

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES (collectively the “Group”)  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS & DISTRIBUTION  
ANNOUNCEMENT  
FOR THE HALF YEAR ENDED 30 JUNE 2021**

**TABLE OF CONTENTS**

	<u>Page</u>
INTRODUCTION	1
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION	6
CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS	8
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	11
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	13
OTHER INFORMATION	23

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

### INTRODUCTION

Keppel Infrastructure Trust (“KIT” or “Trust”), was originally listed on 12 February 2007 on the Singapore Exchange Securities Trading Limited as CitySpring Infrastructure Trust (“CIT”).

KIT’s portfolio as at 30 June 2021 includes the following businesses and assets:

Geography/ Segment	Distribution and Network	Energy	Waste and Water
<b>Singapore</b>	<u>100% Interest</u> City Gas  <u>51% interest</u> City-OG Gas	<u>51% interest</u> Keppel Merlimau Cogen	<u>100% Interest</u> 1. Senoko Waste-to-Energy WTE Plant 2. Keppel Seghers Tuas WTE Plan 3. Keppel Seghers Ulu Pandan NEWater Plant  <u>70% interest</u> 4. SingSpring Desalination Plant
<b>Australia</b>	<u>100% Interest</u> 1. Ixom 2. Basslink 3. Basslink Telecoms		
<b>Philippines</b>	<u>50% Interest</u> Philippine Coastal		

On January 29, 2021, KIT completed the acquisition of 80% of the entire share capital of Philippine Tank Storage International (Holdings) Inc. (“PTSI”), which owns Philippine Coastal Storage & Pipeline Corporation (“Philippine Coastal”), the largest petroleum products import storage facility in the Philippines. Immediately after the completion of the acquisition, the Group sold 30% of the interest in PTSI to Metro Pacific Investments Corporation (“MPIC”), which was the non-controlling interest of the acquisition. Following the disposal of the 30% interest in PTSI, KIT and MPIC indirectly holding an approximately equal percentage of interest in PTSI, with KIT indirectly holding one voting share more than MPIC.

On 30 April 2021, Ixom completed the acquisition of 100% of interest in Australian Botanical Products Pty Ltd (ABP), a leading supplier of essential oils in Australia and New Zealand, with a growing presence in Asia. The acquisition represents a significant growth opportunity for Ixom’s life sciences business through both an expanded product offering in a growing market as well as providing access to their customer base across Australia, New Zealand and Asian markets.

The sponsor of KIT is Keppel Infrastructure Holdings Pte. Ltd., a wholly owned subsidiary of Keppel Corporation Limited (“KCL”). Keppel Infrastructure Fund Management Pte. Ltd. is the Trustee-Manager of KIT, and wholly owned by Keppel Capital Holdings Pte. Ltd., which is in turn a wholly owned subsidiary of KCL.

KIT is included in the FTSE ST Large/Mid Cap Index and FTSE ST Mid Cap Index.

KIT, being a business trust, is allowed to pay distributions to Unitholders out of its retained cash and residual cash flows, in accordance with its distribution policy. This is unlike companies, which are governed by the Companies Act, and can only make dividend payments out of accounting profits.

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**  
For the half year ended 30 June 2021

**Consolidated Income Statement**

	<b>Note</b>	<b>1H 2021 S\$'000</b>	<b>Group 1H 2020 S\$'000</b>	<b>Change %</b>	
<b>Revenue</b>	3	<b>783,517</b>	791,336	(1.0)	(i)
<b>Other income</b>		<b>6,941</b>	6,066	14.4	(ii)
<b>Other (losses) / gain - net</b>	4	<b>(22,334)</b>	1,874	N/M	(iii)
<b>Expenses</b>					
Fuel and electricity costs		<b>(61,286)</b>	(49,707)	23.3	(iv)
Gas transportation, freight and storage costs		<b>(87,657)</b>	(85,318)	2.7	(iv)
Raw materials, consumables used and changes in inventories		<b>(258,171)</b>	(290,709)	(11.2)	(iv)
Depreciation and amortisation		<b>(90,846)</b>	(87,540)	3.8	(v)
Staff costs		<b>(76,063)</b>	(70,336)	8.1	(vi)
Operation and maintenance costs		<b>(46,415)</b>	(44,797)	3.6	(iv)
Finance costs		<b>(67,130)</b>	(71,092)	(5.6)	(vii)
Trustee-Manager's fees		<b>(6,488)</b>	(5,865)	10.6	(viii)
Other operating expenses	4	<b>(79,430)</b>	(49,785)	59.5	(ix)
Total expenses		<b>(773,486)</b>	(755,149)	2.4	
<b>(Loss)/profit before joint venture</b>		<b>(5,362)</b>	44,127	N/M	
Share of results of joint venture	5	<b>(251)</b>	-	N/M	(x)
<b>(Loss)/profit before tax</b>	4	<b>(5,613)</b>	44,127	N/M	
Income tax expense		<b>(4,420)</b>	(8,579)	(48.5)	(xi)
<b>Net (loss)/profit after tax</b>		<b>(10,033)</b>	35,548	N/M	
<b>(Loss)/profit attributable to:</b>					
Unitholders of the Trust		<b>(2,952)</b>	45,180	N/M	
Perpetual securities holders		<b>7,844</b>	7,105	10.4	
Equityholders of the Trust		<b>4,892</b>	52,285	(90.6)	
Non-controlling interests		<b>(14,925)</b>	(16,737)	(10.8)	
		<b>(10,033)</b>	35,548	N/M	
Earnings per unit - basic and diluted		<b>(0.06)</b>	0.90	N/M	(xii)

Additional information:

Management believe that EBITDA is an important measure of performance, although it is not a standard measure under SFRS (I).

EBITDA	<b>193,457</b>	201,369	(3.9)
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The Group defines EBITDA as (loss)/profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. The reported EBITDA is before distribution to perpetual securities holders and after adjustment for one-off items of transaction cost incurred in relation to the ABP acquisition, Basslink's arbitration provision and impairment loss on Ixom's assets

N/M - Not meaningful

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

### Note:

Please refer to Other Information Paragraph 3 on page 24 to 26 for Review of Performance for the half year ended 30 June 2021.

(i) The Group revenue is contributed by:

#### Distribution and Network

- City Gas: Produce and retail of town gas, retail of natural gas and sales of gas appliances in Singapore
- Ixom: Supply and distribute of key water treatment, industrial and speciality chemical in Australia and New Zealand.
- Basslink: Transmit electricity and telecoms between Victoria and Tasmania in Australia via subsea interconnector. Fixed payments for availability of subsea cable for power transmission.

#### Energy

- KMC: Provide availability and capacity targets of its power plant to tollor. Fixed payments for meeting availability targets

#### Waste and water (Fixed payment for availability of plants capacity)

- Senoko Waste-to-Energy WTE Plant: Collect and treatment of solid waste to generate green energy.
- Keppel Seghers Tuas WTE Plant: Collect and treatment of solid waste to generate green energy
- Keppel Seghers Ulu Pandan NEWater Plant: Collect, purify and distribute water.
- SingSpring Desalination Plant: Operate a seawater desalination plant.

(ii) Other income mainly comprises of interest income from short-term deposits, insurance proceeds received by Basslink and other miscellaneous income.

(iii) Other gain/(losses) - net mainly relates to exchanges differences, fair value gain/loss on derivative financial instruments and Impairment loss on Ixom's assets (please refer to Note 4 "Loss/profit before tax" for details).

(iv) These are incidental expenses incurred for the sale of goods and provision of services, mainly as follow:

- Cost of fuel and electricity purchased by City Gas for the production and retailing of town and natural gas;
- Transportation cost incurred for the delivery of piped town gas from City Gas to its customers and distribution of chemical products to Ixom's customers;
- Cost of chemicals incurred by Ixom for the manufacturing, supply and distribution to its customers; and
- Cost of operating and maintaining the plants of waste and water segment and KMC to achieve contractual availability

(v) Depreciation and amortisation on property, plant and equipments and intangible assets excluding goodwill are calculated using a straight line method over their estimated useful lives. Please refer to Note 2 of the financial statements in the Group Annual Report for the financial year ended 31 December 2020 for the details on the assets useful lives.

(vi) Staff costs mainly comprises of salaries and wages, employer's contribution to defined contribution plans, defined benefit plans and other short-term benefits of the employees of Basslink, Ixom and City Gas.

(vii) Included in Finance costs are mainly interest expense on bank borrowings and notes payable to non-controlling interests, amortisation of debt-related transaction costs and transfer of cash flow hedge reserves to profit or loss.

