Trustee-Manager may potentially launch and/or complete the Equity Fund Raising during the period from the Latest Practicable Date to the end of the 2019 AGM, there is no assurance that the Trustee-Manager will or can do so. Accordingly, the Trustee-Manager is seeking a fresh mandate from Unitholders at the 2019 AGM for the issuance of New Units in the event the Equity Fund Raising comprises (i) the Preferential Offering or (ii) the Preferential Offering and the Placement, as set out as Resolution 6 in the Notice of AGM.

Unitholders should note that in the event the Equity Fund Raising is completed prior to the date of the 2019 AGM, Resolutions 6 and 7 will not be tabled at the 2019 AGM and will be withdrawn.

4.2 Structure of the Equity Fund Raising

As at the Latest Practicable Date, the structure and timing of the Equity Fund Raising have not been determined by the Trustee-Manager.

If and when the Trustee-Manager decides to undertake the Equity Fund Raising, the Equity Fund Raising may, at the Trustee-Manager's discretion and subject to the then prevailing market conditions, comprise either:

- (a) the Preferential Offering; or
- (b) the Preferential Offering and the Placement,
in each case, pursuant to the approvals sought under Resolution 6; or
- (c) the Rights Issue, pursuant to (i) the General Mandate or (ii) specific Unitholders' approval to be obtained at a date subsequent to the 2019 AGM,

in each case at an issue price to be determined by the Trustee-Manager, in consultation with the Underwriter(s), so as to raise gross proceeds of up to S\$750 million in aggregate to fully or partially repay the Bridge Facility drawn down. The Trustee-Manager will determine the exact structure of the Equity Fund Raising closer to the launch of such offering (if any), having regard to, *inter alia*, market conditions at such time. As the Bridge Facility is repayable within a year of its signing, the Trustee-Manager has the flexibility to launch the Equity Fund Raising at a time that would be conducive for KIT and its Unitholders.

For the purposes of the 2019 AGM, Unitholders' approval is only being sought for the New Units to be issued in the event the Equity Fund Raising is undertaken by way of (i) the Preferential Offering or (ii) the Preferential Offering and the Placement.

Unitholders should note that in the event that the Equity Fund Raising is undertaken by way of the Rights Issue, the Rights Issue Units will be issued pursuant to (i) the General Mandate or (ii) specific Unitholders' approval to be obtained at a date subsequent to the 2019 AGM.

The Trustee-Manager will announce details of the Equity Fund Raising (including details pertaining to the use of proceeds and percentage allocation for each use) on SGXNet at the appropriate time if and when it launches the Equity Fund Raising in such structure and at such time as may be agreed with the Underwriter(s).

4.3 Issue Price

The issue price at which New Units will be offered and issued pursuant to the Equity Fund Raising will be determined by the Trustee-Manager, in consultation with the Underwriter(s) closer to the date of the launch of the Equity Fund Raising. In the event the Equity Fund Raising comprises the Preferential Offering and the Placement, New Units may be offered at different issue prices under the Preferential Offering and the Placement.

Notwithstanding that Unitholders' approval is being sought for the Preferential Offering and the Placement, should the Equity Fund Raising comprise the Preferential Offering and, if applicable, the Placement, the issue price for the New Units to be issued pursuant to the Preferential Offering and, if applicable, the Placement will

comply with Rule 816(2)⁴ and, as the case may be, Rules 811(1)⁵ and 811(5)⁶ of the Listing Manual, and shall be at a price that represents a discount of not more than 10% to the weighted average price for trades done on the SGX-ST for the full Market Day on which the Underwriting Agreement is signed, or (if trading in Units is not available for a full Market Day) the weighted average price for trades done on the SGX-ST for the preceding Market Day up to the time the Underwriting Agreement is signed.

Should the Equity Fund Raising comprise the Rights Issue, the Rights Issue Units may be issued at an issue price which represents a discount to the weighted average price for trades done on the SGX-ST for the full Market Day on which the Underwriting Agreement is signed, or (if trading in Units is not available for a full Market Day) the weighted average price for trades done on the SGX-ST for the preceding Market Day up to the time the Underwriting Agreement is signed and such discount may be equal, less or more than 10%.

4.4 New Units

The number of New Units to be issued pursuant to the Equity Fund Raising will depend on, among other things, (a) the final structure of the Equity Fund Raising (as described in paragraph 4.2 above) and (b) the issue price at which such New Units will be offered (to be determined by the Trustee-Manager in consultation with the Underwriter(s)).

The Trustee-Manager will announce via SGXNet when in-principle approval for the listing and quotation of the New Units has been obtained from the SGX-ST.

The Preferential Offering and, if applicable, the Placement

As the issue price of the New Units to be issued in the event the Equity Fund Raising comprises the Preferential Offering and, if applicable, the Placement cannot be determined as at the Latest Practicable Date, the number of New Units to be issued pursuant to the Preferential Offering and, if applicable, the Placement may exceed the limits under the General Mandate. Accordingly, Unitholders' approval is being sought at the 2019 AGM for the issuance of New Units in the event the Equity Fund Raising comprises the Preferential Offering and, if applicable, the Placement.

The Rights Issue

In the event the Equity Fund Raising comprises the Rights Issue, the Rights Issue Units will be issued pursuant to (i) the General Mandate or (ii) specific Unitholders' approval to be obtained at a date subsequent to the 2019 AGM.

⁴ Rule 816(2)(a): An issuer can undertake non-renounceable rights issues: (i) subject to specific shareholders' approval; or (ii) in reliance on the general mandate to issue rights shares in a non-renounceable rights issue if the rights shares are priced at not more than 10% discount to the weighted average price for trades done on the SGX-ST for the full Market Day on which the rights issue is announced. If trading in the issuer's shares is not available for a full Market Day, the weighted average price must be based on the trades done on the preceding market day up to the time the rights issue is announced. Rule 816(2)(b): the non-renounceable rights issue must comply with Part V of Chapter 8 except Rule 816(1).

⁵ Rule 811(1): An issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full Market Day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full Market Day, the weighted average price must be based on the trades done on the preceding Market Day up to the time the placement agreement is signed.

⁶ Rule 811(5): In the case of REITs and business trusts, for the purpose of Rule 811, the discount or premium of the issue price may be computed with reference to the weighted average price excluding declared distributions for trades done for the underlying units on the SGX-ST for the full Market Day on which the placement or subscription agreement is signed, provided that the placees are not entitled to the declared distributions.

Assuming Unitholders' approval is obtained for the General Mandate at the 2019 AGM, the Trustee-Manager may, during the period from the 2019 AGM to (i) the conclusion of the next AGM after the 2019 AGM or (ii) the date by which the next AGM after the 2019 AGM is required by applicable regulations to be held, whichever is earlier, issue new Units and/or warrants, options, debentures or other instruments convertible into Units ("**Convertible Securities**") under the General Mandate such that the number of new Units (including Units into which Convertible Securities may be converted) that can be issued on a *pro rata* basis does not exceed 50% of the total number of Units in issue as at 16 April 2019.

