A photograph of an industrial facility, likely a refinery or chemical plant, at night. The scene is illuminated by numerous bright lights, highlighting the complex network of pipes, scaffolding, and large storage tanks. In the foreground, there's a curved road or walkway with a metal railing. The background shows more industrial structures under a dark sky. A large, semi-transparent maroon diagonal shape is overlaid on the image, separating the text on the left from the industrial scene on the right.

Keppel Infrastructure
Trust

Annual General Meeting

16 April 2019

Outline

- Key Highlights
- Financial Performance
- Looking Ahead

Key Highlights

Ixom (Laverton)



Diversified Business Trust

Strategic Portfolio of Infrastructure Assets. Over \$5 billion in Assets under Management

Distribution & Network



Energy



Waste & Water



Key Highlights for FY 2018



**Distributable Cash
Flows**
S\$141.2 million

Stable and resilient
performance



Distribution per Unit
3.72 cents

Sustainable returns
to Unitholders



Distribution Yield
7.7%⁽¹⁾

As at 31 December 2018



**Strategic Acquisition
of Ixom**

Enhancing KIT's long term
value proposition

Scaling to Deliver

February 2019
Distribution and Network

June 2015
Energy

May 2015

Distribution and Network



DataCentre One



City Gas



Basslink



Keppel Merlimau Cogen



IXOM

Waste and Water



Keppel Seghers Tuas WTE Plant



Senoko WTE Plant



SingSpring Desalination Plant



Keppel Seghers Ulu Pandan NEWater Plant

	Pre-Acquisition	Post-Acquisition
Number of Assets	8	9
Asset Value (S\$)	3.8 billion	5.2 billion

Strategic Acquisition of Ixom

1

A Strong and Stable Infrastructure Business

Supported by a large network of well-positioned infrastructure assets

2

A Business with Growth Potential

Amongst the leading businesses in the provision of key chemicals for fundamental industries with favourable long-term industry growth trends

3

Stable and Resilient Cash Flows

Large and diversified customer base, as well as long-term customer relationships

4

Complementary Business Driving Sustainable Growth for KIT

DPU yield accretive acquisition that strengthens KIT's portfolio mix and overall value proposition



Alignment with KIT's investment strategy:

- ✓ Long-term stable cash flows with potential growth
- ✓ Provides key products and fundamental services
- ✓ Strong and stable business sectors
- ✓ Significant scale with large infrastructure network

Operational Performance Updates

City Gas



FY 2018 Distributable Cash Flows

(S\$'000)	FY 2018	FY 2017	+/(-) %
Distribution & Network			
• City Gas ⁽¹⁾	35,257	40,669	(13.3)
• DC One ⁽²⁾	5,211	3,872	34.6
Energy			
• KMC	45,141	45,717	(1.3)
Waste & Water ⁽³⁾	71,343	68,448	4.2
Others ⁽⁴⁾	(15,762)	(14,477)	8.9
Total Distributable Cash Flows	141,190	144,229	(2.1)

1. Due to time lag in adjustment of gas tariffs to reflect actual fuel cost
2. Higher due to rental step-up in 2Q 2018 and 2Q 2017
3. There was a one-off scheduled maintenance cost at Ulu Pandan NEWater plant in 4Q 2017
4. Higher project cost incurred in relation to Ixom in 4Q 2018





Strategic infrastructure assets with potential for long-term growth supported by favourable demand dynamics



	Distribution and Network
% Total⁽¹⁾	53%
Assets	City Gas, Basslink, DataCentre One, Ixom
Business Updates	<p>City Gas</p> <ul style="list-style-type: none"> Customer base grew by 3.5% YoY to more than 840,000 Achieved 100% availability <p>Basslink</p> <ul style="list-style-type: none"> Basslink continues to vigorously defend itself in the arbitration with the State of Tasmania and Hydro Tasmania as announced previously Achieved 99.6% and 100% availability for Basslink and Basslink Telecoms respectively in 2018 CRSM² was +3.5% for the year <p>DC One</p> <ul style="list-style-type: none"> Fulfilled all contractual obligation Higher DCFs were recognised due to the rental step-up in 2018 <p>Ixom</p> <ul style="list-style-type: none"> Completed the acquisition on 19 February 2019





Stable and resilient infrastructure assets anchored by concession contracts that are backed by government and government-linked corporations