(viii) The Trustee-Manager's fees comprise:

A Base fee of \$2.0 million per annum subject to increase each year by such percentage increase (if any) in the average of the monthly Singapore CPI for the 12 calendar months immediately preceding the beginning of each financial year over the average of the monthly Singapore CPI for 2010.

Performance fee is charged at 4.5% per annum on all the cash inflows received by the Trust from subsidiaries, associates, sub-trusts and its investments (including but not limited to dividends, distributions, interest earned, revenues earned, principal repayment of debt securities and all other receipts).

In addition to the Base Fee and the Performance Fee, the Trustee-Manager (in its personal capacity) is also entitled to receive an Acquisition Fee in respect of any investment acquired by the Trust or special purpose vehicles holding or constituted to hold the Trust's investment and a Divestment Fee in respect of any investment sold or divested by the Trust or its special purpose vehicles. The Acquisition Fee and Divestment Fee are charged at 1% and 0.5% on the enterprise value of the investment acquired and investment divested respectively.

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

- (ix) Included in Other operating expenses are mainly business development costs, statutory and corporate expenses, legal and professional fees, and Basslink's arbitration provision.
- (x) Share of results of joint venture mainly relates to the Group's 50% share of Philippine Coastal's results. Please refer to Note 5 "Investment in joint venture" for details.
- (xi) Income tax expense comprises of corporate income tax and net deferred tax of the Group. Net deferred tax mainly arises from accelerated tax depreciation, changes in carrying value of intangible assets and recognition of utilised tax losses.
- (xii) Earning per unit ("EPU")

	1H 2021	<u>Group</u> 1H 2020	%
Weighted average number of units	4,990,868,798	4,992,434,824	(0.0)
EPU			
- based on the weighted average number of units in issue (cents)			
- basic and diluted	(0.06) <sup>(1)</sup>	0.90	N/M

<sup>(1)</sup> The negative EPU for 1H 2021 is mainly due to transaction cost incurred in relation to the ABP acquisition, Basslink's arbitration provision and impairment loss on Ixom's assets. Excluding the above, EPU for 1H 2021 would be 0.77 cents.

KIT, being a business trust, is allowed to pay distributions to Unitholders out of its retained cash and residual cash flows, in accordance with its distribution policy. This is unlike companies, which are governed by the Companies Act, and can only make dividend payments out of accounting profits.

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (CONT'D)**

For the half year ended 30 June 2021

**Consolidated Statement of Comprehensive Income**

	<b>1H 2021</b>	<b>Group 1H 2020</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Net (loss)/profit after tax</b>	<b>(10,033)</b>	35,548	N/M
<b>Other comprehensive income:</b>			
<u>Items that may be reclassified</u> <u>subsequently to profit or loss</u>			
Cash flow hedges:			
- Fair value gain/(loss)	<b>49,459</b>	(44,945)	N/M
- Transfer to profit or loss	<b>14,721</b>	8,541	72.4
Currency translation differences relating to consolidation of foreign operations	<b>11,403</b>	(1,101)	N/M
<b>Other comprehensive income, net of tax</b>	<b>75,583</b>	(37,505)	N/M
<b>Total comprehensive income</b>	<b>65,550</b>	(1,957)	N/M
<b>Attributable to:</b>			
Unitholders of the Trust	<b>65,467</b>	6,480	>100.0
Perpetual securities holders	<b>7,844</b>	7,105	10.4
Equityholders of the Trust	<b>73,311</b>	13,585	>100.0
Non-controlling interests	<b>(7,761)</b>	(15,542)	(50.1)
	<b>65,550</b>	(1,957)	N/M

N/M - Not meaningful

**Note:**

The other comprehensive income items mainly relates to the fair value changes of the cash flow hedges as a result of interest rate swaps and foreign currency forward contracts entered into by the Group, and the movement in foreign currency translation reserves that arises from the translation of foreign entities.

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

**As at 30 June 2021**

	Note	Group		Trust	
		30 Jun 2021 S\$'000	31 Dec 2020 S\$'000	30 Jun 2021 S\$'000	31 Dec 2020 S\$'000
<b>Non-Current Assets</b>					
Property, plant and equipment		2,289,573	2,310,469	-	-
Right-of-use asset		105,587	112,752	-	-
Intangibles		1,025,361	1,015,398	-	-
Investment in subsidiaries		-	-	1,394,867	1,398,187
Investment in joint venture	5	198,668	-	-	-
Notes receivables		-	-	775,712	775,712
Amount receivable from a subsidiary		-	-	202,669	9,407
Service concession receivables		209,897	235,185	-	-
Finance lease receivables		68,407	74,308	-	-
Derivative financial instruments		213	2	-	-
Contract Assets		1,264	-	-	-
Other assets		125,606	133,426	-	-
<b>Total non-current assets</b>		<b>4,024,576</b>	<b>3,881,540</b>	<b>2,373,248</b>	<b>2,183,306</b>
<b>Current Assets</b>					
Cash and bank deposits		650,003	580,721	330,850	236,627
Trade and other receivables		231,911	211,811	13,988	18,620
Service concession receivables		49,906	49,316	-	-
Finance lease receivables		11,128	10,867	-	-
Derivative financial instruments		2,560	254	-	-
Inventories		198,518	168,971	-	-
Other current assets		27,679	26,055	60	54
<b>Total current assets</b>		<b>1,171,705</b>	<b>1,047,995</b>	<b>344,898</b>	<b>255,301</b>
<b>Current Liabilities</b>					
Borrowings	6	779,017	643,933	99,933	-
Trade and other payables		368,079	348,077	3,494	3,815
Provisions		35,404	30,533	-	-
Derivative financial instruments		16,907	37,099	5,255	4,587
Lease liabilities		21,736	12,256	-	-
Income tax payable		18,439	17,595	47	62
<b>Total current liabilities</b>		<b>1,239,582</b>	<b>1,089,493</b>	<b>108,729</b>	<b>8,464</b>
<b>Net Current (Liabilities)/Assets</b>		<b>(67,877)</b>	<b>(41,498)</b>	<b>236,169</b>	<b>246,837</b>
<b>Non-Current Liabilities</b>					
Borrowings	6	1,433,172	1,517,090	-	99,883
Notes payable to non-controlling interests		260,000	260,000	-	-
Derivative financial instruments		132,119	165,462	884	4,885
Other payables		245,324	250,506	-	-
Provisions		37,576	39,746	-	-
Lease liabilities		63,623	76,000	-	-
Defined benefit obligation		26,653	26,124	-	-
Deferred tax liabilities		2,348	11,172	-	-
<b>Total non-current liabilities</b>		<b>2,200,815</b>	<b>2,346,100</b>	<b>884</b>	<b>104,768</b>
<b>Net Assets</b>		<b>1,755,884</b>	<b>1,493,942</b>	<b>2,608,533</b>	<b>2,325,375</b>
<b>Represented by:</b>					
<b>Unitholders' Funds</b>					
Units in issue	7	2,629,211	2,628,761	2,629,211	2,628,761
Hedging reserve		(212,830)	(269,748)	(6,140)	(9,471)
Translation reserve		(12,179)	(23,680)	-	-
Capital reserve		38,710	38,710	-	-
Defined benefit plan reserve		(8,508)	(8,508)	-	-
Share based payment reserve		486	254	-	-
Accumulated losses		(1,319,979)	(1,224,207)	(611,964)	(592,881)
<b>Total Unitholders' funds</b>		<b>1,114,911</b>	<b>1,141,582</b>	<b>2,011,107</b>	<b>2,026,409</b>
Perpetual securities	8	597,426	298,966	597,426	298,966
<b>Total Equityholders' Funds</b>		<b>1,712,337</b>	<b>1,440,548</b>	<b>2,608,533</b>	<b>2,325,375</b>
Non-controlling interests		43,547	53,394	-	-
		<b>1,755,884</b>	<b>1,493,942</b>	<b>2,608,533</b>	<b>2,325,375</b>

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

Net asset value (“NAV”) per unit

	<u>Group</u>			<u>Trust</u>		
	30 Jun 2021	31 Dec 2020	%	30 Jun 2021	31 Dec 2020	%
NAV per unit (cents)	22.3	22.9	(2.6)	40.3	40.6	(0.7)
Adjusted NAV per unit (cents) - (after distribution payable to unitholders)	20.5	21.0	(2.7)	38.4	38.8	(1.0)

The Group NAV per unit before hedging and translation reserves was 26.8 cents as at 30 June 2021 and 28.8 cents as at 31 December 2020. The Trust NAV per unit before hedging reserves was 40.4 cents as at 30 June 2021 and 40.8 cents as at 31 December 2020.

