

**KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES (collectively the “Group”)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS & DISTRIBUTION
ANNOUNCEMENT
FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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INTRODUCTION

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

The sponsor of KIT is Keppel Infrastructure Holdings Pte. Ltd., a wholly owned subsidiary of Keppel Limited (“KL”). 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 KL.

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

KIT, being a business trust, is governed by the Business Trust Act 2004 and allowed to pay distributions to Unitholders out of its cash balance and residual cash flows, in accordance with its distribution policy.

Acquisitions / Investments during the year

In May 2023, Windy EU Holdings committed approximately S\$6.9 million (€4.7 million) for a 16.3% stake in Fäbodliden II, a 17MW Swedish onshore wind farm. The investment is part of the deal where KIT and Keppel Renewable Investments Pte. Ltd., together with its co-investment partners, Kommunal Landspensjonskasse and MEAG MUNICH ERGO Asset Management GmbH, have the exclusive right and obligation to co-invest in 49% of all Fred. Olsen Renewables AS eligible pipeline of onshore wind energy assets in Sweden and the United Kingdom when the assets achieve final investment decision.

In October 2023, City Energy completed the acquisition of 51% of interest in Tan Soon Huah Gas Supply Pte. Ltd. (“TSH”), the second largest Liquefied Petroleum Gas (“LPG”) cylinder distributor to residential, commercial and industrial customers in Singapore. TSH also provides ancillary services and products such as residential and commercial appliances and LPG equipment. The acquisition represents a significant opportunity for City Energy to tap into the LPG market and to improve its geographical coverage beyond its current customer network.

In December 2023, KIT announced its commitment of up to S\$159.0 million (€109.0 million) to acquire a 45% effective stake in Enpal B.V. (“Enpal”)’s solar portfolio which is projected to include over 60,000 bundled solar photovoltaic systems across Germany with a projected combined generation capacity of 585 MW. The acquisition of Enpal’s solar portfolio will take place in four phases, in which the First Closing has been completed on 2 January 2024.

Business segments

KIT’s businesses and assets are reported under three core operating segments, namely:

- Energy Transition: Includes infrastructure investments that support the transition to a low-carbon economy;
- Environmental Services: Includes infrastructure investments that provide essential services which protect human health and safeguard the environment; and
- Distribution and Storage: Includes infrastructure investments that support the circular economy and drive economic growth.

The businesses and assets as at 31 December 2023 are summarised below:

Geography/ Segment	Energy Transition	Environmental Services	Distribution and Storage
Singapore	<u>100% Interest</u> City Energy and its subsidiaries <u>51% interest</u> <ul style="list-style-type: none"> • City-OG Gas • TSH • Keppel Merlimau Cogen 	<u>100% Interest</u> <ul style="list-style-type: none"> • Senoko Waste-to-Energy (“WTE”) Plant • Keppel Seghers Tuas WTE Plant • Keppel Seghers Ulu Pandan NEWater Plant • SingSpring Desalination Plant 	
Australia			<u>100% Interest</u> Ixom
Philippines			<u>50% Interest</u> Philippine Coastal
Kingdom of Saudi Arabia	<u>Minority and non-controlling interest</u> Aramco Gas Pipelines Company		
European Union	<u>13.4% interest</u> Wind Fund I (Onshore wind farms) <u>20.5% interest</u> BKR2 (Offshore wind farms)		
South Korea		<u>52% interest</u> Eco Management Korea Holdings Co., Ltd. (“EMK”)	

INTRODUCTION (CONT'D)

Energy Transition

City Energy 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. It provides IoT-enabled home solutions and electric vehicle charging solutions through its sub-brand, City Energy Go. It completed the acquisition of 51% of interest in TSH on 1 October 2023, whose key business is in the retail sale of LPG cylinders to customers in Singapore.

Keppel Merlimau Cogen ("KMC") Plant is a competitive gas-fired power plant in Singapore and generates stable cash flows as a function of availability.

Aramco Gas Pipelines Company ("AGPC") holds a 20-year lease and leaseback agreement commencing from 23 February 2022 over the rights to use of gas pipelines network belonging to a Saudi Arabian Oil Company ("Aramco"). KIT will receive quarterly payments backed by a minimum volume commitment from Aramco, which will retain full ownership and operational control of the gas pipelines network.

Wind Fund I AS holds an existing portfolio with 275MW of operating onshore wind farms projects and 1.1GW of pipeline potential across the Nordics and UK.

BKR2 is an investment in a 465MW operating German offshore wind farms with a remaining useful life until 2053. BKR2 is operated by Ørsted through a 20-year operation and maintenance agreement until 2038, with the operational costs largely fixed, covering scheduled maintenance.

Environmental Services

Environmental services assets typically generate stable cash flows as a function of availability. All our waste-to-energy and water plants follow industry best practices.

EMK is a leading integrated waste management services player in South Korea, offering waste treatment and recycling, as well as waste-to-energy services.

Distribution and Storage

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

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 specialty chemicals.

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 independent 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 fuel oil product demand in the Philippines.

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

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
For the six months and financial year ended 31 December 2023

Consolidated Income Statement

	Note	2H 2023 S\$'000	2H 2022 S\$'000	Change %	Group FY 2023 S\$'000	FY 2022 S\$'000	Change %	
Revenue	3	972,284	1,059,693	(8.2)	2,035,920	2,005,946	1.5	(i)
Other income	4	16,685	5,151	>100.0	35,731	7,572	>100.0	(ii)
Other gains/(losses) - net		36,710	18,237	>100.0	17,408	18,760	(7.2)	(iii)
Expenses								
Fuel and electricity costs		(89,523)	(97,932)	(8.6)	(173,992)	(195,193)	(10.9)	(iv)
Gas transportation, freight and storage costs		(109,368)	(105,672)	3.5	(222,294)	(205,717)	8.1	(iv)
Raw materials, consumables used and changes in inventories		(327,326)	(416,222)	(21.4)	(712,966)	(804,119)	(11.3)	(iv)
Depreciation and amortisation		(97,756)	(81,694)	19.7	(205,127)	(156,684)	30.9	(v)
Impairment loss on financial assets		(57)	(981)	(94.2)	(540)	(1,166)	(53.7)	
Staff costs		(101,985)	(92,564)	10.2	(200,260)	(181,818)	10.1	(vi)
Operation and maintenance costs		(65,143)	(57,393)	13.5	(139,616)	(102,212)	36.6	(iv)
Finance costs		(78,592)	(64,423)	22.0	(162,000)	(111,693)	45.0	(vii)
Trustee-Manager's fees		(42,109)	(13,434)	>100.0	(56,568)	(41,457)	36.4	(viii)
Other operating expenses		(65,729)	(80,182)	(18.0)	(128,564)	(145,016)	(11.3)	(ix)
Total expenses		(977,588)	(1,010,497)	(3.3)	(2,001,927)	(1,945,075)	2.9	
Profit before joint venture		48,091	72,584	(33.7)	87,132	87,203	(0.1)	
Share of results of joint venture		16,702	(67,754)	N/M	25,620	(63,719)	N/M	(x)
Profit/(loss) before tax	5	64,793	4,830	>100.0	112,752	23,484	>100.0	
Income tax expense		(5,757)	(12,003)	(52.0)	(21,825)	(26,313)	(17.1)	(xi)
Profit/(loss) for the period/year		59,036	(7,173)	N/M	90,927	(2,829)	N/M	
Profit attributable to:								
Unitholders of the Trust		57,327	(3,590)	N/M	96,772	868	>100.0	
Perpetual securities holders		13,687	13,687	-	27,150	27,150	-	
Equityholders of the Trust		71,014	10,097	>100.0	123,922	28,018	>100.0	
Non-controlling interests		(11,978)	(17,270)	(30.6)	(32,995)	(30,847)	7.0	
		59,036	(7,173)	N/M	90,927	(2,829)	N/M	
Earnings per unit, expressed in cents								
- basic and diluted		1.02	(0.07)	N/M	1.79	0.02	>100.0	(xii)
Additional information:								
Management believe that EBITDA Is an important measure of performance, although it is not a standard measure under SFRS(I).								
Normalised EBITDA		201,230	229,462	(12.3)	447,579	402,015	11.3	

The Group defines EBITDA as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. The reported EBITDA is before distribution to perpetual securities holders, and excludes effects of any fair value changes of investments and unrealised foreign exchange differences. The EBITDA is also adjusted for revaluation, impairment and investment/divestment transactions to derive a normalised EBITDA. The adjustments made to normalise EBITDA for FY 2023 are as follows: Excludes one-off acquisition related cost incurred (S\$3.7m), unrealised exchange gains (S\$3.3m), fair value gain on the investment in AGPC (S\$9.3m), write-off of EMK's fixed assets (S\$1.7m) and reversal of impairment loss on the Lista onshore wind farm in Norway (\$1.5m). The adjustments made to normalise EBITDA for FY 2022 are as follows: Excludes gain on Ixom's divestment of Fiji business (S\$0.5m), one off acquisition related cost incurred for new investments (S\$58.8m), impairment loss on the Lista onshore wind farm in Norway (S\$7.7m) and investment in Philippine Coastal (\$68.1m), unrealized exchange gain (S\$0.4m), and fair value gain on the investment in AGPC (S\$20.8m).

N/M - Not meaningful

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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

For the six months and financial year ended 31 December 2023

Note:

Please refer to Other Information Paragraph 3 on pages 31 to 33 for Review of Performance for the six months and financial year ended 31 December 2023.

(i) The Group revenue is contributed by:

Energy Transition

- City Energy: Produce and retail of town gas, retail of natural gas, sales of gas appliances and distributor of LPG cylinders in Singapore
- KMC: Provide availability and capacity targets of its power plant to tollor. Fixed payments for meeting availability targets
- AGPC: Distribution income from the investment in AGPC

Environmental Services (Mainly fixed payment for availability of plants capacity)

- Senoko 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
- EMK: Provide waste treatment and recycling, as well as waste-to-energy services

Distribution and Storage

- Ixom: Supply and distribute key water treatment, industrial and speciality chemicals in Australia and New Zealand

(ii) Other income mainly comprises interest income from short-term deposits and other miscellaneous income.

