

MEDIA RELEASE

Keppel Infrastructure Trust Unaudited Results for the Second Half and Full Year ended 31 December 2022

30 January 2023

The Directors of Keppel Infrastructure Fund Management Pte. Ltd., as Trustee-Manager of Keppel Infrastructure Trust, advise the following results of Keppel Infrastructure Trust for the second half and full year ended 31 December 2022.

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**Keppel Infrastructure Trust delivered
1% YoY growth in DPU to 3.82 cents for FY 2022**

Results Highlights

- Distributable Income increased by 15.8% year-on-year (YoY) to \$222.5 million in FY 2022, supported by new acquisitions, steady portfolio performance and another record year at Ixom
- Transformational growth with five acquisitions in 2022, growing total assets by 32% to \$6.0 billion
 - Partake in one of world's largest energy infrastructure deals with the investment in Aramco Gas Pipelines Company (AGPC)
 - Made headways into the renewable energy market with investments into wind assets across Europe
 - Acquired Eco Management Korea (EMK), a leading waste management platform in South Korea, drawing on proprietary expertise across the Keppel ecosystem
 - Enhanced operational continuity with the acquisition of the remaining 30% interest in the SingSpring Desalination Plant
- Conducted first annual portfolio revaluation: AUM of \$7.3 billion as at 31 December 2022
- Well-positioned against inflation and higher energy prices with over 90% of KIT's businesses and assets with cost pass through mechanism and availability-based revenue model

Financial Performance

Keppel Infrastructure Trust (KIT) delivered a 15.8% YoY increase in Distributable Income to \$222.5 million in FY 2022, supported by new acquisitions, steady portfolio performance and another record year at Ixom.

Accordingly, the Trust declared higher Distribution per Unit (DPU) of 3.82 cents for FY 2022, a 1% increase YoY, translating to a distribution yield of 7.1% based on KIT's closing price of \$0.540 as at 31 December 2022.

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

Segmental Performance	Distributable Income ¹					
	2H 2022	2H 2021	Change	FY 2022	FY 2021	Change
	\$ '000	\$ '000	(%)	\$ '000	\$ '000	(%)
Energy Transition	78,916	31,285	>100.0	115,667	74,376	55.5
Environmental Services	32,827	35,386	(7.2)	70,291	71,331	(1.5)
Distribution & Storage	58,980	51,220	15.2	102,610	93,705	9.5
Subtotal	170,723	117,891	44.8	288,568	239,412	20.5
KIT and Holdco ²	(35,798)	(26,330)	(36.0)	(66,075)	(47,202)	(40.0)
Distributable Income	134,925	91,561	47.4	222,493	192,210	15.8

Operational Performance

KIT continues to deliver high availability and strong operational performance across its businesses and assets.

Energy Transition

KIT completed its investment in the initial portfolio of the European Onshore Wind Platform, comprising three wind farms sponsored by Fred. Olsen Renewables AS (FORAS) with 258MW capacity across Sweden and Norway. Over in Germany, KIT has completed its investment in Borkum Riffgrund 2 (BKR2), a 465MW

¹ Free Cash Flow to Equity" has been renamed to "Distributable Income", with no change to computation, i.e. Distributable Income is computed as Funds from Operations less mandatory debt repayment and other charges, credits or adjustments as deemed appropriate by the Trustee Manager.

² Comprises Trust expenses and distribution paid/payable to perpetual securities holders, management fees and financing costs. The higher costs were due to the issuance of the Series 2 perpetual securities on 9 Jun 2021 as well as the Series 3 and 4 Medium Term Notes on 1 Dec 2021 and 5 May 2022 respectively.

operating offshore wind farm with a guaranteed price floor under the German Feed-In Tariff regime that enhances cash flow visibility. Together, these wind farm assets mark KIT's maiden investments in the renewable energy market, and its first acquisitions in Europe, providing a combined operating capacity of 723MW, and a pipeline of another 1.3GW of onshore wind energy assets in Sweden and the United Kingdom, contributing towards KIT's 25% renewables target by 2030 based on its equity-adjusted AUM.

In 2H 2022, KIT also received its maiden contributions from the investment in AGPC, a strong and growing business that is backed by favourable gas demand dynamics and which supports the transition of the Saudi economy towards a more sustainable energy future.

In Singapore, the Keppel Merlimau Cogen plant (KMC) achieved 97.8% contractual availability. City Energy's customer base grew 2% YoY to approximately 886,000 as at end-December 2022, backed by a strong recovery of the F&B sector. It also continued to grow the EV charging business with new sites secured and expanded its suite of smart home solutions.

