

Proposed Acquisition of Ventura, a Leading Transportation Business in Australia

5 February 2024





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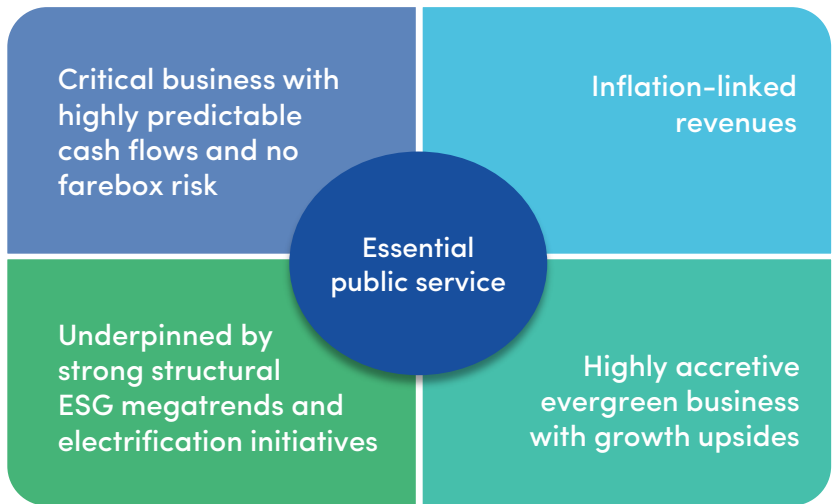
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Acquisition of Ventura: A Leading Transportation Business in Australia

Essential service that supports Melbourne's population growth and sustainable commute

- KIT to acquire approx. 98.6%^{1,3} interest in Ventura Motors Pty Ltd (Ventura), the largest bus operator in Victoria
- Highly accretive acquisition: FY 2023 Proforma DPU to increase by 3.4%
- Essential service with highly predictable cash flows: >80% of revenue backed by long-term inflation-protected government contracts