(iii) Other gains/(losses) - net mainly relates to exchange differences, fair value gain/(loss) on derivative financial instruments and financial asset, gain/(loss) on disposal of property, plant and equipment and investment property as well as impairment loss booked during the year.

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

- Cost of fuel and electricity purchased by City Energy for the production and retailing of town and natural gas;
- Transportation cost incurred for the delivery of piped town gas from City Energy to its customers, and for the distribution of chemical products to Ixom's customers;
- Cost of chemicals incurred by Ixom for the manufacturing, supply and distribution to its customers;
- Cost of incineration, treatment of solid and liquid waste for EMK and disposal of waste residue from EMK's waste treatment sites; and
- Cost of operating and maintaining the plants of Environmental Services 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 2022 for the details on the assets useful lives.

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

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

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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

For the six months and financial year ended 31 December 2023

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

Previous Fee Structure prior to 1 July 2022

A base fee of S\$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).

New Fee Structure effective from 1 July 2022

A base fee at a rate equal to 10% per annum of KIT Group's distributable income, before accounting for the base fee and performance fee under the New Fee Structure for the relevant period.

Performance fee is charge at a rate equal to 25% per annum of the increase (if any) in Distribution Per Unit (DPU) as declared by the Trustee-Manager in respect of a financial year as compared with the DPU in respect of the preceding financial year, multiplied by the weighted average number of units in issue for such financial year.

In addition to the base fee and the performance fee, the Trustee-Manager 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% (or 0.5% for an acquisition from its sponsor group) on the enterprise value of the investment acquired and 0.5% for investment divested respectively.

Breakdown of Trustee-Manager's fees are as follows:

	FY 2023	FY 2022
	S\$'000	S\$'000
Base Fee	37,314	8,390
Base Fee prior to the fee structure change	-	1,159
Performance Fee	19,070	-
Performance Fee prior to the fee structure change	-	4,819
Acquisition Fee	184	27,089
Total fees recognised in profit or loss	56,568	41,457
Acquisition fee capitalised as cost of investment	59	7,350
Total fees	56,627	48,807

In FY 2023, acquisition fee of S\$0.2 million was recognised in the profit and loss for the acquisition of TSH. In FY 2022, acquisition fees of S\$27.1 million were recognised in the profit and loss, mainly for the acquisition of AGPC, Bituminous Products and EMK.

Acquisition fee of S\$0.1 million was capitalised as cost of investment in joint ventures for the acquisition of Fäbodliden II. In FY 2022, acquisition fees of S\$7.4 million were capitalised as cost of investment in joint ventures for the acquisition of Wind Fund 1 and BKR2.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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

For the six months and financial year ended 31 December 2023

- (ix) Included in Other operating expenses are mainly business development costs, statutory and corporate expenses, legal and professional fees and miscellaneous expenses.
- (x) Share of results of joint venture mainly relates to the Group's share of Philippine Coastal, Wind Fund I and BKR2's results.
- (xi) Income tax expense comprises 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 unutilised tax losses.
- (xii) Earning per unit ("EPU")

	2H 2023	2H 2022	<u>Group</u> %	FY 2023	FY 2022	%
Weighted average number of units	5,625,747,550	4,991,789,782	12.7	5,409,941,545	4,991,633,197	8.4
EPU						
- based on weighted average numbers of units in issue (cents)						
- basic and diluted	1.02	(0.07) ¹	N/M	1.79	0.02	>100.0

¹ Comprised impact from Ixom divestment of Fiji business, one-off transaction cost incurred for new investments, impairment loss on the Lista onshore wind farm in Norway and investment in Philippine Coastal, unrealized exchange gain and fair value gain on the investment in AGPC. Excluding the above, EPU for 2H 2022 would be 1.54 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 six months and financial year ended 31 December 2023

Consolidated Statement of Comprehensive Income

	2H 2023 S\$'000	2H 2022 S\$'000	Change %	FY 2023 S\$'000	FY 2022 S\$'000	Change %
Profit/(loss) for the period	59,036	(7,173)	N/M	90,927	(2,829)	N/M
Other comprehensive income/(loss):						
<u>Items that may be reclassified subsequently to profit or loss</u>						
Cash flow hedges:						
- Fair value gain/(loss)	(31,900)	14,832	N/M	(23,145)	67,601	N/M
- Transfer to profit or loss	(9,085)	(9,608)	(5.4)	(21,433)	(5,891)	>100.0
Currency translation differences relating to consolidation of foreign operations	5,995	(39,470)	N/M	(16,488)	(31,376)	(47.5)
Currency translation differences reclassified to profit or loss on disposal of foreign subsidiaries	-	(236)	(100.0)	-	(113)	(100.0)
<u>Items that will not be reclassified subsequently to profit or loss</u>						
Remeasurement of defined benefit obligation	1,273	17,655	(92.8)	1,273	17,655	(92.8)
Income tax relating to items that will not be reclassified subsequently	(407)	(5,193)	(92.2)	(407)	(5,193)	(92.2)
Other comprehensive income/(loss), net of tax	(34,124)	(22,020)	55.0	(60,200)	42,683	N/M
Total comprehensive income/(loss)	24,912	(29,193)	N/M	30,727	39,854	(22.9)
Attributable to:						
Unitholders of the Trust	27,989	(23,433)	N/M	46,163	34,219	34.9
Perpetual securities holders	13,687	13,687	-	27,150	27,150	-
Equityholders of the Trust	41,676	(9,746)	N/M	73,313	61,369	19.5
Non-controlling interests	(16,764)	(19,447)	(13.8)	(42,586)	(21,515)	97.9
	24,912	(29,193)	N/M	30,727	39,854	(22.9)

N/M - Not meaningful

Note:

The other comprehensive income items mainly relate 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 31 December 2023

	Note	Group		Trust	
		31 December 2023 S\$'000	31 December 2022 S\$'000 Reclassified*	31 December 2023 S\$'000	31 December 2022 S\$'000
Non-Current Assets					
Property, plant and equipment		1,566,005	1,657,539	-	-
Right-of-use assets		90,096	99,720	-	-
Investment properties		2,448	10,200	-	-
Intangibles	6	1,496,030	1,558,610	-	-
Investment in subsidiaries		-	-	1,559,626	1,869,882
Investment in joint venture		424,051	399,470	-	-
Notes receivables		-	-	623,140	682,557
Loan receivable from joint venture		263,677	269,724	-	-
Amount receivable from subsidiaries		-	-	47,341	5,715
Service concession receivables		93,044	132,604	-	-
Finance lease receivables		38,587	50,888	-	-
Derivative financial instruments		44,424	78,951	1,040	1,979
Investment in financial assets		363,695	362,623	-	-
Other assets		90,097	104,990	-	-
Total non-current assets		4,472,154	4,725,319	2,231,147	2,560,133
Current Assets					
Cash and bank deposits		482,584	535,729	152,231	184,950
Investment in financial assets		24	24	-	-
Trade and other receivables		308,528	316,391	13,642	12,776
Amount receivable from a subsidiary		-	-	6,299	-
Service concession receivables		39,560	52,024	-	-
Finance lease receivables		12,300	11,799	-	-
Derivative financial instruments		3,442	5,641	1,557	4,649
Inventories		241,328	280,144	-	-
Other assets		41,206	35,685	15	66
Total current assets		1,128,972	1,237,437	173,744	202,441
Total assets		5,601,126	5,962,756	2,404,891	2,762,574
Current Liabilities					
Borrowings	7	107,500	800,844	-	579,549
Trade and other payables		382,721	452,389	46,673	26,074
Provisions		31,524	34,655	-	-
Derivative financial instruments		4,721	3,907	620	-
Lease liabilities		13,087	13,207	-	-
Income tax payable		13,394	21,593	439	241
Total current liabilities		552,947	1,326,595	47,732	605,864
Net current assets/(liabilities)		576,025	(89,158)	126,012	(403,423)

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)

As at 31 December 2023

	Note	Group		Trust	
		31 December 2023 S\$'000	31 December 2022 S\$'000 Reclassified*	31 December 2023 S\$'000	31 December 2022 S\$'000
Non-Current Liabilities					
Borrowings	7	2,609,511	2,106,321	703,041	498,840
Notes payable to non-controlling interests		245,000	245,000	-	-
Loan from a related party		45,054	2,179	-	-
Loan from a subsidiary		-	-	142,000	-
Derivative financial instruments		3,555	1,857	1,613	-
Other payables		203,542	185,370	-	-
Provisions		17,698	17,082	-	-
Lease liabilities		60,373	67,911	-	-
Defined benefit obligation		1,389	5,163	-	-
Purchase commitments for minority interests' shares		17,164	-	-	-
Deferred tax liabilities		71,996	98,122	-	-
Total non-current liabilities		3,275,282	2,729,005	846,654	498,840
Total liabilities		3,828,229	4,055,600	894,386	1,104,704
Net assets		1,772,897	1,907,156	1,510,505	1,657,870
Represented by:					
Unitholders' Funds					
Units in issue	8	2,923,863	2,629,502	2,923,863	2,629,502
Hedging reserve		16,882	50,012	365	6,629
Translation reserve		(59,753)	(41,408)	-	-
Capital reserve		26,452	46,214	-	-
Defined benefit plan reserve		7,310	6,444	-	-
Share based payment reserve		176	2,142	-	-
Accumulated losses		(2,040,502)	(1,728,980)	(2,011,381)	(1,575,919)
Total Unitholders' Funds		874,428	963,926	912,847	1,060,212
Perpetual securities		597,658	597,658	597,658	597,658
Total Equityholders' Funds		1,472,086	1,561,584	1,510,505	1,657,870
Non-controlling interests		300,811	345,572	-	-
		1,772,897	1,907,156	1,510,505	1,657,870

* In accordance with SFRS(I) 3 "Business Combinations", pursuant to the ongoing purchase price allocation exercise for the acquisition of EMK, the Group has reclassified an amount of S\$10.2 million from Property, plant and equipment to Investment properties. There is no impact to the amount of goodwill arising from acquisition and consolidated income statement in relation to the reclassification.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)

As at 31 December 2023

Net asset value ("NAV") per unit

	Group			Trust		
	31 December 2023	31 December 2022	%	31 December 2023	31 December 2022	%
NAV per unit (cents)	15.5	19.3	(19.7)	16.2	21.2	(23.6)
Adjusted NAV per unit (cents) - (after distribution payable to unitholders)	14.6	17.4	(16.0)	15.2	19.3	(21.2)

The Group NAV per unit before hedging and translation reserves was 16.3 cents as at 31 December 2023 and 19.1 cents as at 31 December 2022. The Trust NAV per unit before hedging reserves was 16.2 cents as at 31 December 2023 and 21.1 cents as at 31 December 2022.