	Energy	Waste & Water
% Total⁽¹⁾	28%	19%
Asset	Keppel Merlimau Cogen	Senoko and Tuas WTE Plants, Ulu Pandan and SingSpring Water Plants
Business Updates	<ul style="list-style-type: none"> Achieved contractual availability of 98.9% 	<ul style="list-style-type: none"> Fulfilled contractual obligations in 2018 <p>SingSpring</p> <ul style="list-style-type: none"> KIT has increased its monitoring of operational performance at SingSpring to ensure that its obligations under the Water Purchase Agreement are satisfactorily discharged

Key Highlights for 1Q FY2019



Distribution per Unit 0.93 cents⁽¹⁾

Stable total DPU of 0.93 cents
for 1Q 2019



Distributable Cash Flows S\$48.4 million

Increased 33.7% from 1Q 2018



Completed the Acquisition of Ixom Holdco Pty Ltd Enhancing KIT's long term value proposition



Gearing 44.3%⁽³⁾

As at 31 March 2019



Distribution Yield 8.0%⁽²⁾

As at 31 March 2019



Hedged Loans ~59%⁽⁴⁾

As at 31 March 2019

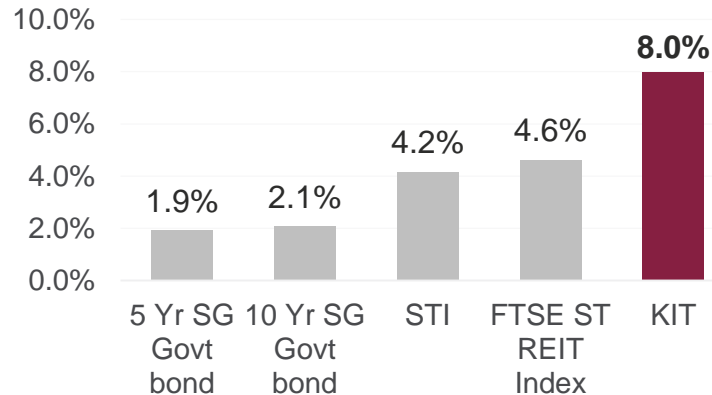
1. The Trust has declared two stub distributions of 0.8577 cents per Unit and 0.0723 cents per Unit on 14 March 2019 and 15 April 2019 respectively
2. Based on the price per Unit of \$0.465 as at 31 March 2019
3. Excluding the portion of equity bridge loan which will be repaid with proceeds from the preferential offering announced on 14 March 2019, proforma net gearing as at 31 March 2019 would be 40.4%.
4. The Ixom loan and the KIT equity bridge loan are not hedged as at 31 March 2019

Regular and Stable Returns

Stable DPU (S cents)

1Q 2018	2Q 2018	3Q 2018	4Q 2018	1Q 2019 ⁽¹⁾
0.093	0.093	0.093	0.093	0.093

Comparative Yields⁽²⁾



Looking Ahead

Ixom



Three-Pronged Growth Strategy



The Trustee-Manager will harness the synergies of our three-pronged growth strategy to deliver on its goal towards long-term value creation.



Organic Growth from Existing Portfolio

Solid Stable Base

- Stable cash flows
- Scale and liquidity
- Strong balance sheet

Potential Upsides

- Organic growth of City Gas consistent with population growth in Singapore
- Long-term industry trends underpinning growth at Ixom



Keppel Synergy

Keppel Capital

- Bridge financing
- Co-investment and incubation opportunities
- Non-energy and non-environmental opportunities

Keppel Infrastructure (Sponsor)

- Keppel Group's energy and environmental infrastructure arm
- Operations and maintenance, as well as development and industry expertise
- Rights of First Refusal for 49% of KMC, as well as other assets owned and developed by Sponsor
- Co-investment and incubation opportunities



Acquisition Strategy

KIT New Investments

- Businesses/assets that generate long-term, stable cash flows with potential for growth
- Businesses/assets with creditworthy off-takers or a large and stable customer base
- Investment characteristics:
 - Availability-based assets
 - Equity, equity-linked as well as customised sale and leaseback transactions
 - Inflation-linked assets
 - Defensive industrial infrastructure
 - Businesses with infrastructure like characteristics
- Selected greenfield investments with experienced operators and limited construction exposure

Thank You

www.kepinfratrust.com

City Gas