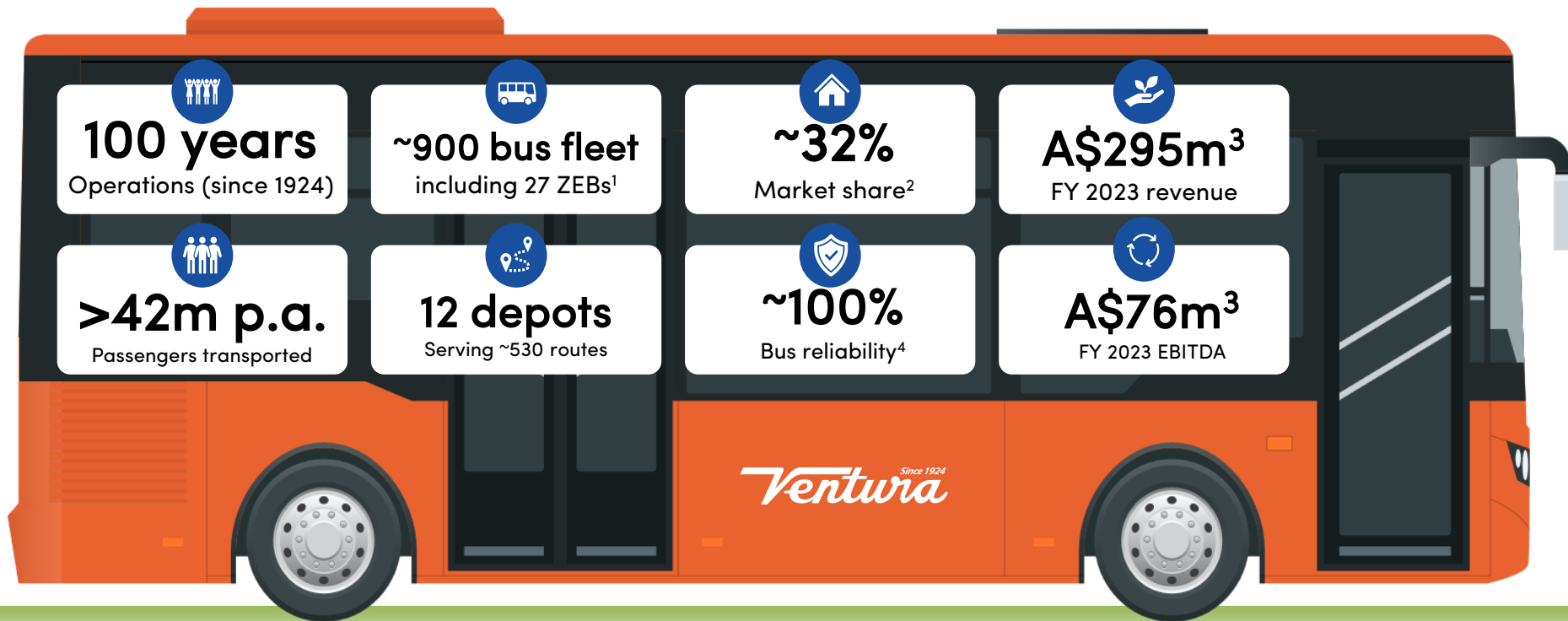


Seller	Cornwall families ¹
Enterprise Value	A\$600m (approx. S\$540m ²)
Purchase Consideration	Approx. A\$328.2m (approx. S\$295.3m ^{2,3})
Proposed Funding	Combination of internal resources, debt and equity
Expected Completion⁴	2Q 2024, subject to the conditions precedent, including approval by the Australian Foreign Investment Review Board and the Victorian Government

1. The remaining 1.4% will be held by Andrew Cornwall who will continue as Chief Executive Officer of Ventura
 2. Based on an exchange rate of S\$0.90:A\$1.00
 3. Subject to completion adjustments

Ventura: A Century of Service History

Victoria's largest bus operator, providing essential transport services in Melbourne



1. Zero Emissions Buses (ZEB)s delivered or on order.





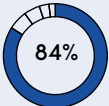
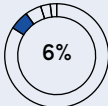
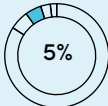
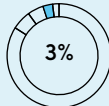
2. Market share based on share of government contract route revenues in Victoria.

3. Normalised figures (year-end 30 June), based on unaudited management accounts.

4. For 2023. Bus reliability from the Department of Transport and Planning website.

Defensive Business with Growth in Private Markets

> 80% of revenues backed by long-term inflation-protected government contracts with no farebox risk

	Government		Private	
	Mass Transit 	Public Schools 	Private Charter 	Private Schools 
Description	High frequency services along pre-determined routes (day & night) for general commuters	Bus services contracted to transport public school students	Private charters for regular transit or rail replacement	Bus services contracted to transport private school students
Contract economics	Stable revenue from fixed margin in addition to cost recovery; CPI indexation	Stable revenue from fixed margin in addition to cost recovery; CPI indexation	Fixed hourly or daily rates	Fixed daily rate with CPI indexation
Contract duration	~10 years	~7 years	Ad-hoc or annual contracts	~3 years
Ventura % Revenue (FY23)¹	 84%	 6%	 5%	 3%

1. Remaining 2% comprises other corporate revenues (e.g. advertising revenue from advertising space on buses, contract incentives from achieving KPIs, etc.)
Source: Ventura FY23 unaudited financial statements



Key Investment Highlights

Attractive entry point into the transportation infrastructure sector



1

Largest bus operator in Victoria with best-in-class performance



2

Attractive market with favourable macroeconomic tailwinds



3

Defensive revenues with cost indexation and capital reimbursement



4

Strong and proven platform of scale to capture growth opportunities



5

Accretive acquisition that strengthens KIT's portfolio resiliency



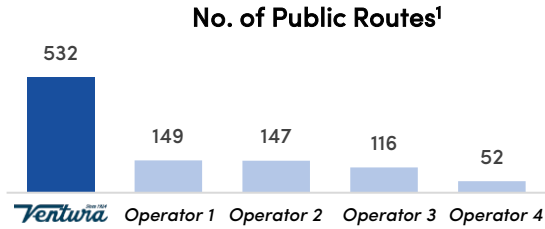
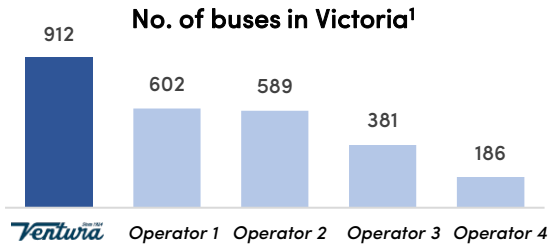
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Electrification theme supporting KIT's ESG targets