The Group NAV per unit including perpetual securities was 26.2 cents as at 31 December 2023 and 31.3 cents as at 31 December 2022. The Trust NAV per unit including perpetual securities was 26.8 cents as at 31 December 2023 and 33.2 cents as at 31 December 2022.

The number of units used for computation of NAV per unit and adjusted NAV per unit were 5,625,785,886 and 4,991,789,782 which were the number of units in issue as at 31 December 2023 and 31 December 2022 respectively.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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

Group	Note	Attributable to Unitholders of the Trust							Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Non-controlling Interests S\$'000	Total S\$'000
		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				
2023												
At 1 January 2023		2,629,502	50,012	(41,408)	46,214	6,444	2,142	(1,728,980)	963,926	597,658	345,572	1,907,156
<u>Total comprehensive income</u>												
Profit/(loss) for the period		-	-	-	-	-	-	39,445	39,445	13,463	(21,017)	31,891
Other comprehensive income for the period		-	(755)	(20,516)	-	-	-	-	(21,271)	-	(4,805)	(26,076)
Total		-	(755)	(20,516)	-	-	-	39,445	18,174	13,463	(25,822)	5,815
<u>Transactions with owners, recognised directly in equity</u>												
Contributions by and distributions to owners:												
Units issued		299,820	-	-	-	-	-	-	299,820	-	-	299,820
Issuance cost		(5,075)	-	-	-	-	-	-	(5,075)	-	-	(5,075)
Recognition of share-based payments		-	-	-	-	251	-	-	251	-	-	251
Contribution by non-controlling shareholders		-	-	-	-	-	-	-	-	-	1,289	1,289
Distributions paid		-	-	-	-	-	-	(157,247)	(157,247)	(13,538)	(5,348)	(176,133)
Total		294,745	-	-	-	251	-	(157,247)	137,749	(13,538)	(4,059)	120,152
At 30 June 2023		2,924,247	49,257	(61,924)	46,214	6,444	2,393	(1,846,782)	1,119,849	597,583	315,691	2,033,123
<u>Total comprehensive income</u>												
Profit/(loss) for the period		-	-	-	-	-	-	57,327	57,327	13,687	(11,978)	59,036
Other comprehensive income for the period		-	(32,375)	2,171	-	866	-	-	(29,338)	-	(4,786)	(34,124)
Total		-	(32,375)	2,171	-	866	-	57,327	27,989	13,687	(16,764)	24,912
<u>Transactions with owners, recognised directly in equity</u>												
Contributions by and distributions to owners:												
Units issued		136	-	-	-	-	-	-	136	-	-	136
Issuance cost		(520)	-	-	-	-	-	-	(520)	-	-	(520)
Recognition of share-based payments		-	-	-	-	37	-	-	37	-	-	37
Transfer from equity to liability upon change in settlement method of share-based payments		-	-	-	-	-	(2,254)	(26,578)	(28,832)	-	-	(28,832)
Contribution by non-controlling shareholders		-	-	-	-	-	-	-	-	-	3,917	3,917
Effects of changes in minority interests with purchase commitments		-	-	-	(19,762)	-	-	-	(19,762)	-	-	(19,762)
Distributions paid		-	-	-	-	-	-	(224,469)	(224,469)	(13,612)	(7,981)	(246,062)
Total		(384)	-	-	(19,762)	-	(2,217)	(251,047)	(273,410)	(13,612)	(4,064)	(291,086)
<u>Changes in ownership interest in subsidiaries</u>												
Acquisition of interest in a subsidiary		-	-	-	-	-	-	-	-	-	5,948	5,948
At 31 December 2023		2,923,863	16,882	(59,753)	26,452	7,310	176	(2,040,502)	874,428	597,658	300,811	1,772,897

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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

<u>Group</u>	Note	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
2022												
At 1 January 2022		2,629,211	3,837	(16,122)	38,710	(6,018)	773	(1,538,673)	1,111,718	597,622	30,725	1,740,065
<u>Total comprehensive income</u>												
Profit/(loss) for the period		-	-	-	-	-	-	4,458	4,458	13,463	(13,576)	4,345
Other comprehensive income for the period		-	45,017	8,177	-	-	-	-	53,194	-	11,509	64,703
Total		-	45,017	8,177	-	-	-	4,458	57,652	13,463	(2,067)	69,048
<u>Transactions with owners, recognised directly in equity</u>												
Contributions by and distributions to owners:												
Units issued		291	-	-	-	-	-	-	291	-	-	291
Recognition of share-based payments		-	-	-	-	-	696	-	696	-	-	696
Effects of acquiring part of non-controlling interests in a subsidiary		-	-	-	7,504	-	-	-	7,504	-	(4,360)	3,144
Distributions paid		-	-	-	-	-	-	(95,832)	(95,832)	(13,536)	-	(109,368)
Total		291	-	-	7,504	-	696	(95,832)	(87,341)	(13,536)	(4,360)	(105,237)
At 30 June 2022		2,629,502	48,854	(7,945)	46,214	(6,018)	1,469	(1,630,047)	1,082,029	597,549	24,298	1,703,876
<u>Total comprehensive income</u>												
Profit/(loss) for the period		-	-	-	-	-	-	(3,590)	(3,590)	13,687	(17,270)	(7,173)
Other comprehensive income for the period		-	1,158	(33,463)	-	12,462	-	-	(19,843)	-	(2,177)	(22,020)
Total		-	1,158	(33,463)	-	12,462	-	(3,590)	(23,433)	13,687	(19,447)	(29,193)
<u>Transactions with owners, recognised directly in equity</u>												
Contributions by and distributions to owners:												
Reversal of issuance cost		-	-	-	-	-	-	-	-	35	-	35
Recognition of share-based payments		-	-	-	-	-	673	-	673	-	-	673
Distributions paid		-	-	-	-	-	-	(95,343)	(95,343)	(13,613)	(339)	(109,295)
Total		-	-	-	-	-	673	(95,343)	(94,670)	(13,578)	(339)	(108,587)
<u>Changes in ownership interest in subsidiaries</u>												
Acquisition of interest in a subsidiary		-	-	-	-	-	-	-	-	-	341,060	341,060
At 31 December 2022		2,629,502	50,012	(41,408)	46,214	6,444	2,142	(1,728,980)	963,926	597,658	345,572	1,907,156

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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

<u>Trust</u>	Units in issue S\$'000	Hedging reserve S\$'000	Accumulated losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Total S\$'000
2023						
At 1 January 2023	2,629,502	6,629	(1,575,919)	1,060,212	597,658	1,657,870
<u>Total comprehensive income</u>						
Profit/(loss) for the period	-	-	(12,809)	(12,809)	13,463	654
Other comprehensive income for the period	-	(1,442)	-	(1,442)	-	(1,442)
Total	-	(1,442)	(12,809)	(14,251)	13,463	(788)
<u>Transactions with owners, recognised directly in equity</u>						
Contributions by and distributions to owners:						
Units issued	299,820	-	-	299,820	-	299,820
Issuance cost	(5,075)	-	-	(5,075)	-	(5,075)
Distributions paid	-	-	(157,247)	(157,247)	(13,538)	(170,785)
Total	294,745	-	(157,247)	137,498	(13,538)	123,960
At 30 June 2023	2,924,247	5,187	(1,745,975)	1,183,459	597,583	1,781,042
<u>Total comprehensive income</u>						
Profit/(loss) for the period	-	-	(40,937)	(40,937)	13,687	(27,590)
Other comprehensive income for the period	-	(4,822)	-	(4,822)	-	(4,822)
Total	-	(4,822)	(40,937)	(45,759)	13,687	(32,072)
<u>Transactions with owners, recognised directly in equity</u>						
Contributions by and distributions to owners:						
Units issued	136	-	-	136	-	136
Issuance cost	(520)	-	-	(520)	-	(520)
Distributions paid	-	-	(224,469)	(224,469)	(13,612)	(238,081)
Total	(384)	-	(224,469)	(224,853)	(13,612)	(238,465)
At 31 December 2023	2,923,863	365	(2,011,381)	912,847	597,658	1,510,505

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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