As stated in paragraph 4.2 above, the gross proceeds to be raised under the Equity Fund Raising and accordingly, the Rights Issue, will not exceed S\$750 million. For the avoidance of doubt, such limit on the amount of proceeds to be raised will not apply to any other fund raising undertaken through the issuance of new Units under the General Mandate.

4.5 Underwriting

It is envisaged that the Equity Fund Raising will be underwritten by the Underwriter(s) subject to the execution of the Underwriting Agreement on such terms and conditions as the Underwriter(s) may agree with the Trustee-Manager.

The Underwriting Agreement is anticipated to be signed upon the terms of the Equity Fund Raising being agreed upon.

4.6 KIHPL Support for the Equity Fund Raising

KIHPL intends to subscribe for its *pro rata* entitlement under the Preferential Offering or the Rights Issue, as the case may be. If and to the extent the Placement is undertaken, KIHPL intends to take part in the Placement so as to maintain its proportionate unitholding in KIT after the completion of the Equity Fund Raising, in percentage terms, at the level immediately prior to the issue of the New Units under the Equity Fund Raising, subject to compliance with the applicable rules in the Listing Manual.

4.7 Use of Proceeds

KIT will apply the gross proceeds from the Equity Fund Raising of up to S\$750 million towards the full or partial repayment of the Bridge Facility and payment of the fees and expenses (including underwriting and selling commissions and professional and other fees and expenses) incurred by it in connection with the Equity Fund Raising.

The Trustee-Manager will make periodic announcements on the utilisation of the net proceeds of the Equity Fund Raising via SGXNet as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated.

Where proceeds are to be used for working capital purposes, the Trustee-Manager will disclose a breakdown with specific details on the use of proceeds for working capital in KIT's announcements and in KIT's annual report, and where there is any material deviation from the stated use of proceeds, the Trustee-Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds from the Equity Fund Raising, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, invested in short-term money market instruments or marketable securities, or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Trustee-Manager may, in its absolute discretion, deem fit.

The Trustee-Manager is of the view that the funds raised from the Equity Fund Raising will be sufficient to enable KIT to meet its obligations and continue to operate as a going concern.

5 THE PROPOSED KIHPL PLACEMENT

5.1 Background

At the 2019 EGM, the Trustee-Manager had also sought and obtained Unitholders' approval for the proposed Placement of New Units to KIHPL. As the Trustee-Manager is seeking a fresh mandate from Unitholders at the 2019 AGM for the issuance of New Units in the event the Equity Fund Raising comprises (i) the Preferential Offering or (ii) the Preferential Offering and the Placement (as described in paragraph 4 above), the Trustee-Manager is also seeking fresh Unitholders' approval at the 2019 AGM for the Proposed KIHPL Placement, as set out as Resolution 7 in the Notice of AGM.

As at the Latest Practicable Date, KIHPL has a direct interest in 702,361,054 Units, representing approximately 18.20% of the total Units in issue. The number of New Units proposed to be placed to KIHPL shall be no more than such number as would be required to maintain its proportionate unitholding in KIT after the completion of the Equity Fund Raising, in percentage terms, at the level immediately prior to the issue of New Units under the Equity Fund Raising.

For the avoidance of doubt, in the event that Resolution 6 is passed at the 2019 AGM and the Trustee-Manager undertakes the Placement as part of the Equity Fund Raising pursuant to the approvals granted under Resolution 6, New Units will be issued to KIHPL at the same price as the New Units issued to other investors under the Placement. The issue price for the New Units to be issued pursuant to the Placement will comply with Rules 811(1) and 811(5) of the Listing Manual, and shall be at a price that represents a discount of not more than 10% to the weighted average price for trades done on the SGX-ST for the full Market day on which the Underwriting Agreement is signed, or (if trading in Units is not available for a full Market Day) the weighted average price for trades done on the SGX-ST for the preceding Market Day up to the time the Underwriting Agreement is signed, excluding (where applicable) declared distributions provided that the placees of the New Units under the Placement are not entitled to the declared distributions.

Unitholders should note that in the event the Equity Fund Raising is completed prior to the date of the 2019 AGM, Resolutions 6 and 7 will not be tabled at the 2019 AGM and will be withdrawn.

5.2 Rationale for the Proposed KIHPL Placement

In the event that the Trustee-Manager undertakes the Placement as part of the Equity Fund Raising, the Trustee-Manager is of the view that it would benefit Unitholders if New Units are permitted to be issued to KIHPL pursuant to such Placement for the following reasons:

- (a) the issue of New Units to KIHPL would maintain KIHPL's position as the single largest direct Unitholder of KIT;
- (b) consistent with the support provided by KIHPL in connection with the Acquisition, such issue would be a positive demonstration of KIHPL's commitment as the Sponsor of KIT;
- (c) the issue of New Units to KIHPL would allow KIHPL to maintain the level of their investment in KIT and avoid or mitigate the extent to which they would be diluted as a result of the Equity Fund Raising; and
- (d) such issue would enhance investors' confidence in such Placement and provide a higher degree of certainty for the successful completion of the Equity Fund Raising.

5.3 Interested Person Transaction

Under Chapter 9 of the Listing Manual, where KIT proposes to enter into a transaction with an interested person (as defined in the Listing Manual) and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, entered into with the same interested person during the same financial year) is of a value equal to, or more than, 5% of KIT's latest audited consolidated net tangible assets ("NTA")⁷, Unitholders' approval is required in respect of the transaction.

KIHPL, being a controlling Unitholder, is deemed to be an interested person for the purposes of Chapter 9 of the Listing Manual. Accordingly, the Proposed KIHPL Placement will constitute an interested person transaction under Chapter 9 of the Listing Manual. If such number of New Units are placed to KIHPL pursuant to the Placement in order for KIHPL to maintain its proportionate unitholding, in percentage terms, at the level immediately prior to the issue of New Units under the Equity Fund Raising, there is a possibility (depending on the issue price of the New Units under the Placement and the number of New Units that KIHPL subscribes for) that the value of New Units placed to KIHPL, either in itself or in aggregation with all earlier transactions (each of a value equal to or greater than S\$100,000) entered into with KIHPL during the current financial year, may exceed 5% of KIT's latest audited consolidated NTA. In such circumstances, under Rule 906(1) of the Listing Manual, the Trustee-Manager is required to seek Unitholders' approval for the placement of New Units to KIHPL.

⁷ Based on KIT's audited consolidated financial statements for FY 2018, the NTA of KIT as at 31 December 2018 was S\$659.5 million.

5.4 Statement of the Audit and Risk Committee

Having considered the relevant factors, including the rationale for the terms of the Proposed KIHPL Placement, the Audit and Risk Committee (comprising Mr Mark Andrew Yeo Kah Chong, Mr Koh Ban Heng (abstaining) and Mr Daniel Cuthbert Ee Hock Huat) is of the view that the Proposed KIHPL Placement is on normal commercial terms, and is not prejudicial to the interests of KIT and its minority Unitholders.