The Group NAV per unit including perpetual securities was 34.3 cents as at 30 June 2021 and 28.9 cents as at 31 December 2020. The Trust NAV per unit including perpetual securities was 52.3 cents as at 30 June 2021 and 46.6 cents as at 31 December 2020.

The number of units used for computation of NAV per unit and adjusted NAV per unit were 4,991,263,352 and 4,990,437,786 which were the number of units in issue as at 30 June 2021 and 31 December 2020 respectively.



**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS**

<u>Group</u>	Attributable to Unitholders of the Trust										
	Units in Issue S\$'000	Hedging Reserve S\$'000	Translation Reserve S\$'000	Capital Reserve S\$'000	Defined Benefit Plan Reserve S\$'000	Share Based Payment Reserve S\$'000	Accumulated Losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Non-controlling Interests S\$'000	Total S\$'000
<b>2021</b>											
At 1 January 2021	2,628,761	(269,748)	(23,680)	38,710	(8,508)	254	(1,224,207)	1,141,582	298,966	53,394	1,493,942
<u>Total comprehensive income</u>											
Profit/(loss) for the period	-	-	-	-	-	-	(2,950)	(2,950)	7,844	(14,925)	(10,031)
Other comprehensive income for the period	-	56,918	11,501	-	-	-	-	68,419	-	7,164	75,583
Total	-	56,918	11,501	-	-	-	(2,950)	65,469	7,844	(7,761)	65,552
<u>Transactions with owners, recognised directly in equity</u>											
Contributions by and distributions to owners:											
Units issued	450	-	-	-	-	-	-	450	-	-	450
Perpetual securities issued	-	-	-	-	-	-	-	-	300,000	-	300,000
Issuance cost	-	-	-	-	-	-	-	-	(2,279)	-	(2,279)
Recognition of share-based payments	-	-	-	-	-	232	-	232	-	-	232
Distributions paid	-	-	-	-	-	-	(92,822)	(92,822)	(7,105)	(2,086)	(102,013)
Total	450	-	-	-	-	232	(92,822)	(92,140)	290,616	(2,086)	196,390
<b>At 30 June 2021</b>	<b>2,629,211</b>	<b>(212,830)</b>	<b>(12,179)</b>	<b>38,710</b>	<b>(8,508)</b>	<b>486</b>	<b>(1,319,979)</b>	<b>1,114,911</b>	<b>597,426</b>	<b>43,547</b>	<b>1,755,884</b>

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)**

<u>Group</u>	Attributable to Unitholders of the Trust										
	Units in Issue S\$'000	Treasury Units S\$'000	Hedging Reserve S\$'000	Translation Reserve S\$'000	Capital Reserve S\$'000	Defined Benefit Plan Reserve S\$'000	Accumulated Losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Non-controlling Interests S\$'000	Total S\$'000
<b>2020</b>											
At 1 January 2020	2,630,307	-	(239,613)	(46,609)	38,710	(7,901)	(1,050,488)	1,324,406	298,971	90,792	1,714,169
<u>Total comprehensive income</u>											
Loss for the period	-	-	-	-	-	-	45,180	45,180	7,105	(16,737)	35,548
Other comprehensive income for the period	-	-	(37,475)	(1,225)	-	-	-	(38,700)	-	1,195	(37,505)
Total	-	-	(37,475)	(1,225)	-	-	45,180	6,480	7,105	(15,542)	(1,957)
<u>Transactions with owners, recognised directly in equity</u>											
Contributions by and distributions to owners:											
Units issued	398	-	-	-	-	-	-	398	-	-	398
Purchase of units	-	(1,944)	-	-	-	-	-	(1,944)	-	-	(1,944)
Cancellation of treasury units	(1,944)	1,944	-	-	-	-	-	-	-	-	-
Distributions paid	-	-	-	-	-	-	(92,856)	(92,856)	(7,145)	(1,223)	(101,224)
Total	(1,546)	-	-	-	-	-	(92,856)	(94,402)	(7,145)	(1,223)	(102,770)
<b>At 30 June 2020</b>	<b>2,628,761</b>	<b>-</b>	<b>(277,088)</b>	<b>(47,834)</b>	<b>38,710</b>	<b>(7,901)</b>	<b>(1,098,164)</b>	<b>1,236,484</b>	<b>298,931</b>	<b>74,027</b>	<b>1,609,442</b>

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**CONDENSED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)**

<u>Trust</u>	Units in Issue S\$'000	Treasury Units S\$'000	Hedging Reserve S\$'000	Accumulated Losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Total S\$'000
<b>2021</b>							
At 1 January 2021	2,628,761	-	(9,471)	(592,881)	2,026,409	298,966	2,325,375
<u>Total comprehensive income</u>							
Profit for the period	-	-	-	73,739	73,739	7,844	81,583
Other comprehensive income for the period	-	-	3,331	-	3,331	-	3,331
Total	-	-	3,331	73,739	77,070	7,844	84,914
<u>Transactions with owners, recognised directly in equity</u>							
Contributions by and distributions to owners:							
Units issued	450	-	-	-	450	-	450
Perpetual securities issued	-	-	-	-	-	300,000	300,000
Issuance cost	-	-	-	-	-	(2,279)	(2,279)
Distributions paid	-	-	-	(92,822)	(92,822)	(7,105)	(99,927)
Total	450	-	-	(92,822)	(92,372)	290,616	198,244
<b>At 30 June 2021</b>	<b>2,629,211</b>	<b>-</b>	<b>(6,140)</b>	<b>(611,964)</b>	<b>2,011,107</b>	<b>597,426</b>	<b>2,608,533</b>
<b>2020</b>							
At 1 January 2020	2,630,307	-	(1,230)	(717,834)	1,911,243	298,971	2,210,214
<u>Total comprehensive income</u>							
Profit for the period	-	-	-	70,074	70,074	7,105	77,179
Other comprehensive income for the period	-	-	(2,308)	-	(2,308)	-	(2,308)
Total	-	-	(2,308)	70,074	67,766	7,105	74,871
<u>Transactions with owners, recognised directly in equity</u>							
Contributions by and distributions to owners:							
Units issued	398	-	-	-	398	-	398
Purchase of units	-	(1,944)	-	-	(1,944)	-	(1,944)
Cancellation of treasury units	(1,944)	1,944	-	-	-	-	-
Distributions paid	-	-	-	(92,856)	(92,856)	(7,145)	(100,001)
Total	(1,546)	-	-	(92,856)	(94,402)	(7,145)	(101,547)
<b>At 30 June 2020</b>	<b>2,628,761</b>	<b>-</b>	<b>(3,538)</b>	<b>(740,616)</b>	<b>1,884,607</b>	<b>298,931</b>	<b>2,183,538</b>

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Note	Group	
		1H 2021 S\$'000	1H 2020 S\$'000
<b>Operating activities</b>			
(Loss)/profit before tax		(5,613)	44,127
Adjustments for:			
Depreciation and amortisation		90,846	87,540
Finance costs		67,130	71,092
Interest income		(428)	(2,051)
Impairment loss on financial assets		589	1,309
Impairment loss on lom's assets		16,995	-
Fair value loss on derivative financial instruments		3,909	795
Property, plant and equipment written off		-	6
Share-based payment expense		231	-
Transaction cost		725	662
Gain on disposal of property, plant and equipment		(1)	(1)
Loss on disposal of joint venture		-	13
Share of results of joint venture		251	-
Unrealised foreign exchange gain		(24,316)	(3,209)
Management fees paid in units		450	398
Operating cash flows before movements in working capital		150,768	200,681
Trade and other receivables		(8,565)	20,978
Service concession receivables		24,686	23,912
Finance lease receivables		5,640	4,774
Trade and other payables		5,035	(43,206)
Inventories		(13,742)	(3,726)
<b>Cash generated from operations</b>		163,822	203,413
Interest received		392	1,956
Interest paid		(58,384)	(63,474)
Income tax paid		(14,685)	(7,650)
<b>Net cash from operating activities</b>		91,145	134,245
<b>Investing activities</b>			
Acquisition of subsidiaries, net of cash acquired	A	(19,276)	(24,433)
Investment in joint venture		(201,223)	-
Purchase of property, plant and equipment, right-of-use assets and intangible assets		(13,175)	(9,835)
Proceeds from sale of property, plant and equipment		103	94
<b>Net cash (used in)/from investing activities</b>		(233,571)	(34,174)
<b>Financing activities</b>			
Decrease in restricted cash		(384)	(1,024)
Proceeds from issuance of perpetual securities (net)		297,721	-
Purchase of units		-	(1,944)
Proceeds from borrowings		504,191	761,113
Repayment of borrowings		(487,305)	(718,755)
Repayment of obligations under finance leases		(5,311)	(9,937)
Payment of loan upfront fees		(248)	(2,450)
Distributions paid to Perpetual securities holders		(7,105)	(7,145)
Distributions paid to Unitholders of the Trust		(92,822)	(92,856)
Distributions paid by subsidiaries to non-controlling interests		(2,086)	(1,223)
<b>Net cash from/(used in) financing activities</b>		206,651	(74,221)
<b>Net increase in cash and cash equivalents</b>		64,225	25,850
Cash and cash equivalents at beginning of the period		555,936	445,290
Effect of currency translation on cash and cash equivalents		4,673	1,966
<b>Cash and cash equivalents at end of the period</b>	B	624,834	473,106