<u>Trust</u>	Units in issue S\$'000	Hedging reserve S\$'000	Accumulated losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Total S\$'000
2022						
At 1 January 2022	2,629,211	875	(1,325,759)	1,304,327	597,622	1,901,949
<u>Total comprehensive income</u>						
Profit/(loss) for the period	-	-	58,355	58,355	13,463	71,818
Other comprehensive income for the period	-	2,961	-	2,961	-	2,961
Total	-	2,961	58,355	61,316	13,463	74,779
<u>Transactions with owners, recognised directly in equity</u>						
Contributions by and distributions to owners:						
Units issued	291	-	-	291	-	291
Distributions paid	-	-	(95,832)	(95,832)	(13,538)	(109,370)
Total	291	-	(95,832)	(95,541)	(13,538)	(109,079)
At 30 June 2022	2,629,502	3,836	(1,363,236)	1,270,102	597,547	1,867,649
<u>Total comprehensive income</u>						
Profit/(loss) for the period	-	-	(117,340)	(117,340)	13,687	(103,653)
Other comprehensive income for the period	-	2,793	-	2,793	-	2,793
Total	-	2,793	(117,340)	(114,547)	13,687	(100,860)
<u>Transactions with owners, recognised directly in equity</u>						
Contributions by and distributions to owners:						
Reversal of issuance cost	-	-	-	-	36	36
Distributions paid	-	-	(95,343)	(95,343)	(13,612)	(108,955)
Total	-	-	(95,343)	(95,343)	(13,576)	(108,919)
At 31 December 2022	2,629,502	6,629	(1,575,919)	1,060,212	597,658	1,657,870

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2H 2023 S\$'000	2H 2022 S\$'000	<u>Group</u> FY 2023 S\$'000	FY 2022 S\$'000
Operating activities					
Profit before tax		64,793	4,830	112,752	23,484
Adjustments for:					
Depreciation and amortisation		97,756	81,694	205,127	156,684
Finance costs		78,592	64,423	162,000	111,693
Interest income		(9,481)	(4,544)	(26,455)	(5,630)
Impairment loss on financial assets		57	981	540	1,166
Impairment loss on property, plant and equipment and right-of-use assets		-	-	45	-
Inventories written down		-	-	7	-
Fixed assets written down		1,727	-	1,727	-
Intangibles written down		5	-	5	-
Fair value gain on derivative financial instruments		(2,526)	(2)	(2,340)	(52)
Fair value gain on investment in financial assets measured at FVTPL		(31,394)	(20,823)	(9,261)	(20,823)
Share-based payment expense		37	685	288	873
Loss/(gain) on disposal of property, plant and equipment and investment property		(334)	552	514	551
Loss/(gain) on disposal of subsidiaries		-	11	-	(459)
Share of results of joint venture		(16,702)	67,754	(25,620)	63,719
Unrealised foreign exchange differences		(10,058)	32,557	(8,805)	15,954
Management fees paid in units	8	136	-	387	291
Operating cash flows before movements in working capital		172,608	228,118	410,911	347,451
Trade and other receivables		34,170	3,798	22,434	(24,017)
Service concession receivables		26,626	25,312	52,025	50,556
Finance lease receivables		5,949	5,720	11,799	11,346
Trade and other payables		48,932	70,067	(73,283)	27,716
Inventories		20,515	(12,313)	39,441	(30,061)
Cash generated from operations		308,800	320,702	463,327	382,991
Interest received		9,361	4,332	26,395	5,412
Interest paid		(67,053)	(59,217)	(148,441)	(103,618)
Income tax paid		(18,554)	(13,951)	(48,381)	(40,183)
Net cash from operating activities		232,554	251,866	292,900	244,602
Investing activities					
Acquisition of subsidiaries, net of cash acquired	A	(14,160)	(605,507)	(14,160)	(672,573)
Net cash inflow on disposal of subsidiary		-	-	-	2,086
Investment in financial assets measured at FVTPL		-	-	-	(336,620)
Dividends received from joint venture		7,977	-	13,998	-
Repayment of advances from joint venture		4,012	-	14,242	-
Investment in joint venture		(5,706)	(532,595)	(12,821)	(532,595)
Purchase of property, plant and equipment, right-of-use assets and intangible assets		(36,114)	(28,589)	(54,789)	(44,422)
Proceeds from sale of property, plant and equipment		393	177	399	424
Proceeds from sale of investment property		7,881	-	7,881	-
Net cash used in investing activities		(35,717)	(1,166,514)	(45,250)	(1,583,700)
Financing activities					
(Increase)/decrease in restricted cash		(256)	(386)	5,486	(1,509)
Proceeds from issuance of units (net)	8	(520)	-	293,974	-
Proceeds from non-controlling interests of subsidiaries		3,917	341,206	5,206	341,206
Acquisition of non-controlling interests in a subsidiary		-	(401)	-	(12,402)
Proceeds from issuance of perpetual securities (net)		-	36	-	36
Proceeds from borrowings		980,416	954,179	1,143,197	1,493,674
Repayment of borrowings		(738,329)	(262,187)	(1,301,001)	(516,423)
Loan from a related party		-	-	42,875	-
Repayment of obligations under finance leases		(8,892)	(9,569)	(18,029)	(16,441)
Payment of loan upfront fees		(11,076)	(8,609)	(13,277)	(9,598)
Distributions paid to Perpetual securities holders		(13,612)	(13,612)	(27,150)	(27,150)
Distributions paid to Unitholders of the Trust		(224,469)	(95,343)	(381,716)	(191,175)
Distributions paid by subsidiaries to non-controlling interests		(7,981)	(339)	(13,329)	(339)
Settlement of share-based payment plan		(32,383)	-	(32,383)	-
Net cash (used in) / from financing activities		(53,185)	904,975	(296,147)	1,059,879
Net increase / (decrease) in cash and cash equivalents		143,652	(9,673)	(48,497)	(279,219)
Cash and cash equivalents at beginning of the period		332,234	540,745	526,868	809,751
Effect of currency translation on cash and cash equivalents		3,323	(4,204)	838	(3,664)
Cash and cash equivalents at end of the period	B	479,209	526,868	479,209	526,868

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

A. Acquisitions of subsidiary and businesses

During the current year, the Group's wholly-owned subsidiary, City Energy, has completed the acquisition of a 51% stake in TSH on 1 October 2023. The provisional fair values of the net assets of the subsidiary acquired are as follows:

	Fair value S\$'000
Property, plant and equipment	5,122
Identifiable intangible assets	3,450
Inventories	632
Financial assets	5,160
Financial liabilities	(2,226)
Total identifiable assets acquired and liabilities assumed	<u>12,138</u>
Consideration transferred	18,266
Add: Non-controlling interests	5,948
Less: Recognised amounts of net assets acquired	(12,138)
Goodwill arising on acquisition	<u>12,076</u>
Net cash outflow arising on acquisition:	
Cash consideration	18,266
Less: Deferred consideration	(6,704)
Less: Cash and cash equivalent balances acquired	-
Add: Fair value of call/put option, net	2,598
	<u>14,160</u>

The purchase price allocation of the above acquisition of TSH for the year ended 31 December 2023 is provisional and the Group expects to complete the purchase price allocation exercise within 12 months from date of acquisition.

B. Cash and Cash Equivalents

	31 December 2023 S\$'000	31 December 2022 S\$'000
Cash and bank deposits	482,584	535,729
Less: Restricted cash	(3,375)	(8,861)
Cash and cash equivalents	<u>479,209</u>	<u>526,868</u>

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.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months and financial year ended 31 December 2023

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 2004.

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 six months and financial year ended 31 December 2023 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 interim financial statements for the period ended 30 June 2023 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 2022, except for the adoption of new and revised standards effective as of 1 January 2023.

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:

- SFRS(I) 17 Insurance Contracts (including November 2020 and December 2021 Amendments to SFRS(I) 17)
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8: Definition of Accounting Estimates
- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules¹

The adoption of the above new or amended SFRS(I)s, SFRS (I) Interpretations and amendments to SFRS(I)s has no material effect on the disclosures or on the amounts reported in the condensed interim consolidated financial statements of the Group.

¹ The Group has applied the exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the six months and financial year ended 31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Critical Accounting Judgments and Estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's consolidated financial statements as at and for the year ended 31 December 2022. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. REVENUE

	Energy Transition	Environmental services	Distribution and Storage	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Six months ended 31 December 2023				
Segment Revenue & timing of revenue recognition				
At a point in time:				
- Sale of goods	195,257	-	555,009	750,266
- Distribution income	18,202	-	-	18,202
Over time:				
- Service income	55,522	64,211	11,854	131,587
- Finance income from service concession arrangements	-	3,407	-	3,407
- Finance lease income	-	663	-	663
- Operation and maintenance income	13,749	40,081	14,329	68,159
	282,730	108,362	581,192	972,284
Six months ended 31 December 2022				
Segment Revenue & timing of revenue recognition				
At a point in time:				
- Sale of goods	198,966	-	659,354	858,320
- Distribution income	26,543	-	-	26,543
Over time:				
- Service income	58,826	26,058	14,611	99,495
- Finance income from service concession arrangements	-	4,122	-	4,122
- Finance lease income	-	935	-	935
- Operation and maintenance income	12,953	40,965	16,360	70,278
	297,288	72,080	690,325	1,059,693

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months and financial year ended 31 December 2023

3. REVENUE (CONT'D)

	Energy Transition S\$'000	Environmental services S\$'000	Distribution and Storage S\$'000	Total S\$'000
FY 2023				
Segment Revenue & timing of revenue recognition				
At a point in time:				
- Sale of goods	386,873	-	1,169,925	1,556,798
- Distribution income	48,753	-	-	48,753
Over time:				
- Service income	116,101	135,800	30,019	281,920
- Finance income from service concession arrangements	-	6,814	-	6,814
- Finance lease income	-	1,362	-	1,362
- Operation and maintenance income	27,501	85,522	27,250	140,273
	<u>579,228</u>	<u>229,498</u>	<u>1,227,194</u>	<u>2,035,920</u>
FY 2022				
Segment Revenue & timing of revenue recognition				
At a point in time:				
- Sale of goods	377,752	-	1,265,394	1,643,146
- Distribution income	26,543	-	-	26,543
Over time:				
- Service income	118,099	31,263	30,222	179,584
- Finance income from service concession arrangements	-	8,244	-	8,244
- Finance lease income	-	1,853	-	1,853
- Operation and maintenance income	25,904	82,655	38,017	146,576
	<u>548,298</u>	<u>124,015</u>	<u>1,333,633</u>	<u>2,005,946</u>

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months and financial year ended 31 December 2023