6 INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

6.1 Interests of Directors

Mr Koh Ban Heng is the chairman of the Board and independent director of the Trustee-Manager, and is also a director of KIHPL. Mr Kunnasagaran Chinniah is an independent director of the Trustee-Manager, an advisor, consultant and/or director of certain subsidiaries of Temasek and an investment committee member on a subsidiary of KC. Ms Christina Tan Hua Mui is a non-executive and non-independent director of the Trustee-Manager and is currently also the Chief Executive Officer of KC. Ms Christina Tan Hua Mui also holds directorships in several other companies within the KCL group of companies. Ms Cindy Lim Joo Ling is a non-executive and non-independent director of the Trustee-Manager and is Director (Group Corporate Development) at KCL. Ms Cindy Lim Joo Ling also holds directorships in several other companies within the KCL group of companies.

As at the Latest Practicable Date, the Directors' direct or deemed interests in the Units are as follows:

Directors	Direct Interest		Deemed Interest	
	Number of Units	% ⁽¹⁾	Number of Units	% ⁽¹⁾
Koh Ban Heng	36,100	n.m ⁽²⁾	–	–
Thio Shen Yi	26,206	n.m ⁽²⁾	–	–
Daniel Cuthbert Ee Hock Huat	27,900	n.m ⁽²⁾	–	–
Kunnasagaran Chinniah	536,300	0.014	421,346	0.011
Mark Andrew Yeo Kah Chong	28,500	n.m ⁽²⁾	–	–
Christina Tan Hua Mui	–	–	–	–
Cindy Lim Joo Ling	–	–	–	–

Notes:

(1) As at the Latest Practicable Date, there are 3,858,567,772 Units in issue.

(2) Not meaningful.

6.2 Interests of Substantial Unitholders

As at the Latest Practicable Date, the Substantial Unitholders' direct or deemed interests in the Units are as follows:

Substantial Unitholders	Direct Interest		Deemed Interest ⁽¹⁾	
	Number of Units	% ⁽¹⁾	Number of Units	% ⁽¹⁾
KIHPL	702,361,054	18.20	–	–
KCL ⁽²⁾	–	–	702,361,054	18.20
Bartley	383,124,592	9.93	–	–
Tembusu ⁽³⁾	–	–	611,944,427	15.86
Temasek ⁽⁴⁾	–	–	1,314,305,681	34.06

Notes:

- (1) As at the Latest Practicable Date, there are 3,858,567,772 Units in issue.
- (2) KCL is deemed to have an interest in the Units which its wholly-owned subsidiary, KIHPL, has interest.
- (3) Tembusu is deemed to have an interest in the Units in which its subsidiaries have interests.
- (4) Temasek is deemed to have an interest in the Units in which the KCL group and other subsidiaries and associated companies of Temasek hold or have deemed interests.

7 ABSTENTIONS FROM VOTING

As at the Latest Practicable Date, KCL has a deemed interest in 702,361,054 Units, which comprises approximately 18.20% of the total number of Units in issue. Temasek has a deemed interest in 1,314,305,681 Units, which comprises approximately 34.06% of the total number of Units in issue.

By virtue of their interests in the Unitholders' Mandate, as proposed to be renewed, Temasek, KCL, KC, KIHPL and their associates, including the Trustee-Manager, will abstain from voting on Resolution 4 relating to the proposed renewal of the Unitholders' Mandate at the 2019 AGM in respect of Units (if any) held by them. Further, each of them will decline to accept appointment as proxy to vote at the 2019 AGM in respect of Resolution 4 unless the Unitholder concerned shall have given specific instructions as to the manner in which his/her votes are to be cast.

All Directors will abstain from voting on Resolution 4, relating to the proposed renewal of the Unitholders' Mandate in respect of Units (if any) held by them and decline to accept appointment as proxy to vote at the 2019 AGM in respect of Resolution 4 unless the Unitholder concerned shall have given specific instructions as to the manner in which his/her votes are to be cast. Save for the foregoing, the Trustee-Manager will disregard any votes cast at the 2019 AGM on Resolution 4 by its Directors, Temasek, KCL, KC, KIHPL and their associates, including the Trustee-Manager.

By virtue of their interest in the Proposed KIHPL Placement, KIHPL will abstain and has undertaken to ensure that its associates will abstain from voting on Resolution 7. KIHPL will also decline to accept appointment as proxy for any Unitholder to vote on Resolution 7 unless that Unitholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Resolution 7.

Each of Mr Koh Ban Heng, Mr Kunnasagaran Chinniah, Ms Christina Tan Hua Mui, Ms Cindy Lim Joo Ling and their associates will abstain from voting on Resolution 7, and will also decline to accept appointment as proxy for any Unitholder to vote on Resolution 7 unless that Unitholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Resolution 7. Save for the foregoing, the Trustee-Manager will disregard any votes cast at the 2019 AGM on Resolution 7 by Mr Koh Ban Heng, Mr Kunnasagaran Chinniah, Ms Christina Tan Hua Mui and Ms Cindy Lim Joo Ling and their associates.

8 DIRECTORS' RECOMMENDATIONS

8.1 The Proposed Renewal of the Unitholders' Mandate for Interested Person Transactions

Having considered the relevant factors, including the rationale for the proposed renewal of the Unitholders' Mandate for Interested Person Transactions as set out in paragraph 2 of this Appendix, the Directors (save for Mr Koh Ban Heng, Mr Kunnasagaran Chinniah, Mr Daniel Cuthbert Ee Hock Huat, Ms Christina Tan Hua Mui and Ms Cindy Lim Joo Ling) are of the opinion that the proposed renewal of the Unitholders' Mandate is in the best interests of KIT and not prejudicial to the interests of minority Unitholders.

Accordingly, the Directors (save for Mr Koh Ban Heng, Mr Kunnasagaran Chinniah, Mr Daniel Cuthbert Ee Hock Huat, Ms Christina Tan Hua Mui and Ms Cindy Lim Joo Ling) recommend that Unitholders vote in favour of Resolution 4, relating to the proposed renewal of the Unitholders' Mandate, at the forthcoming 2019 AGM.

8.3 The Proposed Renewal of the Unit Buy-Back Mandate

Having considered the relevant factors, including the rationale for the proposed renewal of the Unit Buy-Back Mandate as set out in paragraph 3 of this Appendix, the Directors recommend that Unitholders vote in favour of Resolution 5, relating to the proposed renewal of the Unit Buy-Back Mandate, at the forthcoming 2019 AGM.

8.4 The Proposed Issuance of New Units pursuant to (i) the Preferential Offering or (ii) the Preferential Offering and the Placement

Having considered the relevant factors, including the rationale for the proposed issuance of New Units pursuant to (i) the Preferential Offering or (ii) the Preferential Offering and the Placement as set out in paragraph 4 of this Appendix, the Directors recommend that Unitholders vote in favour of Resolution 6, relating to the issuance of New Units pursuant to (i) the Preferential Offering or (ii) the Preferential Offering and the Placement, at the forthcoming 2019 AGM.

8.5 The Proposed KIHPL Placement

Having considered the relevant factors, including the rationale for the Proposed KIHPL Placement as set out in paragraph 5 of this Appendix, the Directors (save for Mr Koh Ban Heng, Mr Kunnasagaran Chinniah, Ms Christina Tan Hua Mui and Ms Cindy Lim Joo Ling) recommend that Unitholders vote in favour of Resolution 7, relating to the Proposed KIHPL Placement, at the forthcoming 2019 AGM.