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

### NOTES TO CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

#### A. Acquisition of a subsidiary

The Group's wholly-owned subsidiary, Ixom, has completed the acquisition of Australian Botanical Products Pty Ltd ("ABP") on 30 April 2021. The provisional fair values of the net assets of the subsidiary acquired were as follows:

	Fair value S\$'000
Property, plant and equipment	3,431
Identifiable intangible assets	186
Deferred tax assets	665
Inventories	16,670
Financial assets	8,702
Financial liabilities	(4,610)
Borrowings	(5,068)
Lease liabilities	(1,990)
Provisions	(387)
<b>Total identifiable assets acquired and liabilities assumed</b>	<b>17,599</b>
Goodwill	3,614
<b>Total purchase consideration transferred in cash</b>	<b>21,213</b>
<b>Net cash outflow arising on acquisition:</b>	
Cash consideration	21,213
Less: Cash and cash equivalent balances acquired	(2,662)
	<b>18,551</b>

The Group incurred acquisition costs of S\$0.7m.

The purchase price allocation of the acquisition of ABP for the half year ended 30 June 2021 is provisional and the Group expects to complete the purchase price allocation exercise within 12 months from date of acquisition of ABP.

#### B. Cash and Cash Equivalents

	30 Jun 2021 S\$'000	30 Jun 2020 S\$'000
Cash and bank deposits	650,003	498,933
Less: Restricted cash	(25,169)	(25,827)
Cash and cash equivalents	<b>624,834</b>	473,106

Restricted cash represents the amount of cash and cash equivalents required to be set aside to meet interest and principal repayments for loans extended to, and for secured bank guarantees of, the Group. Also included in the Group's restricted cash is the insurance proceeds received in relation to Basslink cable outage, the usage of which is subject to the consent of the lenders.

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 30 June 2021

#### 1. GENERAL

Keppel Infrastructure Trust is a business trust registered with the Monetary Authority of Singapore and domiciled in Singapore. The Trust was constituted by a trust deed dated January 5, 2007 and is regulated by the Singapore Business Trusts Act, Chapter 31A.

In 2015, the Trust changed its Trustee-Manager from CitySpring Infrastructure Management Pte. Ltd. to Keppel Infrastructure Fund Management Pte. Ltd. Under the trust deed, Keppel Infrastructure Fund Management Pte. Ltd. (the "Trustee-Manager") will hold the assets (including businesses) acquired in trust for the unitholders as the Trustee-Manager. The registered address and principal place of business of the Trustee-Manager is at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632.

The Trust has been established with the principal objective of investing in infrastructure assets and providing unitholders with regular and predictable distributions and the potential for long-term capital growth.

The Trust was admitted to the Official List of the Main Board of Singapore Exchange Securities Trading Limited on February 12, 2007.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 Basis of Preparation

The condensed consolidated interim financial statements for the half year ended 30 June 2021 have been prepared in accordance with Singapore Financial Reporting (International) 1-34 *Interim Financial Reporting* (SFRS (I) 1-34) issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the disclosures required for a complete set of financial statements. Accordingly, this report should be read in conjunction with the Group's Annual Report for the financial year ended 31 December 2020 and any public announcements made by Keppel Infrastructure Fund Management Pte. Ltd. (as Trustee-Manager of Keppel Infrastructure Trust) during the interim reporting period.

##### 2.2 Changes in Accounting Policies

The accounting policies adopted by the Group in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's Annual Report for the financial year ended 31 December 2020, except for the adoption of new and revised standards effective as of 1 January 2021.

The following are the new or amended SFRS(I)s, SFRS (I) Interpretations and amendments to SFRS(I)s, that are relevant to the Group:

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16: *Interest Rate Benchmark Reform - Phase 2*
- Amendment to SFRS(I) 16 *Leases - Covid-19-Related Rent Concessions beyond 30 June 2021*

The adoption of the above new or amended SFRS(I)s, SFRS (I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the condensed interim consolidated financial statements of the Group.

##### 2.3 Critical Accounting Judgments and Estimates

###### (a) Critical judgments in applying the Group's accounting policies

In the process of applying the Group's accounting policies, there is no instance of application of judgments with significant updates since the audited financial statements as at 31 December 2020 and is expected to have a significant effect on the amounts recognised in the condensed interim consolidated financial statements.

###### (b) Key sources of estimation uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in:

- Note A of notes to condensed consolidated statement of cash flows – Acquisition of ABP: the fair value of the consideration transferred and the fair value of the assets acquired and liabilities assumed, measured on a provisional basis

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
For the half year ended 30 June 2021

3. REVENUE

	Distribution & Network \$'000	Waste & Water \$'000	Energy \$'000	Total \$'000
<b>30.06.2021</b>				
<b>Segment Revenue &amp; timing of revenue recognition</b>				
At a point in time:				
Sale of goods	606,771	-	-	606,771
Over time:				
Service income	54,601	5,191	54,000	113,792
Finance income from service concession arrangements	-	4,830	-	4,830
Finance lease income	-	883	-	883
Operation and maintenance income	9,108	35,473	12,660	57,241
	<u>670,480</u>	<u>46,377</u>	<u>66,660</u>	<u>783,517</u>
<b>30.06.2020</b>				
<b>Segment Revenue &amp; timing of revenue recognition</b>				
At a point in time:				
Sale of goods	620,474	-	-	620,474
Over time:				
Service income	51,764	5,235	52,612	109,611
Finance income from service concession arrangements	-	5,490	-	5,490
Finance lease income	-	1,340	-	1,340
Operation and maintenance income	6,224	35,399	12,798	54,421
	<u>678,462</u>	<u>47,464</u>	<u>65,410</u>	<u>791,336</u>

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**For the half year ended 30 June 2021**

**4. (LOSS)/PROFIT BEFORE TAX**

The following items have been included in arriving at profit before tax:

	Half Year	
	30.06.2021	30.06.2020
	\$'000	\$'000
Fair value loss on derivative financial instruments	3,909	795
Exchange differences	1,322	(2,681)
Cost of inventories recognised as an expense	262,694	296,661
Provision for Basslink arbitration loss (Note 12)	23,803	-
Impairment loss on Ixom's assets <sup>1</sup>	16,995	-
Legal and other related professional fees	4,430	6,046
	<u>4,430</u>	<u>6,046</u>

(1) Ixom has received notice from a significant long term customer that the customer will be ceasing operations within 12 months and therefore no longer purchasing from Ixom. This has resulted in the recognition of an impairment provision of S\$17m in relation to assets including plant and machinery, intangible customer contracts and right-of-use assets.

**5. INVESTMENT IN JOINT VENTURES**

	30.06.2021
	\$'000
At 1 January	-
Additions <sup>1</sup>	201,223
Share of results for the period	(251)
Foreign exchange difference	(2,304)
	<u>(2,304)</u>
At 30 June	<u>198,668</u>

(1) On January 29, 2021, the Group completed the acquisition of 80% of the entire share capital of Philippine Tank Storage International (Holdings) Inc. ("PTSI"), which owns Philippine Coastal Storage & Pipeline Corporation ("Philippine Coastal"), the largest petroleum products import storage facility in the Philippines. Immediately after the completion of the acquisition, the Group sold 30% of the interest in PTSI to Metro Pacific Investments Corporation ("MPIC"), which was the non-controlling interest of the acquisition. Following the disposal of the 30% interest in PTSI, the Group and MPIC each holds an approximately equal percentage of interest in PTSI, with KIT directly holding one voting share more than MPIC ("Net Acquisition").