4. OTHER INCOME

	Six months ended 31 December		Financial year ended 31 December	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Interest income	9,481	4,544	26,455	5,630
Other miscellaneous income	7,204	607	9,276	1,942
	<u>16,685</u>	<u>5,151</u>	<u>35,731</u>	<u>7,572</u>

5. PROFIT BEFORE TAX

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

	Six months ended 31 December		Financial year ended 31 December	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Fair value gain on derivative financial instruments	2,526	2	2,340	52
Fair value gain on investment in financial assets at fair value through profit or loss ("FVTPL") – Note (i)	31,394	20,823	9,261	20,823
Exchange differences – Note (ii)	2,457	985	6,367	988
Cost of inventories recognised as an expense	(331,828)	(421,161)	(722,066)	(813,889)
Legal and other related professional fees – Note (iii)	(5,039)	(8,684)	(9,352)	(13,956)
Fixed assets and intangibles written off to expense – Note (iv)	<u>(1,732)</u>	<u>-</u>	<u>(1,732)</u>	<u>-</u>

- (i) The fair value gain recorded for the year ended 31 December 2023 was attributed to the investment in AGPC. Despite higher forecasted gas volumes, KIT's fair valuation of its investment in AGPC is expected to decline when quarterly distributions are received by KIT over time due to AGPC having a 20-year lease and leaseback agreement. Consequently, the total fair value gain recorded for the financial year ended 31 December 2023 was lower than the fair value gain recorded for the financial year ended 31 December 2022.
- (ii) The increase in foreign exchange gain was mainly due to the settlement of favorable currency hedge for AUD and USD.
- (iii) The decrease in legal and other related professional fees was mainly due to higher legal and professional fees incurred by Ixom in relation to its bolt-on acquisitions in FY 2022.
- (iv) This relates to the write-off of fixed assets and intangibles of EMK in FY 2023.

6. INTANGIBLES

Intangible assets comprise goodwill arising on consolidation, concession arrangements customer contracts and relationships and software.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months and financial year ended 31 December 2023

7. BORROWINGS

	Group	
	31 December 2023	31 December 2022
	S\$'000	S\$'000
Unsecured borrowings		
Amount repayable within one year	20,000	584,349
Amount repayable after one year	1,022,194	676,490
	1,042,194	1,260,839
Secured borrowings		
Amount repayable within one year	87,500	216,495
Amount repayable after one year	1,587,317	1,429,831
	1,674,817	1,646,326
Total borrowings	2,717,011	2,907,165

Interest coverage ratio is 2.8x, which is computed as trailing 12 months EBITDA over trailing 12 months interest expense on borrowings and distributions on hybrid securities.

Details of collaterals

The bank borrowings granted to Ixom is secured over the assets and business undertakings of Ixom. The bank borrowings granted to KMC is secured mainly by an assignment of KMC's rights under the Capacity Tolling Agreement ("CTA").

The bank borrowings granted to One Eco Co., Ltd is secured mainly over the shares in EMK held by One Eco Co., Ltd and the bank accounts of One Eco Co., Ltd.

8. UNITS IN ISSUE

	Group and Trust	
	Issued Units	S\$'000
At 31 December 2022 and 1 January 2023	4,991,789,782	2,629,502
Units issued to the Trustee-Manager ¹	735,410	387
Units issued for cash ²	633,260,694	293,974
At 31 December 2023	5,625,785,886	2,923,863

Note:

¹ Relates to the payment of 3.0% of 2H 2022 and 0.9% of 1H 2023 management fees in the form of units to the Trustee-Manager.

² On 18 May 2023, KIT completed its equity fund raising ("EFR") to raise gross proceeds of S\$299,569,000 for the partial repayment of the bridge loan facilities to fund the acquisitions of EMK, BKR2 and Wind Fund I. The issuance cost was S\$5,595,000.

The EFR comprised (a) a placement of approximately 383.6 million new units to institutional and other investors and (b) a preferential offering of approximately 249.6 million new units to entitled unitholders. The offering price for the placement and preferential offering were S\$0.477 and S\$0.467 respectively.

As announced on 28 April 2023 and 22 May 2023, the proceeds from the EFR were fully utilised and the use of proceeds is in accordance with the stated use as announced previously by the Trustee-Manager.

The Group and Trust do not hold any treasury units as at 31 December 2023 and 31 December 2022.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months and financial year ended 31 December 2023

9. SIGNIFICANT COMMITMENTS

The Group had no additional significant capital expenditure/commitments entered into during the 2H 2023 that are not provided for in the financial statements.

10. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant transactions between the Group and its related parties took place at terms agreed between the parties during the 2H 2023:

	2H 2023 S\$'000
Sale of goods and services	41,579
Purchase of goods and services	(141,430)
Interest expense	(21,614)
Trustee-Manager's fees	<u>(42,168)</u>

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months and financial year ended 31 December 2023

11. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

The following table presents the assets and liabilities measured at fair value.

Financial assets/ financial liabilities	Fair value as at				Valuation techniques	Fair value hierarchy	Significant unobservable input	Sensitivity of unobservable inputs to fair value
	31 December 2023		31 December 2022					
	Assets	Liabilities	Assets	Liabilities				
Group	S\$'000	S\$'000	S\$'000	S\$'000				
Investments in financial assets at FVTPL	363,607	-	362,560	-	Discounted cash flows which include assumptions not supported by observable market data	Level 3	(i) Gas volumes above the minimum volume commitment ("non-MVC") (ii) Growth rate of tariffs received for non-MVC volumes (iii) Discount rate	Note 2
Interest rate swaps	38,861	-	79,051	(1,857)	Note 1	Level 2	N.A	N.A
Foreign currency forward	3,554	(5,040)	5,541	(3,885)	Note 1	Level 2	N.A	N.A
Commodity swap	2,245	(30)	-	(22)	Note 1	Level 2	N.A	N.A

Note 1: 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.

Note 2: Investment in financial assets designated as at FVTPL mainly refers to the investment in AGPC. Quarterly tariff payments received are backed by a minimum volume commitment from Aramco. The discounted cash flows include projection of gas volumes and tariff payments for the non-MVC volumes. The volume projections were provided by an external consultant based on the expected future economic outlook of Kingdom of Saudi Arabia, local policies, supply and demand of oil and gas etc.

Assuming all other variables were held constant, if the following significant unobservable inputs increase/decrease by 1%, the fair value of the investment in AGPC as at 31 December 2023 would increase/(decrease) by:

- (i) Non-MVC volumes: \$0.32 million / (\$0.44 million)
- (ii) Growth rate of tariffs received on non-MVC volumes from Aramco: \$21.0 million / (\$19.1 million)
- (iii) Discount rate: (\$22.7 million) / \$25.5 million

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the six months and financial year ended 31 December 2023

11. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D)

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

Financial assets / financial liabilities	Fair value as at			
	31 December 2023		31 December 2022	
	Assets S\$'000	Liabilities S\$'000	Assets S\$'000	Liabilities S\$'000
Trust				
Interest rate swaps	-	(335)	1,954	-
Foreign currency forwards	1,670	(970)	4,675	-

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.

12. 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 Transition: production and retailing of town gas and retailing of natural gas and LPG in Singapore, tolling arrangement for the power plant in Singapore, leasing of gas pipelines and sale of electricity produced by wind turbines;
- Environmental Services: concessions in relation to the desalination plant, water treatment plant, recycling and waste-to-energy plants in Singapore and South Korea;
- Distribution & Storage: supplying and distributing water treatment chemicals, industrial and specialty chemicals and storage of petroleum products; and
- Corporate: investment holding, asset management and business development.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the six months and financial year ended 31 December 2023

12. SEGMENT ANALYSIS (CONT'D)

Information regarding the Trust's reportable segments for six months and financial year ended 31 December 2023 are shown below:

By Business Segment

	Energy Transition S\$'000	Environmental Services S\$'000	Distribution & Storage S\$'000	Corporate S\$'000	Total S\$'000
2H 2023					
Revenue	282,730	108,362	581,192	-	972,284
Profit/(loss) before tax	81,790	(6,862)	3,180	(13,315)	64,793
Funds from Operations ("FFO")¹	95,424	40,520	34,854	(73,713)	97,085
Other segment items:					
Depreciation and amortisation	(42,929)	(28,246)	(26,581)	-	(97,756)
Fair value gain on derivative financial instruments	2,526	-	-	-	2,526
Impairment loss on trade and other receivables (net)	(244)	234	(47)	-	(57)
Share of results of joint venture	12,653	-	4,049	-	16,702
Finance costs ²	(33,997)	(14,010)	(17,995)	(12,590)	(78,592)

A reconciliation of Profit after tax to Funds from Operations is provided as follows:

Profit after tax	59,036
Income tax expense	5,757
Profit before tax	64,793
Reduction in concession/lease receivables	32,575
Transaction costs in relation to acquisition	1,681
Tax paid	(18,554)
Maintenance capital expenditure	(30,743)
Non-cash finance cost	4,609
Depreciation and amortisation	97,756
Share of results of joint ventures	(16,702)
Distribution to perpetual securities holders	(13,687)
FFO from joint venture	38,218
Payment of upfront fees and legal fees	(11,217)
Other adjustments ³	(38,773)
FFO and finance cost attributable to non-controlling interest	(12,871)
Funds from Operations	97,085

Segment and consolidated total assets	2,918,607	1,159,361	1,358,508	164,650	5,601,126
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Segment liabilities	1,633,056	393,526	944,627	771,630	3,742,839
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Unallocated liabilities:					
Current tax liabilities					13,394
Deferred tax liabilities					71,996
Consolidated total liabilities					3,828,229

Other segment items:					
- additions to non-current assets	12,190	10,739	21,196	-	44,125

¹ Funds from operations is defined as profit/(loss) after tax 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.

² Excludes interest payable on notes issued by subsidiaries to KIT.