9 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable

enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Unitholders' Mandate for Interested Person Transactions, the proposed renewal of the Unit Buy-Back Mandate, the Equity Fund Raising, the Proposed KIHPL Placement, KIT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

10 DOCUMENT ON DISPLAY

The Trust Deed will be available for inspection during normal business hours at the registered office of the Trustee-Manager at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 for so long as KIT is in existence.

IMPORTANT NOTICE

This Appendix does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of KIT in Singapore or any other jurisdictions. The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Unitholders have no right to request the Trustee-Manager to repurchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of KIT is not indicative of the future performance of KIT. Similarly, the past performance of the Trustee-Manager is not indicative of the future performance of the Trustee-Manager.

This Appendix may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view on future events.

UNITHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

Updates to the Unitholders' Mandate have been underlined in this Annex for the Unitholders' ease of reference.

In this Annex, the following definitions apply throughout unless otherwise stated. Capitalised terms not defined in this Annex shall have the same meaning as defined in this Appendix.

AGM	:	The annual general meeting
Approved Exchange	:	A stock exchange that has rules which safeguard the interests of shareholders/unitholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual
Approving Authority	:	The relevant approving authority whose approval must be obtained before an Interested Person Transaction can be executed, as described in paragraphs 7.2.5(b) and 7.3.3 of Annex A of this Appendix
Associate	:	<p>In the case of a business trust,</p> <p>(a) in relation to any director, chief executive officer, or controlling shareholder of the trustee-manager, substantial shareholder of the trustee-manager, substantial unitholder or controlling unitholder of the business trust (being an individual), means:</p> <p>(i) his immediate family member;</p> <p>(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and</p> <p>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and</p> <p>(b) in relation to the controlling shareholder of the Trustee-Manager or substantial unitholder or controlling unitholder of the business trust (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more</p>
Audit and Risk Committee	:	The audit and risk committee of the Trustee-Manager

CEO	:	The chief executive officer of the Trustee-Manager
CFO	:	The chief financial officer of the Trustee-Manager
Control	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
Controlling Unitholder	:	A person who: (a) holds directly or indirectly 15% or more of the total number of issued units in a business trust (unless the SGX-ST has determined such a person not to be a controlling unitholder); or (b) in fact exercises control over a business trust
Directors	:	The Directors of the Trustee-Manager for the time being
DPU	:	Distribution per Unit
EAR Group	:	(a) KIT; (b) subsidiaries of KIT (excluding subsidiaries listed on the SGX-ST or an Approved Exchange); and (c) associated companies of KIT (other than an associated company that is listed on the SGX-ST or an Approved Exchange) over which KIT and its subsidiaries, or the KIT Group and its interested person(s), has or have control, and “ EAR ” means each of them
Interested Person Transactions	:	The categories of transactions by the EAR Group, or any of them, with the Interested Persons which fall within the Unitholders’ Mandate, as set out in paragraph 6 of this Annex
Interested Persons	:	(a) The sponsor of KIT, which is a controlling unitholder of KIT, and its Associates; (b) a director, chief executive officer or controlling shareholder of the Trustee-Manager; (c) Trustee-Manager or controlling unitholder of KIT (other than the controlling unitholder described in sub-paragraph (a) above); and (d) an Associate of any of the persons or entities in sub-paragraphs (b) and (c) above, and “ Interested Person ” means each of them
KIFM	:	Keppel Infrastructure Fund Management Pte. Ltd., a company incorporated in the Republic of Singapore

KIT	:	Keppel Infrastructure Trust, a business trust constituted in the Republic of Singapore and registered with MAS
KIT Group or Group	:	KIT and its subsidiaries, if any
Market Capitalisation	:	The market capitalisation of KIT as at any date means the product of: <ul style="list-style-type: none"> (a) the weighted average number of Units in issue as at the end of the financial year of KIT immediately preceding such date, measured over the last 15 trading days prior to the end of that financial year; and (b) the volume weighted average price of all Units traded on the SGX-ST over such 15-trading day period
NTA	:	Total assets of the Group less the total liabilities of the Group, in each case excluding intangible assets and goodwill, before minority interest
Review Committee	:	A committee comprising a Director, and either the chief executive officer or chief financial officer <u>(or Head, Finance, in the absence of the chief financial officer)</u> of the Trustee-Manager for the time being, and such other person as the Board may from time to time appoint. For the avoidance of doubt, a Director shall not form part of the Review Committee in the event that such Director has an interest in the relevant transaction
Treasury Transactions	:	Means the treasury transactions between any member within the EAR Group and any Interested Person
Trustee-Manager	:	KIFM, acting in its capacity as trustee-manager of KIT
Unit	:	An undivided interest in KIT, as provided for in the Trust Deed
Unitholders	:	The registered holders for the time being of a Unit, including person(s) so registered as joint holders, except where the registered holder is CDP, the term " Unitholder " shall, in relation to Units registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Units

THE UNITHOLDERS' MANDATE

1 CHAPTER 9 OF THE LISTING MANUAL

1.1 Chapter 9 of the Listing Manual governs transactions by a listed business trust as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed business trust's interested persons. When this Chapter applies to a transaction and the value of that transaction alone or in aggregation with other transactions conducted with the interested person during the financial year reaches, or exceeds, certain materiality thresholds, the listed business trust is required to make an immediate announcement, or to make an immediate announcement and seek its unitholders' approval for that transaction.

1.2 Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed business trust at risk and hence are excluded from the ambit of Chapter 9 of the Listing Manual, immediate announcement and unitholders' approval would be required in respect of transactions with interested persons if certain financial thresholds, which are based on the value of the transaction as compared with the listed business trust's latest audited consolidated NTA are reached or exceeded.

In particular, an immediate announcement is required where:

- (a) the transaction is of a value equal to, or more than, 3% of the listed business trust's latest audited consolidated NTA; or
- (b) the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the listed business trust's latest audited consolidated NTA; and

unitholders' approval (in addition to an immediate announcement) is required where:

- (a) the transaction is of a value equal to, or more than, 5% of the listed business trust's latest audited consolidated NTA; or
- (b) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, 5% of the listed business trust's latest audited consolidated NTA.

In interpreting the term "same interested person" for the purpose of aggregation, the following applies:

- (I) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person; and
- (II) if an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit and risk committees whose members are completely different.