Notwithstanding the additional one voting share, the Group jointly controls the venture with MPIC under the contractual agreement which requires unanimous consent for all major decisions over the relevant activities. Accordingly, the joint venture is accounted for using the equity method.

The purchase consideration for the Net Acquisition was approximately US\$166.9 million (equivalent to approximately \$223.5 million), with a completion adjustment of approximately US\$1.9 million (equivalent to approximately \$2.5 million). The purchase consideration for the Net Acquisition was funded by cash from KIT and debt taken up by the company in Philippines, jointly-owned by KIT and MPIC, incorporated for acquiring PTSI.



**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the half year ended 30 June 2021

**5. INVESTMENT IN JOINT VENTURES (CONT'D)**

The summarized financial information of the jointly-owned holding companies in Philippines and PTSI based on its SFRS(I) financial statements and a reconciliation with the carry amount of the investment in the consolidation financial statements is as follows:

	<b>30.06.2021</b>
	<b>\$'000</b>
Current assets	23,546
Non-current assets	792,322
Total assets	<u>815,868</u>
Current liabilities	6,341
Non-current liabilities	426,668
Total liabilities	<u>433,009</u>
Net assets	382,859
Proportion of the Group's ownership	50%
Group's share of net assets	191,430
Transaction cost <sup>2</sup>	7,238
Carrying amount of equity interest	<u>198,668</u>
Revenue	19,176
Loss before tax, representing total comprehensive loss	<u>(502)</u>

(2) Includes acquisition fee of approximately S\$3.06 million, capitalised under "Investment in joint venture", paid to the Trustee-Manager.

**6. BORROWINGS**

	<u>Group</u>	
	30 Jun 2021	31 Dec 2020
	S\$'000	S\$'000
<b>Unsecured borrowings</b>		
Amount repayable within one year	99,933	-
Amount repayable after one year	177,478	277,559
	<u>277,411</u>	<u>277,559</u>
<b>Secured borrowings</b>		
Amount repayable within one year	679,084	643,933
Amount repayable after one year	1,255,694	1,239,531
	<u>1,934,778</u>	<u>1,883,464</u>
<b>Total borrowings</b>	<u>2,212,189</u>	<u>2,161,023</u>

During the financial period, City Gas has amended and extended its loan of S\$178 million from February 2024 till February 2026. The loan remains unsecured.

**Details of collaterals**

The bank borrowings are secured over the assets and business undertakings of SingSpring, Basslink Group and Ixom Group. The bank borrowings granted to SingSpring is also secured by a charge over the units in SingSpring held by the Trustee-Manager and Hyflux Ltd<sup>1</sup>, and a charge over the shares held by the Trustee-Manager in SingSpring Pte Ltd. The bank borrowings granted to KMC is secured mainly by an assignment of KMC's rights under the Capacity Tolling Agreement.

On 27 May 2021, Basslink announced a 3 month extension of the maturity date of the financing arrangements in place for the Basslink Interconnector.

Basslink remains current on its debt payments under the project financing subsequent to the return to service of the interconnector on 13 June 2016.

<sup>1</sup> 30% unitholder of SingSpring Trust

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 30 June 2021

#### 7. UNITS IN ISSUE

	Group and Trust	
	Issued Units	\$'000
As at 31 December 2020 and 1 January 2021	4,990,437,786	2,628,761
Units issued to the Trustee-Manager <sup>1</sup>	<u>825,566</u>	<u>450</u>
<b>As at 30 June 2021</b>	<b><u>4,991,263,352</u></b>	<b><u>2,629,211</u></b>

Note:

- (1) This relates to the payment of 10.3% of 4Q FY2021 and 4.0% of 1Q FY2021 management fees in the form of units to the Trustee-Manager.

The Group and Trust does not hold any treasury units as at 30 June 2021 and 31 December 2020.

#### 8. PERPETUAL SECURITIES

On 9 June 2021, the Trust issued subordinated perpetual securities (the "Series 002 Securities") with principal amount of \$300,000,000 bearing distributions at a rate of 4.30% per annum under the upsized \$2 billion Multicurrency Debt Issuance Programme ("Programme").

A total of \$297,721,000, net of issuance costs of \$2,279,000, was recognised in equity in relation to the Series 002 Securities. The rate of 4.3% per annum is subject to reset every ten years and a one-time step-up from and including the first reset date, being 9 June 2031 (the "First Reset Date").

The perpetual securities do not have a maturity date and bear distributions which are payable semi-annually. Subject to the terms and conditions of the perpetual securities, the Trust may, at its full discretion, elect to defer making distributions, which is cumulative, on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred.

Accordingly, the perpetual securities do not meet the definition for classification as a financial liability under SFRS(I) 1-32 Financial Instruments: Presentation. The whole instrument is presented within equity, and distributions are treated as dividends.

In the event of deferral or non-payment of distributions, and until the deferred distributions is paid, KIT shall not declare or pay any distributions to its Unitholders or make other payment on instrument or security issued which rank lower in priority in payment than the perpetual securities.

These perpetual securities issued will be used by KIT towards refinancing the borrowing of the Group, as well as for the Trust's general corporate purposes and investing activities.

#### 9. SIGNIFICANT COMMITMENTS

*Significant capital commitments*

**30 June 2021**  
**\$'000**

Additional significant capital expenditure/commitments entered into during the 1H 2021 that are not provided for in the financial statements:

Property, plant and equipment 16,936

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS For the half year ended 30 June 2021

#### 10. SIGNIFICANT RELATED PARTY TRANSACTIONS

30 June 2021  
\$'000

Significant transactions between the Group and its related parties took place at terms agreed between the parties during the 1H 2021:

Sale of goods and service	59,057
Purchase of goods and services	105,675
Interest expense	<u>15,917</u>

#### 11. CONTINGENT LIABILITY

As disclosed under Note 45 "Contingent liability" in the Group's Annual Report for the financial year ended 31 December 2020, the Australian Border Force ("ABF") issued a notice of audit where it considered certain subsidiaries of the Ixom sub-group has underpaid import duty and a claim of approximately A\$7.5 million was made against Ixom. During the first half year ended 2021, the ABF has withdrawn its audit decision and the claim of A\$7.5 million is lifted.

#### 12. LEGAL PROCEEDINGS AND ARBITRATION OUTCOME

As disclosed under Note 44 "Legal Proceedings and Arbitration Outcome" in the Group's Annual Report for the financial year ended 31 December 2020, the arbitrator has called for a procedural hearing to determine the award of costs to be claimed from Basslink that was incurred by the State of Tasmania ("State") and Hydro Tasmania ("HT") in relation to the arbitration proceedings.

In the announcement issued by KIFM on 10 June 2021, the Arbitrators decision on the costs ("Cost Award") was disclosed as follows:

- In the State Arbitration: Basslink is required to pay the State costs of AUD \$7,200,000 and interest of A\$1,040,042.19;
- In the Basslink Arbitration: Basslink is required to pay HT A\$13 million; and
- In the HT Arbitration: Basslink is required to pay HT A\$13 million.

Further to the S\$76.2 million (A\$80.5 million) arbitration provisions made by the Group for the year ended 31 December 2020, an additional provision of S\$23.8 million (A\$23.1 million) (Note 4) will be made following the conclusion of the Cost Award, which is the final award sought from the Arbitrator.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the half year ended 30 June 2021

**13. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

(i) **Assets and liabilities measured at fair value**

The Group and Trust's derivative financial instruments as at June 30, 2021 and December 31, 2020, are measured at fair value under Level 2 of the fair value hierarchy. The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	Fair value as at				Valuation technique(s) and key input(s)
	30.06.2021		31.12.2020		
	Assets	Liabilities	Assets	Liabilities	
	\$'000	\$'000	\$'000	\$'000	
<b>Group</b>					
Interest rate swaps	-	(143,550)	-	(190,595)	The Group uses a variety of methods and makes assumptions that are based on market conditions existing at end of each reporting period. Techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The models incorporate various inputs including the credit quality of counterparties and interest rate curves. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
Foreign currency forward	2,360	(5,476)	143	(11,919)	
Commodity swap	413	-	113	(47)	
Financial assets/ financial liabilities	Fair value as at				Valuation technique(s) and key input(s)
	30.6.2021		31.12.2020		
	Assets	Liabilities	Assets	Liabilities	
	\$'000	\$'000	\$'000	\$'000	
<b>Trust</b>					
Interest rate Swaps	-	(1,070)	-	(1,939)	The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at end of each reporting period. Techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The models incorporate various inputs including the credit quality of counterparties and interest rate curves. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
Foreign currency forward	-	(5,069)	-	(7,533)	

There were no transfer between the different levels of the fair value hierarchy in the half year ended 30 June 2021.