³ Other adjustments include payment of lease expenses, reversal of fair value or unrealised exchange gains/(losses) and non-cash adjustments etc.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the six months and financial year ended 31 December 2023

12. SEGMENT ANALYSIS (CONT'D)

By Business Segment (Cont'd)

	Energy Transition S\$'000	Environmental Services S\$'000	Distribution & Storage S\$'000	Corporate S\$'000	Total S\$'000
2H 2022					
Revenue	297,288	72,080	690,325	-	1,059,693
Profit/(loss) before tax	37,476	(1,342)	(22,783)	(8,521)	4,830
Funds from Operations ("FFO") ¹	78,916	37,064	59,680	(35,798)	139,862
Other segment items:					
Depreciation and amortisation	(41,818)	(9,535)	(30,341)	-	(81,694)
Fair value gain on derivative financial instruments	2	-	-	-	2
Impairment loss on trade and other receivables (net)	(395)	(7)	(579)	-	(981)
Share of results of joint venture	(2,274)	-	(65,480)	-	(67,754)
Finance costs ²	(29,802)	(8,521)	(14,379)	(11,721)	(64,423)
A reconciliation of Profit after tax to Funds from Operations is provided as follows:					
Profit/(loss) after tax					(7,173)
Income tax expense					12,003
Profit before tax					4,830
Reduction in concession/lease receivables					31,032
Transaction costs in relation to acquisition					26,994
Tax paid					(13,687)
Maintenance capital expenditure					(25,321)
Non-cash finance cost					3,284
Depreciation and amortisation					81,694
Share of results of joint ventures					67,755
Distribution to perpetual securities holders					(13,687)
FFO from joint venture					10,418
Payment of upfront fees and legal fees					(200)
Other adjustments ³					(31,229)
FFO and finance cost attributable to non-controlling interest					(2,021)
Funds from Operations					139,862
Segment and consolidated total assets	3,002,946	1,262,727	1,496,046	201,037	5,962,756
Segment liabilities	1,565,710	386,435	879,004	1,104,736	3,935,885
Unallocated liabilities:					
Current tax liabilities					21,593
Deferred tax liabilities					98,122
Consolidated total liabilities					4,055,600
Other segment items:					
- additions to non-current assets	18,354	2,839	16,615	-	37,808

¹ Funds from operations is defined as profit/(loss) after tax 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.

² Excludes interest payable on notes issued by subsidiaries to KIT.

³ Other adjustments include payment of lease expenses, reversal of fair value or unrealised exchange gains/(losses) and non-cash adjustments etc.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the six months and financial year ended 31 December 2023

12. SEGMENT ANALYSIS (CONT'D)

By Business Segment (Cont'd)

	Energy Transition S\$'000	Environmental Services S\$'000	Distribution & Storage S\$'000	Corporate S\$'000	Total S\$'000
FY 2023					
Revenue	579,228	229,498	1,227,194	-	2,035,920
Profit/(loss) before tax	125,483	(23,849)	54,302	(43,184)	112,752
Funds from Operations ("FFO")¹	214,100	83,442	77,092	(118,932)	255,702
Other segment items:					
Depreciation and amortisation	(85,176)	(66,666)	(53,285)	-	(205,127)
Fair value gain on derivative financial instruments	2,340	-	-	-	2,340
Impairment loss on trade and other receivables (net)	(776)	169	67	-	(540)
Share of results of joint ventures	20,365	-	5,255	-	25,620
Finance costs ²	(66,752)	(28,657)	(36,707)	(29,884)	(162,000)
A reconciliation of Profit after tax to Funds from Operations is provided as follows:					
Profit after tax					90,927
Income tax expense					21,825
Profit before tax					112,752
Reduction in concession/lease receivables					63,824
Transaction costs in relation to acquisition					3,693
Tax paid					(48,381)
Maintenance capital expenditure					(47,588)
Non-cash finance cost					7,835
Depreciation and amortisation					205,127
Share of results of joint ventures					(25,620)
Distribution to perpetual securities holders					(27,150)
FFO from joint venture					76,776
Payment of upfront fees and legal fees					(13,418)
Other adjustments ³					(23,803)
FFO and finance cost attributable to non-controlling interest					(28,345)
Funds from Operations					255,702
Segment and consolidated total assets	2,918,607	1,159,361	1,358,508	164,650	5,601,126
Segment liabilities	1,633,056	393,526	944,627	771,630	3,742,839
Unallocated liabilities:					
Current tax liabilities					13,394
Deferred tax liabilities					71,996
Consolidated total liabilities					3,828,229
Other segment items:					
- additions to non-current assets	16,363	16,397	33,754	-	66,514

¹ Funds from operations is defined as profit/(loss) after tax 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.

² Excludes interest payable on notes issued by subsidiaries to KIT.

³ Other adjustments include payment of lease expenses, reversal of fair value or unrealised exchange gains/(losses) and non-cash adjustments etc.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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12. SEGMENT ANALYSIS (CONT'D)

By Business Segment (Cont'd)

	Energy Transition S\$'000	Environmental Services S\$'000	Distribution & Storage S\$'000	Corporate S\$'000	Total S\$'000
FY 2022					
Revenue	548,298	124,015	1,333,633	-	2,005,946
Profit/(loss) before tax	42,503	7,329	25,073	(51,421)	23,484
Funds from Operations ("FFO")¹	115,667	78,764	103,991	(66,075)	232,347
Other segment items:					
Depreciation and amortisation	(82,285)	(13,251)	(61,148)	-	(156,684)
Fair value gain on derivative financial instruments	52	-	-	-	52
Impairment loss on trade and other receivables (net)	(576)	(7)	(583)	-	(1,166)
Share of results of joint venture	(2,274)	-	(61,445)	-	(63,719)
Finance costs ²	(59,038)	(8,875)	(26,254)	(17,526)	(111,693)

A reconciliation of Profit after tax to Funds from Operations is provided as follows:

Profit/(loss) after tax	(2,829)
Income tax expense	26,313
Profit before tax	23,484
Reduction in concession/lease receivables	61,902
Transaction costs in relation to acquisition	58,820
Tax paid	(39,903)
Maintenance capital expenditure	(40,731)
Non-cash finance cost	5,216
Depreciation and amortisation	156,684
Share of results of joint ventures	63,719
Distribution to perpetual securities holders	(27,150)
FFO from joint venture	14,892
Payment of upfront fees and legal fees	(958)
Other adjustments ³	(38,373)
FFO and finance cost attributable to non-controlling interest	(5,255)
Funds from Operations	232,347

Segment and consolidated total assets	3,002,946	1,262,727	1,496,046	201,037	5,962,756
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Segment liabilities	1,565,710	386,435	879,004	1,104,736	3,935,885
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Unallocated liabilities:					
Current tax liabilities					21,593
Deferred tax liabilities					98,122
Consolidated total liabilities					4,055,600

Other segment items:					
- additions to non-current assets	23,811	2,934	29,382	-	56,127

¹ Funds from operations is defined as profit/(loss) after tax 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.

² Excludes interest payable on notes issued by subsidiaries to KIT.

³ Other adjustments include payment of lease expenses, reversal of fair value or unrealised exchange gains/(losses) and non-cash adjustments etc.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months and financial year ended 31 December 2023

12. SEGMENT ANALYSIS (CONT'D)

By Geographical Area

The Group has operations mainly in Singapore, South Korea, Australia and New Zealand. 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		Revenue		Non-current assets ⁽¹⁾	
	2H 2023	2H 2022	FY 2023	FY 2022	31 December 2023	31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
						Reclassified ⁽²⁾
Singapore	318,711	322,058	639,410	625,004	1,431,507	1,910,669
Australia	387,514	462,729	829,320	912,630	681,052	300,774
New Zealand	138,549	169,104	292,456	316,468	111,300	119,564
South Korea	59,361	20,766	125,744	20,766	819,647	865,830
Others	68,149	85,036	148,990	131,078	442,580	418,782
	<u>972,284</u>	<u>1,059,693</u>	<u>2,035,920</u>	<u>2,005,946</u>	<u>3,486,086</u>	<u>3,615,619</u>

⁽¹⁾ Non-monetary assets comprising of property, plant and equipment, intangibles and investment in joint venture.

⁽²⁾ Please refer to page 8 "Condensed interim statements of financial position" for details on the reclassification from Property, plant and equipment to Investment properties.

Please refer to Other Information Paragraph 3 on pages 31 to 33 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.

13. SUBSEQUENT EVENTS

On 2 January 2024, the Group completed its First Closing of the acquisition of Enpal B.V. (Enpal)'s solar portfolio through a special purpose vehicle (SPV). KIT holds a 50% stake in the SPV, which acquired a 90% stake in Enpal's solar portfolio with Enpal retaining the remaining 10% stake. The acquisition of Enpal's portfolio would span across four phases, and the Group expects to complete the remaining three phases of acquisitions by June 2024.

Other Information Required by Listing Rule Appendix 7.2

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

OTHER INFORMATION

For the six months and financial year ended 31 December 2023

1. AUDIT

The condensed consolidated statement of financial position of Keppel Infrastructure Trust and its subsidiaries as at 31 December 2023 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 twelve months period then ended and certain explanatory notes have neither been audited nor reviewed by the auditors.

2. AUDITORS' REPORT

Not applicable.

3. REVIEW OF GROUP PERFORMANCE

Six months and financial year ended 31 December 2023

3.1 Income Statement

3.1.1 Revenue

FY 2023 group revenue of S\$2,035.9 million was 1.5% higher than FY 2022, largely driven by higher contributions from City Energy and distribution income from AGPC, coupled with the contribution of revenue from EMK, which was acquired in October 2022, in FY 2023.

2H 2023 group revenue of S\$972.3 million was 8.2% lower than 2H 2022, mainly attributed to lower revenue from Ixom and WTE concession plants. The decrease in revenue from Ixom was due to lower contract manufacturing volumes, slowdown in consumer discretionary spending and weaker AUD exchange rates used to translate Ixom's AUD denominated revenue. The lower revenue from WTE concession plants were due to lower finance lease income in 2H 2023.