- 1.3** Pursuant to a ruling issued by the SGX-ST on 25 August 2009, KIT is permitted to calculate the materiality of its interested person transactions based on its Market Capitalisation of the preceding financial year (instead of its latest audited consolidated NTA) for so long as the latest audited consolidated NTA of KIT remains negative. The audited consolidated NTA of KIT for the financial year ended 31 March 2012 was positive. Pursuant to a further ruling issued by the SGX-ST on 23 May 2012, KIT may continue to calculate the materiality of its interested person transactions based on its Market Capitalisation of the preceding financial year (instead of its latest audited consolidated NTA). In the event that KIT records sustained positive consolidated NTA for at least two consecutive financial years (including the financial year ended 31 March 2012), it will consult the SGX-ST on the appropriate measure to be used for the computation of materiality thresholds for its interested person transactions. While the audited consolidated NTA of KIT for the financial year ended 31 March 2015 was negative, the audited consolidated NTA of KIT for the financial years ended 31 December 2015 and 31 December 2016 were positive. Accordingly, KIT consulted the SGX-ST on the appropriate measure to be used for the computation of materiality thresholds for its interested person transactions. Pursuant to a further ruling issued by the SGX-ST on 29 December 2016, for the period commencing from the date of the 2017 AGM (i.e. 18 April 2017), KIT will calculate the materiality of its interested person transactions based on its latest audited consolidated NTA (instead of its Market Capitalisation of the preceding financial year).

Accordingly, save for any transaction below S\$100,000:

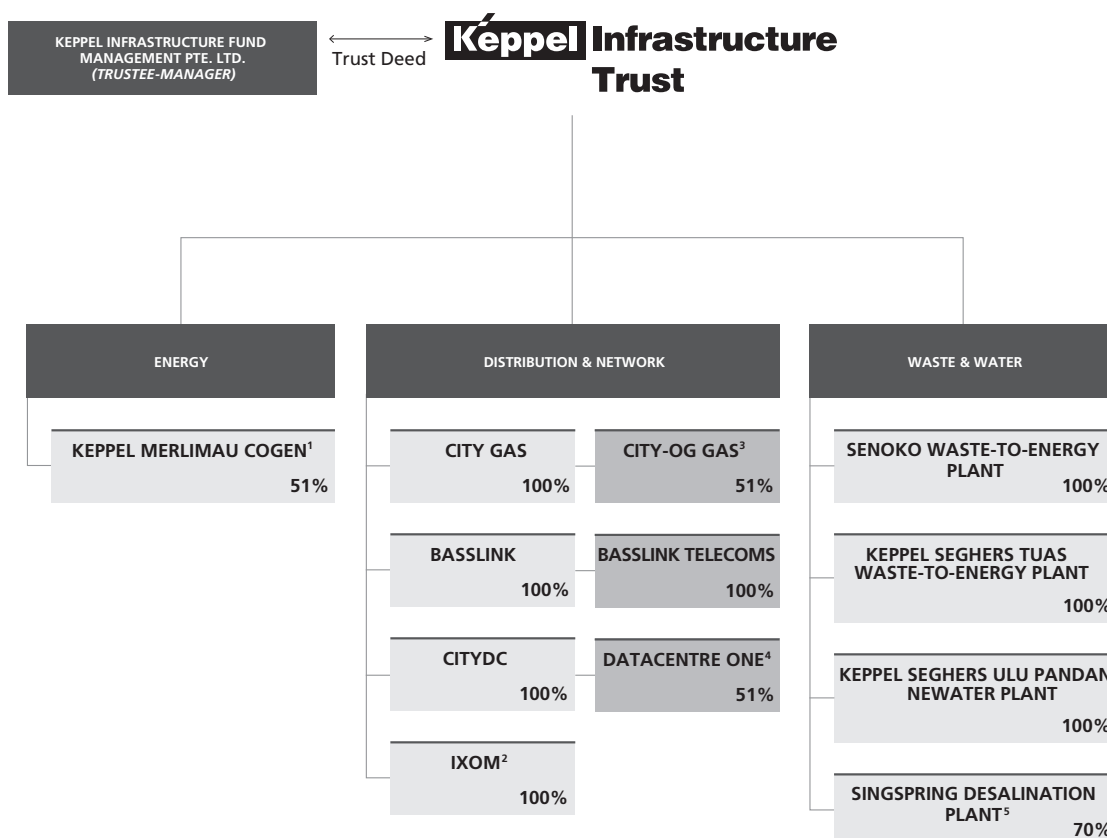
- (1) an immediate announcement is required where:
 - (i) the interested person transaction is of a value equal to, or more than, 3% of KIT's latest audited consolidated NTA; or
 - (ii) the aggregate value of all interested person transactions entered into with the same interested person during the same financial year amounts to 3% or more of KIT's latest audited consolidated NTA; and
 - (2) Unitholders' approval (in addition to an immediate announcement) is required where:
 - (i) the interested person transaction is of a value equal to, or more than, 5% of KIT's latest audited consolidated NTA; or
 - (ii) the interested person transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, 5% of KIT's latest audited consolidated NTA.
- 1.4** Chapter 9 of the Listing Manual permits a listed business trust to seek a general mandate from its unitholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses), which may be carried out with the listed business trust's interested persons. A general mandate is subject to annual renewal.

1.5 In general, for the purposes of Chapter 9 of the Listing Manual, transaction(s) between:

- (a) an entity at risk (namely KIT, a subsidiary of KIT that is not listed on the SGX-ST or an Approved Exchange, or an associated company of KIT that is not listed on the SGX-ST or an Approved Exchange, provided that the Group, or the Group and its interested person(s), has control over the associated company); and
- (b) any of its interested persons (namely the Trustee-Manager (acting in its personal capacity), a related corporation or related entity of the Trustee-Manager (other than a subsidiary or subsidiary entity of KIT), a Director, CEO or controlling shareholder of the Trustee-Manager, a Controlling Unitholder or an Associate of any such Director, CEO, controlling shareholder or Controlling Unitholder),

would constitute an interested person transaction.

Group Structure of the Entities At Risk



Notes:

¹ Keppel Energy Pte. Ltd. holds the remaining 49% equity interest in Keppel Merlimau Cogen.
² On 19 February 2019, KIT completed the acquisition of 100% of shares in Ixom HoldCo Pty Ltd.
³ Osaka Gas Singapore Pte. Ltd. holds the remaining 49% equity interest in City-OG Gas Energy Services Pte. Ltd.
⁴ WDC Development Pte. Ltd. holds the remaining 49% equity interest in DataCentre One.
⁵ Hyflux Ltd holds the remaining 30% equity interest in SingSpring Trust.

2 RATIONALE FOR THE UNITHOLDERS' MANDATE

2.1 It is envisaged that in the ordinary course of their business, transactions between members in the EAR Group (as defined below) and KIT's interested persons are likely to occur from time to time. Such transactions would include, but are not limited to, the obtaining of goods and services in the ordinary course of business of the EAR Group from KIT's interested persons.

2.2 In view of the time-sensitive nature of commercial transactions and the frequency of commercial transactions between members in the EAR Group and KIT's interested persons, obtaining the Unitholders' Mandate pursuant to Chapter 9 of the Listing Manual will enable:

- (a) KIT;
- (b) subsidiaries of KIT (excluding subsidiaries listed on the SGX-ST or an Approved Exchange); and
- (c) associated companies of KIT (other than an associated company that is listed on the SGX-ST or an Approved Exchange) over which KIT and its subsidiaries (the "**KIT Group**"), or the KIT Group and its interested person(s), has or have control,

(together, the "**EAR Group**", each an "**EAR**"), or any of them, in the ordinary course of their businesses, to enter into the categories of transactions set out in paragraph 6 below with the specified classes of KIT's interested persons set out in paragraph 5 below which are necessary for the day-to-day operations of KIT, provided such Interested Person Transactions are made on normal commercial terms.