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**For the half year ended 30 June 2021**

**14. SEGMENT ANALYSIS**

Management monitors the results of the Group based on the following operating segments for the purpose of making decisions in resource allocation and performance assessment:

- Energy: tolling arrangement for the power plant in Singapore;
- Distribution & Network: production and retailing of town gas and retailing of natural gas in Singapore, operator of subsea electricity interconnector in Australia, supplying and distributing water treatment chemicals, industrial and specialty chemicals and leasing of a data centre, storage of petroleum products;
- Water & Waste: concessions in relation to the desalination plant, water treatment plant and waste-to-energy plants in Singapore;
- Corporate: investment holding, asset management and business development.

Information regarding the Trust's reportable segments for half year ended 30 June 2021 and 30 June 2020.

**By Business Segment**

	Energy		Distribution & Network			Waste & Water	KIT and Hold Co	Total
	KMC S\$'000	City Gas S\$'000	Basslink S\$'000	Ixom S\$'000	Philippine Coastal S\$'000	S\$'000	S\$'000	S\$'000
<b>1H 2021</b>								
<b>Revenue</b>	66,660	155,219	45,494	469,768	-	46,376	-	783,517
<b>Profit/(loss) before tax</b>	(12,256)	22,786	(19,084)	8,029	(251)	8,702	(13,539)	(5,613)
<b>Funds from Operations ("FFO")<sup>(1)</sup></b>	23,367	19,723	15,639	38,723	3,762	38,912	(20,872)	119,254
<b>Other segment items</b>								
Depreciation and amortisation	(39,952)	(1,781)	(9,147)	(36,251)	-	(3,715)	-	(90,846)
Fair value gain/(loss) on derivative financial instruments	-	352	(4,261)	-	-	-	-	(3,909)
Impairment loss on trade and other receivables (net)	-	409	-	-	-	-	-	409
Share of results of joint venture	-	-	-	-	(251)	-	-	(251)
Finance costs <sup>(2)</sup>	(26,879)	(2,592)	(22,966)	(11,745)	-	(961)	(1,987)	(67,130)

A reconciliation of Funds from Operations to loss before tax is provided as follows:

<b>Funds from Operations</b>								<b>119,254</b>
Reduction in concession / lease receivables								(30,326)
Non-cash finance cost								(3,013)
Other non-cash items								(22,211)
Depreciation and amortisation								(90,846)
Maintenance capital expenditure								12,909
Finance cost attributable to non-controlling interest								(21,745)
FFO from joint venture								(3,762)
FFO attributable to non-controlling interests								26,283
Distribution to perps holders								7,844
<b>Profit before tax</b>								<b>(5,613)</b>
<b>Segment and consolidated total assets</b>	<b>1,446,629</b>	<b>607,189</b>	<b>878,106</b>	<b>1,298,187</b>	<b>198,668</b>	<b>431,372</b>	<b>336,130</b>	<b>5,196,281</b>
<b>Segment liabilities</b>	<b>1,127,124</b>	<b>365,680</b>	<b>943,158</b>	<b>816,580</b>	<b>-</b>	<b>60,201</b>	<b>106,867</b>	<b>3,419,610</b>
Unallocated liabilities:								
Current tax liabilities								18,439
Deferred tax liabilities								2,348
<b>Consolidated total liabilities</b>								<b>3,440,396</b>
<b>Other segment items</b>								
Other segment items								
- additions to non-current assets	3,037	393	2,450	7,433	-	31	-	13,344

<sup>(1)</sup> Funds from operations is defined as PAT adjusted for reduction in concession/lease receivables, transaction costs, non-cash interest and current cash tax, maintenance capital expenditure, non-cash adjustments and non-controlling interests adjustments.

<sup>(2)</sup> Excludes interest payable on notes issued by subsidiaries to KIT.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
For the half year ended 30 June 2021

14. SEGMENT ANALYSIS (CONT'D)

**By Business Segment (Cont'd)**

	Energy		Distribution & Network		Waste & Water	KIT and Hold Co	Total
	KMC S\$'000	City Gas S\$'000	Basslink S\$'000	Ixom S\$'000	S\$'000	S\$'000	S\$'000
1H 2020							
<b>Revenue</b>	65,410	148,570	42,569	487,323	47,464	-	791,336
<b>Profit/(loss) before tax</b>	(15,997)	29,697	4,316	21,770	9,795	(5,454)	44,127
<b>Funds from Operations ("FFO")<sup>(1)</sup></b>	21,607	29,011	11,129	39,426	39,186	(12,945)	127,414
<b>Other segment items</b>							
Depreciation and amortisation	(38,511)	(1,888)	(7,976)	(35,452)	(3,713)	-	(87,540)
Fair value gain/(loss) on derivative financial instruments	-	(258)	(537)	-	-	-	(795)
Impairment loss on trade and other receivables (net)	-	138	-	-	-	-	138
Finance costs <sup>(2)</sup>	(32,099)	(2,628)	(21,737)	(12,037)	(1,135)	(1,456)	(71,092)
A reconciliation of Funds from Operations to profit before tax is provided as follows:							
<b>Funds from Operations</b>							127,414
Reduction in concession / lease receivables							(29,146)
Non-cash finance cost							(4,398)
Other non-cash items							18,025
Depreciation and amortisation							(87,540)
Maintenance capital expenditure							9,176
Finance cost attributable to non-controlling interest							(21,865)
FFO attributable to non-controlling interests							25,356
Distribution to perps holders							7,105
<b>Profit before tax</b>							44,127
<b>Segment and consolidated total assets</b>	1,512,790	595,525	864,134	1,286,081	501,121	205,140	4,964,791
<b>Segment liabilities</b>	1,137,649	352,449	867,095	801,783	70,208	103,300	3,332,484
Unallocated liabilities:							
Current tax liabilities							9,100
Deferred tax liabilities							13,765
<b>Consolidated total liabilities</b>							3,355,349
<b>Other segment items</b>							
Other segment items							
- additions to non-current assets	401	1,751	3,326	11,119	4	-	16,601

<sup>(1)</sup> Funds from operations is defined as PAT adjusted for reduction in concession/lease receivables, transaction costs, non-cash interest and current cash tax, maintenance capital expenditure, non-cash adjustments and non-controlling interests adjustments.

<sup>(2)</sup> Excludes interest payable on notes issued by subsidiaries to KIT.

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the half year ended 30 June 2021

**14. SEGMENT ANALYSIS (CONT'D)****By Geographical Area**

The Group has operations in Singapore and Australia. Revenue is based on the country in which the operation is located. Total non-current assets are shown by the geographical area where the assets are located.

	Revenue		Non-current assets <sup>(1)</sup>	
	30 Jun 2021	30 Jun 2020	30 Jun 2021	30 Jun 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	268,255	261,444	1,811,290	1,694,050
Australia	364,006	340,846	1,349,441	1,462,631
New Zealand	107,456	92,621	123,236	124,498
Others	43,800	96,425	229,635	34,821
	<u>783,517</u>	<u>791,336</u>	<u>3,513,602</u>	<u>3,316,000</u>

<sup>(1)</sup> Comprise property, plant and equipment, intangibles and investment in joint venture

Please refer to Other Information Paragraph 3 on page 24 to 25 for the analysis on consolidated income statement for the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business segment.

**15. SUBSEQUENT EVENTS**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## Other Information Required by Listing Rule Appendix 7.2



**OTHER INFORMATION**

**For the half year ended 30 June 2021**

**1. AUDIT**

The condensed consolidated statement of financial position of Keppel Infrastructure Trust and its subsidiaries as at 30 June 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in unitholder's funds and condensed consolidated statement of cash flows for the half-year period then ended and certain explanatory notes have not been audited nor reviewed by the auditors.

**2. AUDITORS' REPORT**

Not applicable.

**3. REVIEW OF GROUP PERFORMANCE**

Half Year ended 30 June 2021

**3.1 Income Statement**

**3.1.1 Revenue**

1H 2021 group revenue of S\$783.5 million was marginally lower than 1H 2020, largely driven by lower contribution from Ixom and partly offset by the higher contribution from City Gas.

