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(as Trustee-Manager of Keppel Infrastructure Trust)
(Co Reg No. 200803959H)

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MEDIA RELEASE

Keppel Infrastructure Trust Unaudited Results for the First Half ended 30 June 2023

26 July 2023

The Directors of Keppel Infrastructure Fund Management Pte. Ltd., as Trustee-Manager of Keppel Infrastructure Trust, advise the following results of Keppel Infrastructure Trust for the first half ended 30 June 2023.

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**Keppel Infrastructure Trust recorded
1% YoY growth in DPU to 1.93 cents for 1H 2023**

Results Highlights

- DPU growth supported by higher Distributable Income, which increased by 51.8% year-on-year (YoY) to \$132.9 million in 1H 2023
- New acquisitions in FY 2022, namely KIT's investment in the (i) Aramco Gas Pipelines Company, (ii) European Onshore Wind Platform, (iii) German Offshore Wind Farm, as well as (iv) the acquisition of EMK, contributed \$68.6m or 38.5% of Asset Distributable Income for 1H 2023
- Growing exposure in the renewable energy sector with the investment in Fäbodliden II, an onshore wind farm in Sweden, as part of the committed pipeline assets sponsored by FORAS
- Completed \$300 million equity fund raise through a private placement and preferential offering of approximately 633.3 million new Units to partially repay bridge facilities
- Portfolio well-positioned against inflation and higher energy prices due to cost pass through mechanism and availability-based revenue model

Financial Performance

Keppel Infrastructure Trust (KIT) delivered another strong set of performance in 1H 2023. The Trust reported Distributable Income \$132.9 million for 1H 2023, which is 51.8% higher than 1H 2022 due mainly to higher contributions from City Energy and the new acquisitions completed in FY 2022, which contributed \$68.6 million or 38.5% of Asset Distributable Income for 1H 2023.

Accordingly, the Trust declared higher Distribution per Unit (DPU) of 1.93 cents for 1H 2023, a continued gradual increase of 1% increase YoY. The 1H 2023 DPU translates to a distribution yield of 7.5%, based on KIT's closing price of \$0.510 as at 30 June 2023.

A segmental breakdown of KIT's financial performance is tabled below:

Segmental Performance	Distributable Income		
	1H 2023 \$ '000	1H 2022 \$ '000	Change (%)
Energy Transition	97,672	36,751	165.8
Environmental Services	38,867	37,464	3.7
Distribution & Storage	41,571	43,630	(4.7)
Asset Subtotal	178,110	117,845	51.1
Corporate ¹	(45,219)	(30,277)	(49.4)
Distributable Income	132,891	87,568	51.8

Operational Performance

KIT continues to deliver high availability and steady operational performance across its businesses and assets. The Trust is largely insulated from higher energy prices and inflation with the cost passed through mechanism and availability-based model.

¹ Comprises Trust expenses and distribution paid/payable to perpetual securities holders, management fees and financing costs. The higher costs were due to the issuance of the Series 4 Medium Term Notes on 5 May 2022 and draw down of equity bridge loans to fund the acquisition of EMK and BKR2 in 2H 2022.

Energy Transition

In 1H 2023, the wind farm assets in Europe continue to operate with high availability. KIT's investment in the Aramco Gas Pipelines Company delivered stable distributions, supported by continued gas demand which were driven by the Kingdom's robust economic and population growth. In Singapore, the Keppel Merlimau Cogen plant achieved 100% contractual availability.

In May 2023, KIT, together with Keppel Corporation, announced the acquisition of Fäbodliden II, a 17MW onshore wind farm located approximately 20 kilometres northeast of the Vindel Municipality in Sweden. This acquisition follows the joint announcement made in July 2022, when Keppel and KIT jointly invested alongside KLP and MEAG, each for an approximate 33.3% stake in a joint investment vehicle, for a 49% share of an initial portfolio of onshore wind energy assets across Norway and Sweden sponsored by Fred. Olsen Renewables AS (FORAS), which was completed on 8 September 2022. As part of that deal, Keppel, KIT, KLP and MEAG also have the exclusive right and obligation to co-invest in 49% of all of FORAS' eligible pipeline of onshore wind energy assets (1.2GW as at 31 December 2022) in Sweden and the United Kingdom when the assets achieve final investment decision. Currently at an advanced stage of development, Fäbodliden II is expected to be completed in 4Q 2023. Upon completion, the addition of Fäbodliden II will increase KIT's exposure in the renewable energy sector to 740 MW in operating capacity, contributing to KIT's 25% renewables target by 2030 based on its equity-adjusted AUM.

As part of its efforts to further its hydrogen strategy, City Energy announced collaborations with Gentari Sdn Bhd (Gentari), a wholly-owned subsidiary of PETRONAS, to jointly conduct feasibility studies of a hydrogen supply chain from Malaysia to Singapore. To promote a seamless cross-border charging experience of its electric vehicle (EV) charging business, City Energy and Gentari have also announced a collaboration to enable customer access to both parties' EV charging network across Singapore and Malaysia. Since launching its EV charging business in 2022, City Energy has secured 34 sites in Singapore as at end-Jun 2023, which could provide more than 3,000 EV lots in total. In terms of operations, City Energy achieved 100% plant availability in 1H 2023 and continues to maintain a sizeable customer base of 894,000, supported by the continued recovery of the Commercial and Industrial sector.