FY 2023 revenue from the Energy Transition segment was S\$30.9 million higher than FY 2022. This was due to increased distributions from AGPC and higher gas sales from City Energy. 2H 2023 revenue was S\$14.6 million lower than 2H 2022 because of lower distributions from AGPC in 2H 2023.

The Environmental Services segment contributed revenue of S\$108.4 million and S\$229.5 million in 2H 2023 and FY 2023 which were S\$36.3 million and S\$105.5 million higher than the corresponding periods last year due mainly to the contribution of revenue from EMK in 2H 2023 and FY 2023. The increased sales revenue from EMK is attributed to higher steam and electricity unit prices and higher volume due to new contracts secured from blue chip customers.

For the Distribution and Storage segment, revenue in 2H 2023 and FY 2023 decreased by S\$109.1 million and S\$106.4 million as compared to the corresponding periods last year. This was mainly due to lower contract manufacturing volumes, lower commodity prices and unfavorable AUD exchange rates used to translate Ixom's AUD denominated revenue.

3.1.2 Other income

Other income for 2H 2023 and FY 2023 increased by S\$11.5 million and S\$28.2 million from the corresponding periods last year. This arose from higher fixed deposit interest income due to higher interest rates during the current year as well as due to the interest income recognised for the shareholder loan due from BKR2, which was acquired in December 2022, in 2H 2023 and FY 2023.

3.1.3 Other gains/(losses) - net

2H 2023 and FY 2023 other gains of S\$36.7 million and S\$17.4 million were mainly attributed to the fair value gains recognised on the investment in AGPC and foreign exchange gains. The decrease in other gains by S\$1.4 million in FY 2023 was due to smaller fair value gains on the investment in AGPC while the increase in other gains by S\$18.5 million in 2H 2023 was mainly due to higher fair value gains on derivative financial instruments and foreign exchange gains during the period.

3.1.4 Expenses

Fuel and electricity costs for 2H 2023 and FY 2023 were S\$8.4 million and S\$21.2 million lower than 2H 2022 and FY 2022 due mainly to lower fuel prices paid by City Energy, despite the higher volumes dispatched.

OTHER INFORMATION

For the six months and financial year ended 31 December 2023

3. REVIEW OF GROUP PERFORMANCE (CONT'D)

3.1.4 Expenses (cont'd)

Higher gas transportation and freight costs, raw materials, consumables used and changes in inventories in 2H 2023 and FY 2023 as compared to last year periods mainly arose from higher expenses that are in line with City Energy's higher revenue contributed by stronger performance.

Depreciation and amortisation for 2H 2023 and FY 2023 were S\$16.1 million and S\$48.4 million higher than 2H 2022 and FY 2022 due to higher expenditure on new property, plant and equipment during the year, which led to increased depreciation and amortisation on the fixed assets purchased. The increase is also contributed by the full twelve month period of depreciation and amortisation recorded by EMK.

Impairment loss on financial assets for 2H 2023 and FY 2023 were in relation to allowance for doubtful debts. The decrease in 2H 2023 and FY 2023 as compared to 2H 2022 and FY 2022 were mainly due to a write back of doubtful debts by EMK in 2H 2023.

2H 2023 and FY 2023 staff costs were S\$9.4 million and S\$18.4 million higher than 2H 2022 and FY 2022 due mainly to the full twelve month period staff cost incurred by EMK. The additional headcounts from the new acquisition of TSH also contributed to higher manpower costs and salaries incurred.

Operation and maintenance costs for 2H 2023 and FY 2023 were S\$7.8 million and S\$37.4 million higher than 2H 2022 and FY 2022 due to additional backup fuel service costs incurred by KMC and full twelve month costs incurred by EMK to operate and maintain its waste treatment sites.

Higher finance costs in FY 2023 were due mainly to interest incurred from the drawdown of equity bridge loans ("EBL") in 4Q 2022, loans to fund the acquisitions in 2022 and from the Series 004 Notes which were issued by KIT on 5 May 2022. Moreover, higher interest on loans were incurred due to rising interest rates in the economic environment, which led to higher finance costs in 2H 2023.

Trustee-manager's fees in 2H 2023 and FY 2023 were S\$28.7 million and S\$15.1 million higher than the corresponding periods last year. This can be attributed to higher base management fees on the back of higher distributable income. Higher performance management fees were also incurred, driven by the special distribution per unit declared and paid to unitholders during 2023.

2H 2023 and FY 2023 other operating expenses of S\$65.7 million and S\$128.6 million were 18.0% and 11.3% lower than the corresponding periods last year. This resulted from lower business development costs, legal and administrative expenses due to fewer acquisitions completed during the period, partially offset by the full twelve month period of other operating expenses from EMK.

3.1.5 Share of results of joint venture

2H 2023 and FY 2023 share of profits of joint venture of S\$16.7 million and S\$25.6 million, reversed from 2H 2022 and FY 2022 share of losses of joint venture of S\$67.8 million and S\$63.7 million, were largely due to the effects of contribution of KIT's share of profits from BKR2 for the full twelve month period. The share of losses in the prior year was due to impairment recorded by Philippine Coastal, which was absent in the current year.

3.1.6 Profit attributable to Unitholders of the Trust

The Group recorded a higher profit attributable to Unitholders of the Trust in 2H 2023 and FY 2023 than corresponding period in 2H 2022 and FY 2022 by S\$60.9 million and S\$95.9 million as a result of the full twelve month period contributions from the newly acquired assets and continued stronger performances by City Energy and AGPC.

3.2 Financial Position

3.2.1 Balance Sheet – Group

Total assets as at 31 December 2023 of S\$5,601.1 million, was S\$361.7 million lower than total assets of S\$5,962.8 million as at 31 December 2022 due to higher depreciation and amortisation incurred and usage of inventories during FY 2023. Cash and bank deposits were lower due to repayment of external borrowings as well as the payment of 2H 2022, 1H 2023, 3Q 2023 and special distributions to unitholders during the year.

KEPPEL INFRASTRUCTURE TRUST AND ITS SUBSIDIARIES

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3. REVIEW OF GROUP PERFORMANCE (CONT'D)

3.2.1 Balance Sheet – Group (cont'd)

Total liabilities as at 31 December 2023 of S\$3,828.2 million was S\$227.4 million lower than S\$4,055.6 million as at 31 December 2022. There was partial repayment of the EBL using the proceeds of the EFR completed in May 2023 and lower income tax payable and deferred tax liabilities balances at year end. This was partially offset by new loans borrowed from a related party and new purchase commitments for minority interests' shares upon the Group's completion of the 51% stake in the acquisition of TSH.

Total Unitholders' funds stood at S\$874.4 million as at 31 December 2023, lower than S\$963.9 million as at 31 December 2022 mainly due to the higher distributions paid to unitholders and share based payment reserve movement for the period ended 31 December 2023.

3.2.2 Balance Sheet – Trust

Total assets as at 31 December 2023 of S\$2,404.9 million was lower compared to S\$2,762.6 million as at 31 December 2022 due to the impairment losses recorded on investment in subsidiaries and note receivables as well as increased repayments on advances from subsidiaries during the year. Derivative financial assets also decreased as a result of the unfavorable movement in interest rate swaps and foreign currency forwards valuation as at 31 December 2023.

Total liabilities as at 31 December 2023 decreased by S\$210.3 million to S\$894.4 million mainly due to the repayment of its EBL with the proceeds from the EFR completed in May 2023.

Net assets as at 31 December 2023 of S\$1,510.5 million was lower compared to S\$1,657.9 million as at 31 December 2022 due to 2H 2022, 1H 2023, 3Q 2023 and special distributions paid to unitholders during the year, which is partially offset by the new units issued for cash arising from the S\$300 million EFR completed in May 2023.

3.3 Statement of Cash Flows

The Group's cash and bank deposits net of restricted cash were S\$479.2 million and S\$526.9 million as at 31 December 2023 and 31 December 2022, respectively.

Net cash generated from operating activities in FY 2023 increased by S\$48.3 million from S\$244.6 million to S\$292.9 million in FY 2022 largely due to higher operating profit recorded and stronger share of profits of joint venture recorded. Net cash generated from operating activities in 2H 2023 decreased by S\$19.3 million from S\$251.9 million to S\$232.6 million arose from higher interest and income tax paid during the period as compared to the corresponding periods last year.

Net cash used in investing activities of S\$35.7 million and S\$45.3 million in 2H 2023 and FY 2023 includes dividends received from investment in Wind Fund I and BKR2, sale proceeds on the sale of investment property held by EMK and higher capital expenditure. There were also new acquisitions completed during the year, including the investment in Fäbodliden II of the European onshore wind farms and acquisition of a 51% stake of TSH through City Energy. Net cash used in investing activities for 2H 2022 and FY 2022 are mainly due to the acquisitions of AGPC, Wind Fund I, Bituminous Products and Aromatic Ingredients and capital expenditure.

Net cash used in financing activities of S\$53.2 million and S\$296.1 million in 2H 2023 and FY 2023 mainly pertains to net repayment of external borrowings, settlement of share-based payment plan from Ixom, payment of distributions to unitholders, payment of distributions to perpetual securities holders and distributions paid by subsidiaries to non-controlling interests. This is partially offset by the proceeds from issuance of new units from the EFR exercise. Net cash used in and from financing activities for 2H 2022 and FY 2022 mainly pertained to issuance of Series 004 Notes, repayment of certain facilities of the Group and payment of distributions to unitholders and perpetual securities holders.

4. VARIANCE FROM FORECAST STATEMENT

No forecast statement for the financial year 2023 has been disclosed.

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5. PROSPECTS

5.1 Energy Transition

5.1.1 City Energy

City Energy's town gas volumes increased in FY 2023 compared with FY 2022, mainly from the Commercial and Industrial segment, which saw higher visitors' arrival in Singapore driving town gas sales in 2023 compared with 2022.