At City Gas, revenue of S\$155.2 million in 1H 2021 were higher than corresponding period last year due to higher tariff and higher volume of gas sold. City Gas achieved 100% plant availability during the period.

1H 2021 Ixom's revenue was S\$17.6 million lower than 1H 2020 due mainly to absence of revenue from the Ixom's Latin America and China Life Science businesses which were divested in 4Q 2020, coupled with Ixom's lower revenue due mainly to softness in the Australian market which was partially offset by higher volume of chloralkali products sold.

Basslink's revenue for 1H 2021 of S\$45.5 million was S\$2.9 million higher than 1H 2020 due mainly to stronger AUD/SGD translation net of lower revenue from the Commercial Risk Sharing Mechanism (CRSM) during the period.

At KMC, revenue of S\$66.7 million for 1H 2021 was comparable to the corresponding period last year. KMC achieved 100% plant availability for the period.

The Concessions<sup>2</sup> contributed revenue of S\$46.4 million in 1H 2021 which was S\$1.1 million lower than last year due to lower finance lease income. All four plants fulfilled their contractual obligations during the period.

**3.1.2 Other income**

Other income for 1H 2021 was 14.4% higher than the corresponding period last year due to insurance proceeds received in relation to Basslink FY2018 outage, partly offset by lower interest income received from fixed deposits.

**3.1.3 Other (losses) / gain - net**

Other (losses) / gain for 1H 2021 were lower than corresponding period last year due to impairment loss on Ixom's assets of S\$17.0 million (please refer to Note 4 for more details) and unfavourable fair value movement of financial derivative instruments which contributed to the loss booked in 1H 2021.

**3.1.4 Expenses**

Fuel and electricity costs for 1H 2021 were S\$11.6 million higher than 1H 2020 due to higher fuel prices.

Lower gas transportation and freight costs, raw materials, consumables used and changes in inventories in 1H 2021 as compared to last year were mainly due to absence of expenses incurred by the Ixom's Latin America and China Life Science businesses which were divested in 4Q 2020, coupled with the decrease in expenses that is in line with Ixom's lower revenue due mainly to softness in the Australian market.

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<sup>2</sup> Concessions comprise Senoko WTE, Tuas WTE, SingSpring Desalination and Ulu Pandan NEWater plants

**OTHER INFORMATION**

**For the half year ended 30 June 2021**

**3. REVIEW OF GROUP PERFORMANCE (CONT'D)**

**3.1.4 Expenses (cont'd)**

1H 2021 staff costs was S\$5.7 million higher than 1H 2020 due to stronger AUD/SGD translation. This was partly offset by absence of staff costs from Ixom's Latin America and China Life Science businesses which were divested in 4Q 2020.

1H 2021 other operating expenses of S\$79.4 million were S\$29.6 million higher than corresponding period last year due to the provision of additional Basslink arbitration costs, higher business development expenses net of lower professional fees.

Lower finance costs in 1H 2021 was due mainly to lower KMC's interest expense following the refinancing.

Higher trustee-manager's fees in 1H 2021 as compared to corresponding period last year was due mainly to the acquisition fee paid in relation to the acquisition of Australian Botanical Products Pty Ltd coupled with higher fees from higher cash received from KIT's investments.

**3.1.5 Profit attributable to Unitholders of the Trust**

The Group recorded a lower profit attributable to Unitholders of the Trust in 1H 2021 than corresponding period in FY2020 by S\$50.1 million due mainly to Basslink arbitration provisions and impairment loss on Ixom's assets.

**3.2 Financial Position**

**3.2.1 Balance Sheet – Group**

Total assets as at 30 June 2021 of S\$5,196.3 million, was S\$266.8 million higher than total assets of S\$4,929.5 million as at 31 December 2020, mainly due to acquisition of 100% and 50% interest in ABP and Philippine Coastal respectively and increase in cash and bank deposits following the issuance of \$300m perpetual securities in June 2021 (please refer to paragraph 3.3 for more details), partly offset by depreciation and amortisation of property, plant and equipment and intangibles.

Total liabilities as at 30 June 2021 of S\$3,440.4 million was marginally higher than S\$3,435.6 million as at 31 December 2020. The Group reported net current liabilities of S\$69.9 million as at 30 June 2021 due to classification of S\$744.9 million borrowings, comprises of Basslink and KIT borrowings which will be refinanced upon maturity, as current liability.

Total Unitholders' funds stood at S\$1,112.9 million as at 30 June 2021, lower than S\$1,141.6 million as at 31 December 2020 mainly due to distributions paid and loss attributable to Unitholders of the Trust (please refer to paragraph 3.3 for more details), partially offset by hedging reserve movements for the half year ended 30 June 2021.

**3.2.2 Balance Sheet – Trust**

Total assets as at 30 June 2021 of S\$2,718.1 was higher compared to S\$2,438.6 million as at 31 December 2020 due to loan to subsidiary for acquisition of 50% interest in Philippine Coastal and increase in cash and bank deposits following the issuance of \$300m perpetual securities in June 2021.

Borrowings of S\$99.9 million which mature on Feb 2022 was reclassified from non-current liabilities to current liabilities.

Net assets as at 30 June 2021 of S\$2,608.5 million was higher compared to S\$2,325.4 million as at 31 December 2020 due to perpetual securities issued, and profit for the half year ended 30 June 2021, partially offset by distribution paid.

**3.3 Statement of Cash Flow**

The Group's cash and bank deposits net of restricted cash were S\$624.8 million and S\$473.1 million as at 30 June 2021 and 30 June 2020, respectively.

Net cash generated from operating activities in 1H 2021 was S\$91.1 million, S\$43.1 million lower than the corresponding period in FY2020 largely due to timing difference in working capital.

Net cash used in investing activities of S\$233.6 million in 1H 2021 relates mainly to capital expenditure and acquisition of 50% and 100% interests in Philippine Coastal and ABP respectively. Net cash used in investing activities of S\$34.2 million in 1H 2020 relates mainly to the acquisition of Medora and capital expenditure.

**OTHER INFORMATION**

**For the half year ended 30 June 2021**

**3. REVIEW OF GROUP PERFORMANCE (CONT'D)**

**3.3 Statement of Cash Flow (cont'd)**

Net cash from financing activities of S\$206.7 million in 1H 2021 mainly pertains to issuance of perpetual securities, partially offset by the repayment of certain facilities of the Group and payment of distributions to unitholders. Net cash used in financing activities of S\$74.2 million in 1H 2020 mainly pertains to repayment of certain facilities of the Group and payment of distributions to unitholders, partially offset by borrowings taken up to fund the acquisition of Medora.

**4. VARIANCE FROM FORECAST STATEMENT**

No forecast statement for financial year 2021 has been disclosed.

**5. PROSPECTS**

City Gas, Ixom and Philippine Coastal are businesses that provide essential products and services which are scalable, supported by their leading market positions.

City Gas is the sole supplier of town gas, with a history of over a century in Singapore. It produces and sells town gas to residential customers, as well as town gas and natural gas to commercial and industrial customers.

Ixom is a leading industrial infrastructure business in Australia and New Zealand. It is the sole manufacturer and provider of liquefied chlorine in Australia, as well as a leading provider of manufactured caustic soda and essential oils. Ixom's revenue profile is seasonal over the course of the year which is typical for a business of this nature in Australia and New Zealand.

Philippine Coastal is the largest petroleum products import storage facility in the Philippines which is strategically located in the Subic Bay Freeport Zone to capture demand which accounts for more than half of the oil product demand in the Philippines.

KIT's energy, water and waste assets typically generate stable cash flows as a function of availability. All our plants follow industry best practices.

The Trustee-Manager continues to review its pipeline of potential acquisition opportunities, which, if closed, will further strengthen KIT's long term income stream.

**COVID-19 Pandemic**

Ixom, Basslink, Philippine Coastal and KIT's Singapore located assets and business have all been classified as essential services by the governments of Australia/New Zealand, Philippines and Singapore respectively.

COVID-19 is not expected to materially impact the operations and financial position of KIT. Nevertheless, the extent of the impact of COVID-19 will depend on the duration and severity of the pandemic. KIT continues to monitor the operational and financial impact of COVID-19 to KIT's portfolio of assets.

**City Gas**

The tariff adjustment mechanism is designed to ensure that City Gas has no exposure to fuel price risk over time. In the short run, City Gas's financial performance can fluctuate as a result of a time lag in the adjustment to the gas tariffs in response to changes in the underlying fuel cost. In 1H 2021, City Gas delivered lower free cash flow to equity of S\$19.7 million mainly due to this timing difference.