3 BENEFIT TO UNITHOLDERS

The Unitholders' Mandate would eliminate the need for KIT to announce, or to announce and convene separate general meetings from time to time to seek Unitholders' prior approval for any potential interested person transaction that may arise from time to time, thereby substantially reducing administrative time, inconvenience and expenses associated with the convening of such meetings (including the engagement of external advisers and preparation of documents) on an ad-hoc basis, without compromising the corporate objectives of KIT and/or adversely affecting the business opportunities available to the Group.

4 SCOPE OF THE UNITHOLDERS' MANDATE

4.1 The Unitholders' Mandate will cover the transactions arising in the ordinary course of business as set out in paragraph 6 below.

4.2 The Unitholders' Mandate will not cover any Interested Person Transaction which has a value below S\$100,000 as the threshold and aggregate requirements of Chapter 9 of the Listing Manual do not apply to such transactions.

4.3 Transactions with Interested Person which do not come within the ambit of the Unitholders' Mandate will be subject to applicable provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

5 CLASSES OF INTERESTED PERSONS

The Unitholders' Mandate will apply to the Interested Person Transactions which are carried out with the following classes of Interested Persons:

- (a) the sponsor of KIT⁽¹⁾, which is a Controlling Unitholder, and its Associates;
- (b) a director, chief executive officer or controlling shareholder of the Trustee-Manager;
- (c) Trustee-Manager or Controlling Unitholder⁽²⁾ (other than the Controlling Unitholder described in sub-paragraph (a) above); and
- (d) an Associate of any of the persons or entities in (b) and (c) above (each, an "Interested Person").

Transactions with Interested Persons which do not fall within the ambit of the Unitholders' Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

Notes:

(1) The sponsor of KIT is Keppel Infrastructure Holdings Pte. Ltd.

(2) Controlling Unitholder includes Temasek Holdings (Private) Limited.

6 CATEGORIES OF INTERESTED PERSON TRANSACTIONS

The Interested Person Transactions with the Interested Persons which will be covered by the Unitholders' Mandate are set out below:

- (i) the provision of production and retailing of town gas, retailing of natural gas, and supply of liquefied petroleum gas;
- (ii) the provision and obtaining of natural gas;
- (iii) the provision of gas-supply related services (such as call centre services, service crew services, meter services, gas connection, maintenance, inspection of gas installations and servicing of burners and gas stoves);
- (iv) the sale of gas-related appliances, such as, but not limited to, gas cooker hobs and hoods, gas water heaters, gas stove and grills, gas ovens, commercial burners, and gas operated clothes dryers. The sale of gas-related appliances is in the ordinary course of business of the EAR Group and does not fall under the ambit of Chapter 10 of the Listing Manual;
- (v) the provision and obtaining of utilities services such as electricity, gas and water;
- (vi) the provision and obtaining of energy-related products and services, including but not limited to:
 - (a) the engagement of contractors and suppliers for the development and construction of energy-related projects and the purchase of materials, plant and machinery for such projects;

- (b) the purchase of meter reading, data management, power transmission and other essential regulated services required by an electricity retailer;
 - (c) the hedging of electricity prices with electricity generating companies;
 - (d) the purchase of gas distribution, power transmission, metering services and other essential regulated services required by a power generator;
 - (e) the provision and obtaining of NEWater, processed water, demineralised water, steam, cooling water and other utility services; and
 - (f) the provision of performance guarantees by the relevant party in relation to obligations to be performed under the transactions described in sub-paragraphs (vi)(a) to (vi)(e) above;
- (vii) the provision and obtaining of engineering-related products and services, including but not limited to:
- (a) the receipt of engineering, procurement and construction services in infrastructure, industrial and commercial developments;
 - (b) the purchase of material handling equipment and heavy cranes, services relating to structural steel engineering, comprehensive operations and maintenance services, and precision engineering services;
 - (c) the purchase of services for supply, install, repair and service automation, instrumentation and control systems;
 - (d) the purchase of general engineering contracting and fabrication services and building materials, equipment and products;
 - (e) the purchase of environmental engineering design, process technology and equipment and services in environmental engineering business; and
 - (f) the purchase of services for the development and construction of infrastructural plants in environmental business and other services required for such development and construction;
- (viii) the provision and obtaining of management services and the management of tender projects, including but not limited to application for the relevant permits, licences and approvals, management of tender process, advice on appointment of consultants, liaison with consultants and contractors, supervision of construction work and the provision of financial and administrative support services related to such projects;
- (ix) the engagement of operators for the provision of operations and maintenance services for infrastructure, industrial and commercial projects;
- (x) treasury transactions (“**Treasury Transactions**”) between any member within the EAR Group and any Interested Person, for example:
- (a) the placement of funds with any Interested Person;
 - (b) the borrowing of funds from any Interested Person;

- (c) the entry into foreign exchange, swap and option transactions with any Interested Person; and
- (d) the subscription of debt securities issued by any Interested Person, the issue of debt securities to any Interested Person, the purchase from any Interested Person of debt securities previously issued by such Interested Person, or the sale to any Interested Person of debt securities previously issued by any member within the EAR Group.

The EAR Group can benefit from the more competitive rates and quotes offered by the Interested Persons by leveraging on the financial strength and credit standing of the Interested Persons for placement of funds with, borrowings from, foreign exchange, swap and option transactions with, and the subscription and purchase of debt securities from the Interested Persons. In respect of the subscription or purchase of debt securities from the Interested Persons, the EAR Group can benefit from the flexibility in cash management this provides. The EAR Group will only subscribe for or purchase such debt securities after assessment of the credit risk of the relevant Interested Person, and the rates secured will not be less favourable than those from other third parties. In respect of the issue or sale of debt securities to the Interested Persons, the EAR Group can benefit from the financial support of the Interested Persons arising from such issuance or sale, which will be on terms no less favourable to the EAR Group than those issued or sold to other third parties;

- (xi) the provision and obtaining of transmission and transportation network services;
- (xii) the obtaining of security services and telecommunications and related services including but not limited to phone, paging and messaging services, voice recognition systems, installation and infrastructure services for telecommunications systems and the sale and purchase of telecommunications products and equipment;
- (xiii) the obtaining of technology solutions, including but not limited to data storage, data centre and hosting services, software licences, design and other technology services;
- (xiv) the obtaining of services relating to development and management of network infrastructure and automation devices;
- (xv) the obtaining of information technology support services, information technology products and equipment and the obtaining of repair and maintenance services in respect of software and information technology products;
- (xvi) the rental of premises, and the obtaining of building maintenance services and facility and property management services;
- (xvii) the provision and obtaining of professional and consultancy services;
- (xviii) the provision of arrangements which involves cost sharing or reimbursement of expenses (such as security services, utilities, telephone, printing, overseas travelling and related expenses, transport, entertainment and insurance etc); and

- (xix) the provision or the obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (i) to (xviii) above.