Environmental Services

Operations at the Senoko Waste-to-Energy (WTE), Keppel Seghers Tuas WTE, Keppel Seghers Ulu Pandan NEWater and SingSpring Desalination plants remained stable, achieving availability above their contractual obligations in FY 2022.

Over in South Korea, KIT commenced its business integration of the EMK business, following the completion of the acquisition in October 2022. EMK continued to benefit from the industry tailwinds, recording full utilisation rate for its incineration business, and continued demand in its oil refining and landfill businesses in 2022. Looking ahead, KIT looks to grow the EMK business by leveraging the Keppel development and operational track record.

Distribution & Storage

The Philippine Coastal Storage and Pipeline Corporation continued to see higher fuel storage utilisation rate, up from 81.0% as at end-September 2022, to 90.5% as at end-December 2022, supported by the reopening of the economy. The conversion of several tanks to support the increase in storage demand for economical grade gasoline was completed in 4Q 2022, and this together with proactive business development, has contributed to the increased utilisation rate.

Ixom continued to deliver another year of record performance in FY 2022, driven by contributions from the manufactured chemicals, construction, mining, dairy, and water treatment segments. Ixom completed three bolt-on acquisitions in FY 2022, namely Bituminous Products in the construction sector, as well as Aromatic Ingredients and Pure Ingredients in its life sciences sector.

The strategic review of Ixom is ongoing. While the macro uncertainties and volatilities have made investors more cautious, the Trustee-Manager continues to see keen interest in Ixom, which has been a creditable investment for KIT, delivering attractive and growing returns since 2019.

Portfolio Revaluation

To improve portfolio transparency and better reflect KIT's asset values, the Trustee-Manager has undertaken its first annual portfolio revaluation exercise. The exercise, conducted by independent valuer Ernst & Young, reflects KIT's portfolio value at \$7.3 billion³ as at 31 December 2022.

Prudent Capital Management

³ Represents KIT's equity stake in the enterprise value of its investments plus cash held at the Trust. Ixom's valuation is based on KIT's internal valuation, while the new acquisitions i.e. European Onshore Wind Platform, BKR2 and EMK are based on the enterprise Values of the respective acquisitions.

To support its growth, the Trust has also utilised \$580m of equity bridge loans (EBL) to fund the acquisitions of BKR2 and EMK in 4Q 2022, which increased the Trust's net gearing level to 39.8% as at 31 December 2022. The Trustee-Manager intends to tap the debt and equity markets to repay the EBL within the year.

The Trustee-Manager is reviewing the capital structure of KMC, including the \$700m sustainability-linked loan which will commence amortisation in 2023. As part of its efforts to optimise its capital structure, City Energy has also obtained a \$400m loan facility in January 2023.

The Trustee-Manager continues to monitor risk exposures and safeguards against evolving market conditions. To mitigate against fluctuating interest rates, approximately 72% of KIT's total loans are hedged as at 31 December 2022. Excluding the EBL, KIT's total loans hedged would be approximately 90%.

Commitment to Sustainability

Anchored by a portfolio of critical infrastructure businesses and assets, sustainability management is imperative to the continued success of the Trust and its ability to create value. In this regard, KIT saw reduction in carbon emission intensity by 21% YoY to approximately 8,700 tCO₂e/\$m, progressing on its decarbonisation roadmap. The Trust has also increased its exposure to renewables from 0% to 10% of AUM as at 31 December 2022. In FY 2022, KIT has achieved its ESG targets set for the year, which will be shared in greater details in its upcoming Sustainability Report.

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

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About Keppel Infrastructure Trust (www.kepinfratrust.com)

Keppel Infrastructure Trust (KIT) is a diversified business trust listed on the Singapore Exchange with approximately \$7.3 billion in assets under management as at 31 December 2022. Its goal is to deliver sustainable and growing returns to Unitholders, through a combination of recurring distributions and capital growth.

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

The Trustee-Manager for KIT is Keppel Infrastructure Fund Management, a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd., a premier asset manager in Asia. KIT is sponsored by Keppel Infrastructure Holdings Pte. Ltd., which invests in, owns and operates competitive energy and infrastructure solutions and services.

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Trustee-Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The past performance of KIT is not necessarily indicative of the future performance of KIT. This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued

availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Trustee-Manager's current view on future events.