City Gas continues to focus on ensuring town gas supply is maintained to support essential requirements in Singapore in the current pandemic.

**Ixom**

Ixom, which started contributing to KIT from 19 February 2019, has delivered stable and resilient free cash flow to equity of S\$38.7 million for 1H 2021 and is expected to deliver its projected cash distribution targets for the financial year.

Ixom has continued to deliver resilient performance supported by its diversified business despite the challenging operating environment caused by the COVID-19 pandemic. Efforts have been stepped up to ensure vital chemicals are available to support the businesses and the economies of Australia and New Zealand during this critical period.

**OTHER INFORMATION**

**For the half year ended 30 June 2021**

**5. PROSPECTS (CONT'D)**

Ixom (cont'd)

Ixom is also well positioned to capture long-term growth opportunities by strengthening its market leading position and optimising operations, cost and productivity. As part of its efforts to expand its life sciences business into Asian markets, Ixom has completed the acquisition of 100% of interest in ABP, a leading supplier of essential oils in Australia and New Zealand, with a growing presence in Asia.

Philippine Coastal

Philippine Coastal, which started contribution to KIT on 29 January 2021, has delivered free cash flow to equity of S\$3.8 million for 1H 2021. Business integration remains on track post acquisition.

Philippine Coastal has completed a conversion to increase its storage capacity of approximately 6 million barrels. Fuel storage demand is expected to increase as the Philippines economy recovers gradually from the pandemic and when the demand for international and domestic air travel improves.

Basslink

As disclosed under Note 12 "Legal proceedings and arbitration outcome", the final award was sought from the Arbitrator following the conclusion of the Cost Award as announced on 10 June 2021. Pursuant to the Cost Award, the Group made an additional arbitration provisions of \$23.8 million (A\$23.1 million), bringing the total arbitration provisions recognised to approximately S\$100 million (A\$103.6 million). Notwithstanding this, there is no financial impact on the distribution per unit of KIT for the financial year ending 31 December 2021, as KIT does not depend on Basslink for its distributions.

Basslink is currently working to secure a longer term refinancing when its loan mature in August 2021. Basslink has achieved 99.8% contractual availability in 1H 2021. The Commercial Risk Sharing Mechanism (CRSM) for Basslink was positive at 4.9% for 1H 2021.

Keppel Merlimau Cogen

KMC has no tariff exposure to the Singapore wholesale electricity market and has no exposure to fluctuations in fuel oil prices.

Under the capacity tolling agreement, KMC will receive a maximum annual capacity fee of S\$108 million (S\$55.1 million based on KIT's 51% interest in KMC) as long as it meets the availability and capacity test targets.

Waste and water plants

Waste and water concessions have long-term contracts with Singapore statutory bodies and derive most of their cash flows from capacity and availability payments. As such, the underlying performance of these assets are expected to remain stable.

On 7 July 2021, KIT entered into a conditional sale and purchase agreement with Hyflux Ltd, through its Judicial Manager, to acquire the remaining 30% stake in SingSpring Desalination Plant for \$12 million. To further enhance the operational stability of the SingSpring Desalination Plant, NewSpring O&M Pte. Ltd, a subsidiary of Keppel Infrastructure Holdings Pte. Ltd (KI), the Sponsor of KIT, will take over the provision of operation and maintenance services to the SingSpring Desalination Plant upon completion of the acquisition. The acquisition is not expected to have any material financial impact on the distribution per unit of KIT for the financial year ending 31 December 2021.

KIT will continue to monitor the operational performance at SingSpring Desalination Plant to ensure that SingSpring's obligations under the Water Purchase Agreement are satisfactorily discharged.

## KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

### OTHER INFORMATION

For the half year ended 30 June 2021

#### 6. DISTRIBUTIONS

##### 6a. Current financial period reported on

Any distributions recommended for the current financial period reported on? Yes

Amount	:	S\$92.8 million
Distribution period	:	1 January 2021 to 30 June 2021
Distribution rate	:	1.86 Singapore cents per unit
Distribution type	:	Cash, Tax-exempt Distribution
Tax rate	:	Distributions to Unitholders are exempt from Singapore income tax, regardless of their nationality, corporate identity or tax residence status. No credit is allowed to Unitholders for the tax paid by the Trustee-Manager.

##### 6b. Corresponding Period of the Immediately Preceding Financial Year

Any distributions recommended for the current financial period reported on? Yes

Amount	:	S\$92.9 million
Distribution period	:	1 January 2020 to 30 June 2020
Distribution rate	:	1.86 Singapore cents per unit
Distribution type	:	Cash, Tax-exempt Distribution
Tax rate	:	Distributions to Unitholders are exempt from Singapore income tax, regardless of their nationality, corporate identity or tax residence status. No credit is allowed to Unitholders for the tax paid by the Trustee-Manager.

##### 6c. Date Payable

13 August 2021

##### 6d. Record Date

Notice is hereby given that, the Unit Transfer Books and Register of Unitholders of KIT will be closed at 5 p.m on 5 August 2021 for the purposes of determining each Unitholder's entitlement to the Distribution. Duly completed transfers in respect of Units in the capital of KIT received by the Registrar, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, up to 5 p.m. on 5 August 2021 will be registered to determine Unitholders' entitlement to the Distribution. Unitholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with Units at 5 p.m. on 5 August 2021 will be entitled to the Distribution.

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**OTHER INFORMATION**

For the half year ended 30 June 2021

**7. INTERESTED PERSON TRANSACTIONS**

The Group had obtained a general mandate pursuant to Rule 920 for interested person transactions as approved by independent unitholders at the annual general meeting held on 20 April 2021. The figures below are calculated based on the effective interest held by the Trust in each subsidiary. During the financial period, the following interested person transactions were entered into by the Group:

Name of Interested Person / Nature of Transaction	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions Conducted under unitholder's mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted during the financial period under review under unitholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	1H FY21 S\$'000	1H FY20 S\$'000	1H FY21 S\$'000	1H FY20 S\$'000
<b>1. Temasek Holdings (Private) Limited and its Associates</b>				
General Transactions				
(a) Sales of Goods and Services	-	-	880	799
(b) Purchases	-	-	91,633	70,347
(c) Rental expense	-	-	-	562
(d) Reimbursement of expenses	-	-	191	-
Treasury Transactions	-	-	386	-
Total	-	-	93,090	71,708
<b>2. Keppel Corporation Group</b>				
General Transactions				
(a) Sales of Goods and Services	-	300 <sup>(1)</sup>	101	-
(b) Purchases	-	-	18,897	19,226
(c) Management Fee Expense	-	-	9,707	5,927
(d) Reimbursement of expenses	-	-	140	1,116
Treasury Transactions	-	-	401,766	344,567
Total	-	300 <sup>(1)</sup>	430,611	370,836

<sup>(1)</sup> The transaction relates to a partnership agreement with the related party as a non-exclusive referral agent for business and residential customers. As the transaction value is lower than the materiality threshold prescribed in Rule 905 and 906 of Chapter 9 of the SGX Listing Manual, immediate announcement and shareholder's approval is not required.

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES**

**OTHER INFORMATION**

For the half year ended 30 June 2021

**CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)**

The Trustee-Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

By Order of the Board  
Keppel Infrastructure Fund Management Pte. Ltd.  
(Company Registration Number: 200803959H)  
As Trustee-Manager of Keppel Infrastructure Trust

MARC TAN / DARREN TAN  
Company Secretaries  
28 July 2021

**CONFIRMATION BY THE BOARD**

Pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the half year ended 30 June 2021 financial statements of Keppel Infrastructure Trust to be false or misleading, in any material aspect.

On behalf of the Board of Directors



DANIEL CUTHBERT EE HOCK HUAT  
Chairman



CHRISTINA TAN HUA MUI  
Director

Singapore  
28 July 2021

**IMPORTANT NOTICE**

The past performance of KIT is not necessarily indicative of its future performance. Certain statements made in this announcement may not be based on historical information or facts and may be "forward-looking" statements due to 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 similar businesses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business. Such forward-looking statements speak only as of the date on which they are made, and KIT does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking statements.

Prospective investors and unitholders of KIT ("Unitholders") are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel Infrastructure Fund Management Pte. Ltd. (as trustee-manager of KIT) (the "Trustee-Manager") on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this announcement. The information is subject to change without notice, its accuracy is not guaranteed, has not been independently verified and may not contain all material information concerning KIT. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. 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, KIT, the Trustee-Manager or any of its affiliates and/or subsidiaries. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.