1. Largest Bus Operator in Victoria with best-in-class performance

Core pillar of Melbourne's transportation landscape

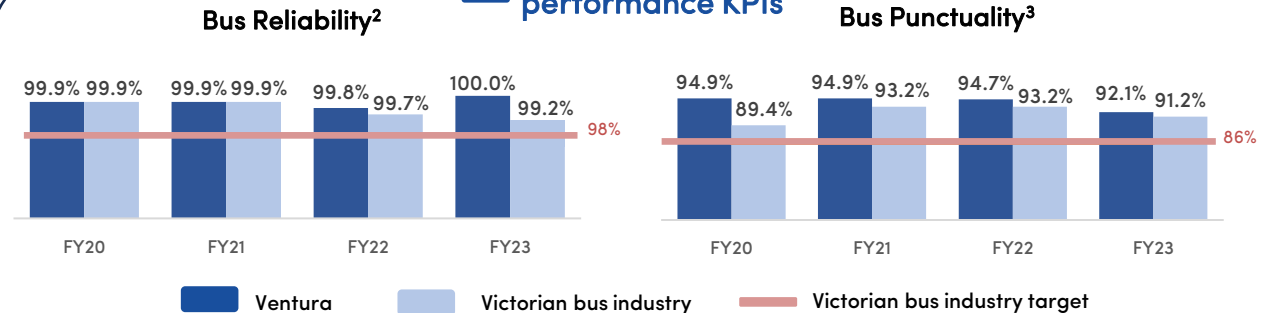
 Largest fleet in Victoria



- Largest share of **public bus services** market in Victoria
- Fast-growing **private bus charterer** in Victoria, serving ~150 schools and supporting tourism and general charter

- **Consistent Market leader** in reliability and punctuality metrics
- **Differentiated digital platform** drives sustainable innovation

 Market leading performance KPIs



1. Data for Metropolitan Bus Services Contracts (MBCS) routes as at Jan 2024

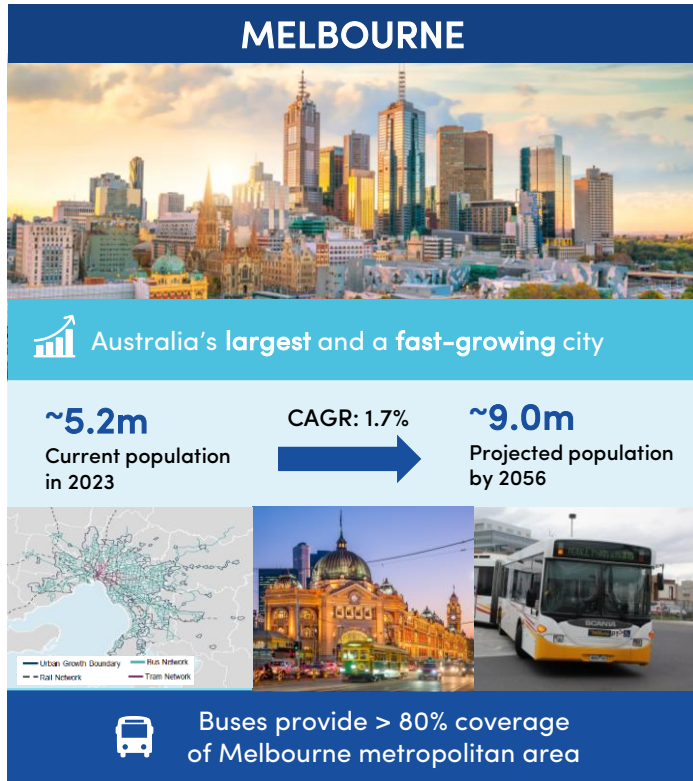
2. Reliability refers to the actual number of bus service kilometres provided by the operator as a percentage of the total bus services kilometres scheduled to be provided by the operator