7 REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS

- 7.1 The EAR Group has established the following procedures to ensure that Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms.
- 7.2 In general, there are procedures established by the EAR Group to ensure that the Interested Person Transactions with Interested Persons are undertaken on an arm's length basis and on normal commercial terms consistent with the EAR Group's usual business practices and policies, which are generally no more favourable to the Interested Persons than those extended to unrelated third parties, and will not be prejudicial to the interests of KIT and its minority Unitholders.

In particular, the following review procedures have been put in place:

7.2.1 Sales of products and/or services to an Interested Person

The review procedures are:

- (a) current market prices from a reliable source are to be used as the basis for pricing. Prices for sale of products and/or services to an Interested Person are to be:
 - (i) based on comparable prices to at least two unrelated third party customers for similar products;
 - (ii) competitive with comparable alternate products available to customers; and
 - (iii) consistent with the usual margin sold by the company/trust for similar types of products,

to ensure that the price and terms extended to Interested Persons are no more favourable than those extended to unrelated third parties for the same or substantially similar types of products and/or services;

- (b) where the prevailing market rates or prices are not available due to the nature of the service to be provided or the product to be sold, the EAR Group's pricing for such services to be provided or products to be sold to Interested Persons is determined in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the EAR Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by Interested Persons for such services or products, the Approving Authority will take into consideration factors such as, but not limited to, quantity, volume, consumption, customer requirements, customer's available alternate product/service, specifications, payment terms, contractual compliance, duration of contract and strategic purposes of the transaction will be taken into account; and

- (c) all sales transactions which are Interested Person Transactions with contract value above S\$100,000 are to be documented and approved using prescribed evaluation form.

7.2.2 Purchase of products and/or services from an Interested Person (including cost sharing arrangements)

The review procedures are:

- (a) quotations are to be obtained from at least two unrelated third parties supplying the similar type of products and/or services. The tender process, if applicable, shall be conducted with transparency and in an equitable manner to all parties, with proper tendering procedures and evaluations;
- (b) the quotations will be used as a basis for comparison to ensure that the price and terms:
 - (i) extended by the Interested Persons are no less favourable than the price and terms offered by such Interested Persons to unrelated third parties; and
 - (ii) are comparable to those offered by unrelated third parties for the same or substantially similar type of products and/or services.

In determining whether the price and terms offered by the Interested Person are fair and reasonable, the capacity, reliability, suitability, quality of the product or services and the experience and expertise of the supplier Interested Person shall be taken into consideration. The prices are to be in accordance with the existing agreement if there is a contractual agreement signed with an Interested Person;

- (c) in the event that quotations from unrelated third party vendors cannot be obtained (for instance, if there are no unrelated third party vendors of similar products or services, or if the product is a proprietary item), the Approving Authority (as long as they have no interest, direct or indirect in that transaction) will determine whether the price and terms offered by the Interested Persons are fair and reasonable. If the Approving Authority has an interest in the transaction, whether direct or indirect, the reasonableness of the price shall be determined by the Audit and Risk Committee; and
- (d) all purchase transactions which are Interested Person Transactions with contract value above S\$100,000 have to be documented and approved using the prescribed evaluation form.

7.2.3 Rental Agreements with an Interested Person

The review procedures are:

- (a) in determining whether the rental rates offered by the Interested Person are fair and reasonable, factors such as, but not limited to, current prevailing rental rates that are charged to third parties with comparable size and location of the unit, actual area occupied (where it is a sub-lease) and duration of the lease are taken into consideration;

- (b) when entering into a rental agreement with an Interested Person and before the renewal of such a rental agreement for subsequent terms, similar rental rate comparisons shall be obtained from two independent and established property consultants for comparison; and
- (c) all rental transactions which are Interested Person Transactions with contract value above S\$100,000 have to be documented and approved using prescribed evaluation form.

7.2.4 Reimbursement of expenses to an Interested Person

The review procedure requires that expenses incurred shall be in the ordinary course of business and reasonable in the circumstances.

7.2.5 Treasury Transactions with an Interested Person

- (a) The review procedures are:

- (i) Placements

In relation to any placement with any Interested Person by any member within the EAR Group of its funds, quotations shall be obtained from such Interested Person and at least one of the principal bankers of KIT for interest rates for deposits with such bankers. Such member within the EAR Group will place its funds with such Interested Person only if the interest rate quoted is not less favourable than that quoted by such principal banker(s). In addition, such member shall comply with the procedures set out in sub-paragraph (b)(ii) below.

- (ii) Borrowings

In relation to the borrowings of funds from any Interested Person by any member within the EAR Group, quotations shall be obtained from such Interested Person and at least one of the principal bankers of KIT for interest rates and conditions of loans from such bankers. Such member within the EAR Group will borrow funds from such Interested Person only if the interest rate and conditions quoted are not less favourable than those quoted by such principal banker(s). In cases where such principal banker(s) is/are unable to quote a rate for the loan for any reason whatsoever (for example, where the banks have reached their exposure, credit or lending limits in respect of their lending activities, or in respect of their lending limits to the EAR Group), the member within the EAR Group shall be able to borrow the funds from the Interested Person. In addition, such member shall comply with the procedures set out in sub-paragraph (b)(i) below.

- (iii) Foreign exchange, swap and option transactions

In relation to foreign exchange, swap and option transactions with any Interested Person by any member within the EAR Group, quotations shall be obtained from such Interested Person and at least one of the principal bankers of KIT. Such member within the EAR Group will enter into such foreign exchange, swap or option

transactions with such Interested Person only if the rates quoted are not less favourable than the rates quoted by such principal banker(s). In addition, such member shall comply with the procedures in sub-paragraph (b)(iii) below.

(iv) Debt securities

In relation to the subscription of debt securities issued by any Interested Person, or the purchase from any Interested Person of debt securities previously issued by such Interested Person, such transactions will be entered into by members within the EAR Group only if the consideration for such debt securities is not more than that at which such debt securities are subscribed or purchased by any other third parties. Conversely, members within the EAR Group will only issue new debt securities or sell debt securities (previously issued by any member within the EAR Group) to Interested Persons at prices not lower than the prices at which such debt securities are issued or sold to third parties.

In addition, in relation to debt securities issued or sold by a member within the EAR Group to any Interested Person, and to debt securities subscribed or purchased from any Interested Person, such member shall comply with the procedures in sub-paragraph (b)(i) and b(ii) respectively below.