Environmental Services

In the Environmental Services segment, operations at the Senoko Waste-to-Energy (WTE) Plant, Keppel Seghers Tuas WTE Plant, Keppel Seghers Ulu Pandan NEWater Plant and SingSpring Desalination Plant remained stable and fulfilled their contractual obligations in 1H 2023.

Eco Management Korea (EMK) maintained full utilisation of its incineration business and secured new contracts for its landfill business. As part of its growth plans following the completion of the EMK acquisition in October 2022, the Trustee-Manager continues to seek growth opportunities through accretive bolt-on acquisitions and ways to optimise the EMK business for scale and greater efficiency.

Distribution & Storage

Ixom saw strong demand from its manufactured chemicals business due to higher coagulant and chlorine volumes in Australia. Ixom also saw higher volume from its New Zealand business with good weather conditions contributing to a strong dairy season. Following the conclusion of the Ixom strategic review in April 2023, the Trustee-Manager will focus on Ixom's next phase of growth, through (i) growing its core businesses through M&A, (ii) driving performance of its new acquisitions, (iii) further streamlining of the business, and (iv) exploring debt recapitalisation.

Philippine Coastal Storage and Pipeline Corporation (Philippine Coastal) continued to see stable fuel storage utilisation rate of 86% as at end-June 2023. Philippine Coastal secured additional storage demand from an anchor customer which commenced in July 2023. Philippine Coastal has also commenced construction of new tanks as part of its capacity expansion plans.

Capital Management

In 2Q 2023, KIT raised approximately \$300 million in gross proceeds through a private placement and preferential offering of approximately 633.3 million new Units. The equity fund raise received strong demand from investors, with the private placement 4.2 times subscribed, and the preferential offering 1.7 times subscribed. The proceeds were utilised to partially repay the \$580 million equity bridge facilities which were drawn down to fund the acquisitions of the Borkum Riffgrund 2 (BKR2) and EMK in 2022. The Trustee-Manager also paid down \$142 million of the bridge facilities via a longer-term debt through City Energy's loan facility. In July 2023, the Trustee-Manager announced a \$130 million loan that will be utilised to repay the remaining \$144 million bridge facilities, terming the loan out to 2026.

KIT has also commenced amortisation of KMC's \$700 million sustainability-linked loan in June 2023, with the first repayment of \$88 million (\$45 million based on KIT's share) in June 2023. The Trustee-Manager continues to review KMC's capital structure.

The Trust ended the period with a healthy net gearing of 38.5% as at 30 June 2023, which provides a comfortable debt headroom to pursue growth opportunities. The Trustee-Manager continues to monitor risk exposures and safeguards against evolving market conditions. To mitigate against fluctuating interest rates, approximately 77.4% of KIT's total loans are fixed and hedged as at 30 June 2023.

Commitment to ESG Excellence

Anchored by a portfolio of critical infrastructure businesses and assets, the Trust sees sustainability management as imperative to its continued success and ability to create value.

In 1H 2023, the Trustee-Manager completed the installation of solar PV system with a generation capacity of 0.2 MWp at City Energy, increasing KIT's total solar capacity to 2.2MWp for operational needs in its portfolio. Beyond the partnership with Gentari, City Energy has also announced other collaborations to accelerate the commercial usage of hydrogen in Singapore and study the development of off-grid hydrogen fuel cell solutions, using hydrogen extracted from town gas.

As part of its efforts in championing innovative green energy solutions, the Trustee-Manager has also announced collaborations with Keppel Infrastructure to explore low carbon water solutions at the SingSpring Desalination Plant and the Ulu Pandan NEWater Plant.

In aligning its ESG ambitions with growth plans, the Trustee-Manager established the KIT Responsible Investment Policy, which is in line with the United Nations-supported Principles for Responsible Investment, of which Keppel Capital is a signatory.

With ESG at the core of its business and strategy, the Trustee-Manager will continue to actively manage the Trust's portfolio and create value to achieve sustainable growth.

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About Keppel Infrastructure Trust (www.kepinfratrust.com)

Keppel Infrastructure Trust (KIT) is a diversified business trust listed on the Singapore Exchange with approximately \$7.3 billion in assets under management for FY 2022. Its goal is to deliver sustainable and growing returns to Unitholders, through a combination of recurring distributions and capital growth.

KIT's portfolio of strategic infrastructure businesses and assets provide essential products and services to a wide array of customers including government agencies, multinational corporations, commercial and industrial enterprises as well as retail consumers.

The Trustee-Manager of KIT is Keppel Infrastructure Fund Management. KIT is sponsored by Keppel, a global asset manager and operator with strong expertise in sustainability-related solutions spanning the areas of infrastructure, real estate and connectivity.

IMPORTANT NOTICE

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. 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The past performance of KIT is not necessarily indicative of the future performance of KIT. This announcement 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, 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.