"Go by City Energy" continues to make good progress by securing 39 sites, with 85 EV charging points installed at 21 sites to-date.

City Energy completed the acquisition of the LPG business of TSH on 1 October 2023.

5.1.2 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\$108.0 million (S\$55.1 million based on KIT's 51% interest in KMC) as long as it meets the availability and capacity test targets.

KMC's contractual availability was 95.8% in FY 2023, lower compared with 97.8% in FY 2022 due to an unplanned outage. The unplanned outage has been resolved in 4Q 2023 and the plant is now fully operational.

As the mandatory debt amortisation repayments had commenced in June 2023, the reported distributable income from KMC has been negated until its capital structure is reviewed.

5.1.3 Aramco Gas Pipelines Company

KIT has received S\$48.8 million (US\$36.3 million) distributions in FY 2023, the outlook of Saudi Arabia's domestic gas demand remains strong with healthy cashflows forecasted.

5.1.4 Windy EU Holdings (Investment in a European onshore wind platform)

Windy EU Holdings Pte Ltd recorded distributable income of S\$3.0 million (€2.1 million) in FY 2023.

Fäbodliden II, a 17 MW Swedish onshore wind farm reached its commercial operation date on 29 December 2023. Following its completion, KIT's exposure to the renewable energy sector would increase and augment Group's distributable income from renewables.

The Norwegian Parliament has reached an agreement on the implementation of a resource rent tax on onshore windfarms from 1 January 2024, at an effective tax rate of 25%. This is down from the initial proposal in September 2022 of 40%, which was further reduced to 35% in October 2023, before reaching a final agreement. Consequently, there is a reversal of impairment loss (booked in FY2022) on the Lista onshore wind farm in Norway in FY2023. KIT will continue to actively manage volatile power prices through PPA hedging and monitor its impact on distributable income.

Underlying onshore wind farms continue to operate at high availability for FY 2023.

5.1.5 Neptune1 (Investment in offshore wind farms in Germany, BKR2)

Neptune1 Infrastructure Holdings Pte Ltd, the investment vehicle used by KIT for the BKR2 investment, recorded distributable income of S\$43.2 million (€29.7 million) in FY 2023.

During 2H 2023, the German Federal Network Agency has assigned 50MW of excess unallocated network connection capacity to two offshore windfarms. BKR2 has been awarded an additional grid capacity of 26.47MW. Currently, technical implementation plans are being drawn to utilise the additional capacity awarded.

BKR2 has completed its End of Warranty (EoW) inspections during 2H 2023 and is expected to continue operating at high availability following scheduled inspections.

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5. PROSPECTS (CONT'D)

5.1.6 Sunny Infra (Investment in solar PV systems in Germany)

KIT completed the first close of its investment into residential solar PV systems across Germany on 2 January 2024, a portfolio of more than 60,000 solar PV, battery storage and EV charging systems that are leased out to households. The remaining three phases of the acquisition are expected to be completed by June 2024.

The portfolio is based on a lease rental model and shielded from changing regulatory framework and fluctuations on the energy yield and power prices, making cash flows highly predictable.

5.2 Environmental Services

The Singapore waste and water assets within the Environmental Services segment 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.

The Senoko WTE concession has been extended with Singapore's National Environment Agency (NEA) for another three years, with an option to further extend by up to another year. As part of the extension, Keppel Seghers, the plant's current operations and maintenance (O&M) operator, has been appointed to refurbish the plant. The O&M service contract with Keppel Seghers will also be extended in line with the concession extension. The distribution income contribution from the plant post extension will not be significant as KIT is only funding a small portion of the refurbishment capex. That said, the extension is still a pure upside for KIT, which will enable the plant to continue operating beyond its current expiry in August 2024.

Management continues to explore the possibility of extension of the SingSpring Desalination concession.

5.2.1 Eco Management Korea Holdings Co., Ltd

EMK's landfill business has seen a ramp up in volume as well as securing major contracts from blue-chip customers and customers from the largest industrial complex in South Korea, strengthening its market position in the Southeast region. During the same period, while the liquid segment performed below expectations due to margin and volume pressures, the solid segment continued to achieve high availability and utilisation in FY 2023, in line with the business plan.

Management continues to explore portfolio optimisation initiatives and attractive bolt-on opportunities to grow the business. Streamlining initiatives across the Group has also increased EBITDA margins.

Management is looking to establish more ESG best practices at all EMK sites, which includes strengthening safety and sustainability reporting processes and reviewing the implementation of potential carbon reduction initiatives.

5.3 Distribution and Storage

5.3.1 Ixom

Ixom's growth remains robust with adjusted EBITDA of S\$186.6 million (A\$209.2 million) in FY 2023 was mainly due to:

- (i) Strong volumes and pricing across coagulants, caustic and sodium hypochlorite in Australia;
- (ii) Increased volume and margins from the industrial and dairy segments of the New Zealand business; and
- (iii) Contribution from its bolt-on acquisitions.

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5. PROSPECTS (CONT'D)

5.3.2 Philippine Coastal

Philippine Coastal achieved a high utilisation rate of 99.4% as at end-December 2023 based on safe-fill capacity. The utilisation rate has grown due to newly secured contracts with new customers as well as effective deployment of tank mix. Furthermore, Philippine Coastal has implemented a new pricing strategy in 2023 resulting in higher tariffs secured. Philippine Coastal has a diversified customer base with weighted average contract period of 2.4 years.

With high utilisation and growing customer demand, Philippine Coastal has embarked on new tank builds in the Subic Bay area to expand capacity and grow top line revenue. Two new built tanks are expected to be completed in 2024.

6. DISTRIBUTIONS

6a. Current financial period reported on

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

Amount	:	S\$54.0 million
Distribution period	:	1 October 2023 to 31 December 2023
Distribution rate	:	0.96 Singapore cents per unit
Distribution type	:	Cash, Tax-exempt Distributions
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? No¹

¹The distribution in the prior period was paid on half-yearly basis, in which the distribution from 1 July 2022 to 31 December 2022 ("2H 2022") was paid on 14 February 2023. For illustration purpose only, the distribution from 1 October 2022 to 31 December 2022 was 0.95 Singapore cents per unit, which is derived by prorating the 2H 2022 distribution rate of 1.91 Singapore cents per unit.

6c. Date Payable

15 February 2024

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 7 February 2024 for the purposes of determining each Unitholder's entitlement to the Distributions. Duly completed transfers in respect of Units in the capital of KIT received by the Registrar, Boardroom Corporate & Advisory Services Pte. Ltd, 1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632, up to 5 p.m. on 7 February 2024 will be registered to determine Unitholders' entitlement to the Distributions. Unitholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with Units at 5 p.m. on 7 February 2024 will be entitled to the Distributions.

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7. BREAKDOWN OF TOTAL ANNUAL DISTRIBUTION

	FY 2023 S\$'000	FY 2022 S\$'000
Total Distribution paid/payable		
- 1 July 2021 to 31 Dec 2021	-	95,832
- 1 January 2022 to 30 June 2022	-	95,343
- 1 July 2022 to 31 Dec 2022	95,343	-
- 1 January 2023 to 26 Apr 2023	61,904	-
- 27 April 2023 to 30 June 2023	38,818	-
- 1 July 2023 to 30 September 2023 ¹	185,651	-
	<hr/> 381,716 <hr/>	<hr/> 191,175 <hr/>

¹ For the quarter ended 30 September 2023, the Trustee-Manager of the Trust declared a (i) distribution per unit of 0.97 Singapore cents and (ii) special distribution of 2.33 Singapore cents totaling S\$185.7 million to the unitholders of the Trust, paid on 20 November 2023.

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8. 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 17 April 2023. 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)	
	FY 2023 S\$'000	FY 2022 S\$'000	FY 2023 S\$'000	FY 2022 S\$'000
1. Temasek Holdings (Private) Limited and its Associates				
General transactions				
(a) Sales of goods and services	-	-	20,306 ⁽¹⁾	4,965
(b) Purchases	-	-	292,206	358,587
(c) Reimbursement of expenses	-	-	45,362 ⁽²⁾	381
(d) Rental expense	-	-	-	2,883
Treasury transactions	-	-	6,823	3,400
Total	-	-	364,697	370,216
2. Keppel Ltd				
General transactions				
(a) Sales of goods and services	22,692 ⁽³⁾	-	8,224	836
(b) Purchases	413,120 ⁽³⁾	-	168,611	77,599
(c) Reimbursement of expenses	-	-	1,054	105
(d) Rental expense	-	-	-	3,071
(e) Management fee	-	-	63,997	42,038
(f) Acquisitions	-	966,174	-	-
Treasury transactions	-	-	105,671	201,755
Total	435,812	966,174	347,557	325,404

⁽¹⁾ Includes transactions with interested persons for renewal of a town gas supply agreement and sale of disinfection and cleaning solution chemical products.

⁽²⁾ Relates to reimbursement of agency fees with an interested person in connection to the renewal of a utilities support services agreement.

⁽³⁾ Due to changes in the presentation of certain passthrough arrangements with the Keppel Ltd in the calculation of the value of interested person transactions for FY2023. For illustrative purposes only, the aggregate value of interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under unitholders mandate pursuant to Rule 920) under the categories "Sales of goods and services" and "Purchases" for FY2023 would have been nil, if presented based on the treatment of these passthrough arrangements prior to the changes.

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REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CEO OR SUBSTANTIAL SHAREHOLDER

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that none of the persons occupying managerial positions in Keppel Infrastructure Fund Management Pte Ltd ("KIFM"), as Trustee-Manager of Keppel Infrastructure Trust or any of its principal subsidiaries is a relative of a director or chief executive officer of KIFM or substantial unitholder of Keppel Infrastructure Trust.

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.

On behalf of the Board of Directors

Daniel Ee

DANIEL CUTHBERT EE HOCK HUAT
Chairman

Christina Tan

CHRISTINA TAN HUA MUI
Director

Singapore
31 January 2024

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.