3. Punctuality refers to the total number of on-time services delivered as a percentage of the total number of services scheduled

Chart source: Australian Bus Fleet List from Bus Australia, Victorian Government Melbourne Bus Contracts, Department of Transport and Planning, Public Transport Victoria

2. Attractive Market with Favourable Tailwinds

Buses: A critical transport link between Melbourne's fastest growing regions



Residential development

Delivery of new routes to serve Melbourne's growing outer suburbs

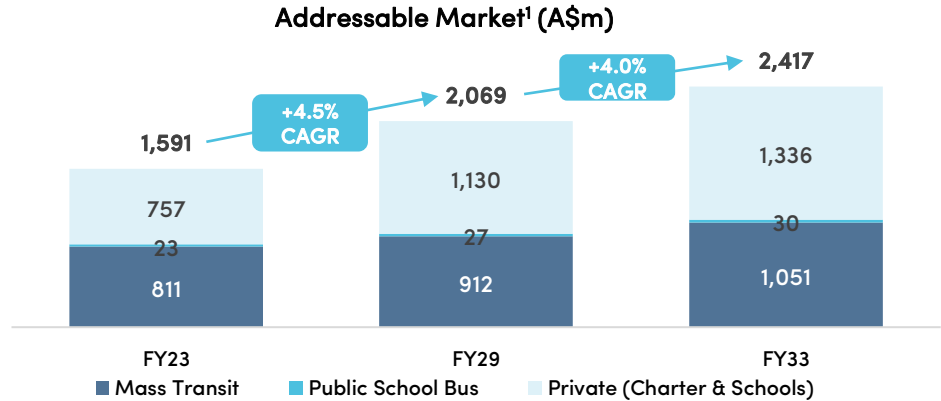
Key Growth Drivers

Acceleration of commercial and transport infrastructure spend

Victoria's 'Big Build': A\$90b investment delivering over 165 major road and rail projects across the state

Bus reform and network optimisation

Victoria Government aims to boost passenger coverage and network for greater efficiency



1. Addressable market refers to size of bus industry in Metropolitan Melbourne for Mass Transit & Public School Bus and Victoria for Private
 Source: Australian Bureau of Statistics, Infrastructure Victoria
 Chart source: Market analysis

3. Defensive Cash Flows with Cost Indexation and Capital Reimbursement

Majority of revenues derived from long-term, inflation-protected government contracts



> 80% of revenues
from MBSC

Long-term contracts

10 years
(8+2²) year
contract term

Provides stable EBITDA and
cash flows with
performance incentives



Cost-indexed payments

- **Fixed-fee; inflation-protected**
 - No farebox / patronage risk
 - Stable revenue based on service delivery cost plus a fixed margin
 - Contract payments indexed to relevant inflation indices (i.e. CPI, fuel index, labour index)
 - Incentive payments for meeting KPIs



Capital reimbursement

- **Return of and on capital expenditures (capex)**
 - Reimbursement for capex on fleet acquisitions and depot upgrades¹
 - Receive access payment for usage of depots

1. Each fleet purchase is reimbursed over 14 years plus a 'return on capital' component
2. Automatic two-year extension if certain KPIs are met

4. Strong Platform of Scale to Capture Growth Opportunities

Pursue growth opportunities within existing business and adjacent verticals

Capture upsides within key regions

1

Increase service kilometres and optimise service efficiency



- Increase government contracted service kilometres via new, expanded and more frequent routes
- Optimise cost base and achieve greater savings from electrification
- Expand and maximise share of charter hires within operating regions

2

Expand network



Tender for additional routes in Victoria and other Australian states

Leveraging technology for vertical and horizontal growth

3

Grow new revenue streams



Unlock ancillary revenues e.g. on-demand bus service

4

Differentiating on technology



Drive sustainable advantage from existing platform¹

Strategic expansion

5

Additional electrification revenue



Opportunities for third-party charging revenue²

6

Bolt-on acquisitions



- Pursue M&A opportunities
- Expand geographic footprint within and outside Melbourne

1. Proprietary safety and route planning apps

2. Charging for ad-hoc usage of unutilised charging capacity at electrified depot (e.g. trucks, emergency services, etc.)