(b) The monitoring procedures are:

(i) Borrowings and debt securities issued or sold to Interested Persons

In relation to borrowings by a member within the EAR Group from the same Interested Person during the same financial year, or debt securities issued or sold by any member within the EAR Group to the same Interested Person during the same financial year:

Aggregate value of the interest expense ⁽¹⁾ incurred by the EAR Group on borrowings from, and debt securities issued and/or sold to, any Interested Person	Monitoring procedures
Equals to or exceeds S\$100,000 but less than S\$10,000,000	– Subsequent borrowings from, or issue or sale of debt securities to, that Interested Person is subject to review and approval by the Review Committee, taking into consideration the relevant terms and conditions which includes pricing of the borrowings and debt securities

Aggregate value of the interest expense ⁽¹⁾ incurred by the EAR Group on borrowings from, and debt securities issued and/or sold to, any Interested Person	Monitoring procedures
Equals to or exceeds S\$10,000,000 but less than \$20,000,000	– Subsequent borrowings from, or issue or sale of debt securities to, that Interested Person is subject to review and approval by the Review Committee and the Chairman of the Board or, if he has an interest in the Interested Person Transaction, another member of the Audit and Risk Committee, taking into consideration the relevant terms and conditions which includes pricing of the borrowings and debt securities. For the avoidance of doubt, the aforementioned Chairman of the Board or the Audit and Risk Committee member, as the case may be, shall not form part of the Review Committee
Equals to or exceeds S\$20,000,000	– Subsequent borrowings from, or issue or sale of debt securities to, that Interested Person is subject to review and approval by the Audit and Risk Committee, taking into consideration the relevant terms and conditions which includes pricing of the borrowings and debt securities

Note:

- (1) Under Rule 909 of the Listing Manual, in respect of borrowings from, and debt securities issued or sold to, any Interested Person, the value of the transaction, being the amount at risk to KIT, is the interest payable on such borrowings and debt securities.

(ii) Placements with and subscription and purchase of debt securities from Interested Persons

In relation to placements with the same Interested Person by any member within the EAR Group of its funds, or debt securities subscribed or purchased from the same Interested Person by any member within the EAR Group, during the same financial year:

Aggregate of the principal amount of funds placed with, and all debt securities subscribed and/or purchased from, any Interested Person	Monitoring procedures
Equals to or less than S\$100,000,000	<ul style="list-style-type: none"> - No prior approval required from Audit and Risk Committee - Reviewed on a quarterly basis by the Audit and Risk Committee. The Audit and Risk Committee shall have the power to implement further measures to enhance the review and reporting processes if, in its opinion, it would be beneficial to KIT
Exceeds S\$100,000,000	<ul style="list-style-type: none"> - Additional placements of funds with, or debt securities subscribed and/or purchased from, that Interested Person shall require the prior approval of the Audit and Risk Committee, taking into consideration the relevant terms and conditions which includes pricing of the funds and debt securities

(iii) Foreign exchange, swap and option transactions

In relation to any foreign exchange, swap and option transactions with the same Interested Person by any member within the EAR Group during the same financial year:

Aggregate of the principal amount of foreign exchange, swap and option transactions with any Interested Person	Monitoring procedures
Equals to or less than S\$100,000,000	<ul style="list-style-type: none">- No prior approval required from Audit and Risk Committee- Reviewed on a quarterly basis by the Audit and Risk Committee. The Audit and Risk Committee shall have the power to implement further measures to enhance the review and reporting processes if, in its opinion, it would be beneficial to KIT
Exceeds S\$100,000,000	<ul style="list-style-type: none">- Each additional foreign exchange, swap and option transaction entered into with, that Interested Person shall require the prior approval of the Audit and Risk Committee, taking into consideration the relevant terms and conditions which includes pricing of the transaction

7.3 Unless otherwise provided, apart from the specific review procedures described above, the following general review procedures will apply to all Interested Person Transactions under the Unitholders' Mandate:

7.3.1 The Trustee-Manager will maintain a register of Interested Persons listing and a register of transactions carried out with Interested Persons pursuant to the Unitholders' Mandate. The basis, including the quotations obtained to support such basis, on which new and renewed Interested Person Transactions were entered into, will also be documented. A copy of the register of Interested Persons will be circulated to the Audit and Risk Committee, CEO, CFO (or Head, Finance, in the absence of the CFO) and the company secretaries of the Trustee-Manager on an annual basis or whenever there is any change. The register of Interested Persons will be sent to the EAR Group on a quarterly basis for their necessary monitoring.

Interested Persons in the EAR Group will submit an annual declaration of their interests in the EAR Group at the end of each financial year.

7.3.2 In order to ensure that the Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, and will not be

prejudicial to the interests of KIT and its minority Unitholders, the Trustee-Manager has internal control procedures which detail matters such as the constitution of internal Approving Authorities and their monetary jurisdictions.

In the event that a member of the Approving Authority (where applicable) has an interest in relation to any Interested Person Transaction, whether direct or indirect, he will abstain from reviewing that particular transaction. In such instances, an alternate Approving Authority will be responsible for reviewing that transaction.

7.3.3 Save in respect of the Treasury Transactions, all Interested Person Transactions cannot be executed until the approval of the relevant Approving Authority (as set out in this paragraph 7.3.3) has been obtained. Approval limits (not applicable to any transaction below S\$100,000) for Interested Person Transactions under the Unitholders' Mandate (except Treasury Transactions) are as follows:

Approval limits based on individual transaction value	Approving Authority
Equals to or exceeds S\$100,000 but less than S\$10,000,000	– Subject to review and approval by the Review Committee
Equals to or exceeds S\$10,000,000 but less than S\$20,000,000	– Subject to review and approval by the Review Committee and the Chairman of the Board or, if he has an interest in the Interested Person Transaction, another member of the Audit and Risk Committee. For the avoidance of doubt, the aforementioned Chairman of the Board or the Audit and Risk Committee member, as the case may be, shall not form part of the Review Committee
Equals to or exceeds S\$20,000,000	– Subject to review and approval by the Audit and Risk Committee

For clarity, the review procedures which apply to the Treasury Transactions are set out in paragraph 7.2.5.

7.4 Recording of Interested Person Transactions

Details of all Interested Person Transactions will be fully disclosed to the internal auditors and the Audit and Risk Committee in a timely manner or immediately upon their request.

7.5 Review of Interested Person Transactions

- 7.5.1** Independent internal auditors will review all Interested Person Transactions of the EAR Group on a quarterly basis and submit report for Audit and Risk Committee's review. The Board and the Audit and Risk Committee shall review the internal audit reports to ascertain that the guidelines and procedures to monitor Interested Person Transactions have been complied with.
- 7.5.2** All the transactions reported in EAR's Interested Person Transactions reports will be aggregated according to the aggregation and disclosure requirements. All present and on-going Interested Person Transactions will be included in the transactions report. This will be reviewed by the CFO (or Head, Finance, in the absence of the CFO).
- 7.5.3** Audit and Risk Committee's review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary by the Audit and Risk Committee.

8 VALIDITY PERIOD OF THE UNITHOLDERS' MANDATE

If approved by Unitholders at the AGM scheduled to be held on 16 April 2019, the Unitholders' Mandate will take effect from the date of passing of the ordinary resolution relating thereto, and will (unless revoked or varied by KIT in general meeting) continue in force until the next AGM of KIT. Approval from Unitholders will be sought for the renewal of the Unitholders' Mandate at the next AGM and at each subsequent AGM of KIT, subject to satisfactory review by the Audit and Risk Committee of its continued application to transactions with the Interested Persons.

9 DISCLOSURE IN ANNUAL REPORT

Disclosure will be made in KIT's annual report of the aggregate value of all Interested Person Transactions conducted with the Interested Persons pursuant to the Unitholders' Mandate during the current financial year, and in the annual reports for subsequent financial years that the Unitholders' Mandate continues in force, in accordance with the requirements of Chapter 9 of the Listing Manual.