5. Accretive Acquisition that Strengthens Portfolio Resiliency

Pro forma DPU to increase by 3.4% based on FY 2023 Distributions

Funds from Operations (FFO)²

▲ 6.1%

From \$287.9m³ in FY 2023 to \$305.6m pro forma post acquisition

DPU (cents)^{2,4}

▲ 3.4%

From 3.86 cents⁵ in FY 2023 to 3.99 cents⁴ pro forma post acquisition

Gearing²

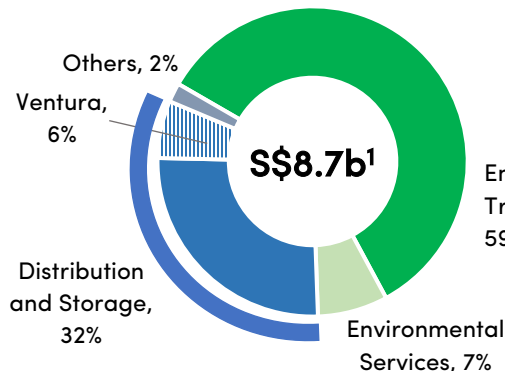
▼ 0.7 pts

From 39.9% as at 31 Dec 2023 to 39.2% pro forma post acquisition

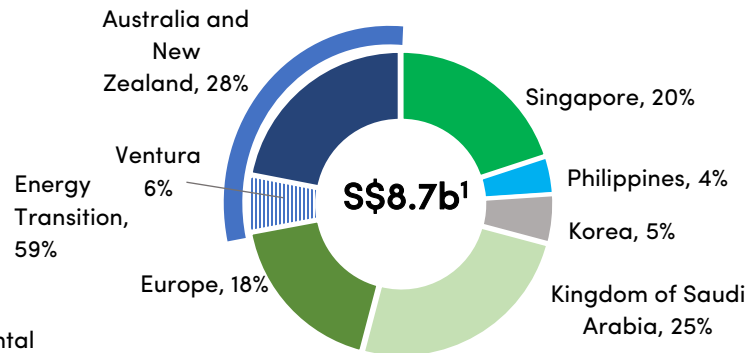
Enlarged Portfolio: AUM to grow by 7% to 8.7b post-acquisition

Assets under Management (AUM)

By Business and Assets



By Geography



1. AUM as at 2 Jan 2024. Based on independent valuation conducted by Ernst & Young (except for the German Solar Portfolio). Represents KIT's equity stake in the enterprise value of its investments plus cash held at the Trust. Excluding first phase of German Solar Portfolio acquisition, AUM would be \$7.4b as at 31 December 2023.
2. Pro-forma figures assume the estimated transaction expenses and purchase consideration are funded by combination of internal resources, debt and equity. Please refer to section 7.1 of the related SGX announcement for more details.
3. Exclude effects of the Ixom Capital Optimisation which was distributed as special distribution to unitholders.
4. Assumed cash distribution received from the investment, net of corporate expenses, is fully distributed to unitholders. The pro-forma DPU post-investment set out herein should not be interpreted as being representative of the future DPU.
5. Based on DPU declared for FY2023, excluding special distribution of 2.33 cents paid in Nov 2023.

6. Electrification Thematic Supporting KIT's ESG Targets

Clear pathway to electrification



Owns and operates Victoria's first fully electric bus depot



Key partner in Victorian government's ZEBs trial, responsible for **delivering >50% of the trial buses**



Clear pathway for electrification and aims to convert 25% of fleet to electric buses by 2030



Electrification leader in Victoria (27 ZEBs¹)



Contributor to Australia's greenhouse gas emission reduction target of **net zero by 2050**

KIT's carbon emissions intensity²

Carbon emissions ('000tCO₂) / Distributable Income (\$\$m)



From 6,900 tCO₂e/\$m in FY 2023 to 6,380 tCO₂e/\$m pro forma post acquisition

Ventura is a first mover for energy transition in Victoria's public transportation sector

Ventura's Ivanhoe Depot: Victoria's first fully electrified depot



1. Delivered or on order as of January 2024

2. Computed as carbon emissions / Distributable Income.

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