



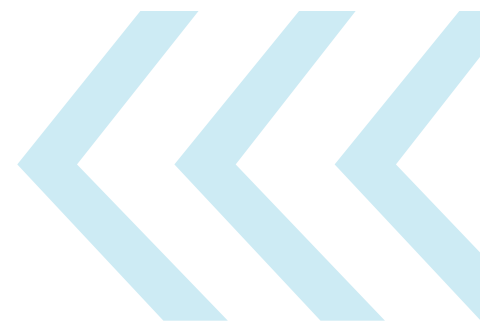
Citi-SGX-REITAS REITs & Sponsors Forum

25 August 2021





1	Overview of Keppel Infrastructure Trust (KIT)	3
2	1H 2021 Financial Results	8
3	Additional Information	17



Overview of KIT



lxom

KIT: Largest Singapore-listed Diversified Business Trust



- The largest diversified Business Trust listed in Singapore with a portfolio of **strategic businesses and assets** that **provide essential products and services**
- **Long-term growth** and **sustainable cash flows** supported by defensive evergreen businesses, as well as AAA Singapore Government-linked off-takers, creditworthy counterparties and a large well-diversified customer base
- All businesses and assets are **essential services** and continued to operate throughout the COVID-19 pandemic with **no operational disruptions**

Difference between Business Trusts and REITs

		Business Trusts	REITs
Asset Class		<ul style="list-style-type: none"> • No restriction 	<ul style="list-style-type: none"> • Real estate
Depreciation/Revaluation		<ul style="list-style-type: none"> • No impact on distribution payout 	<ul style="list-style-type: none"> • No impact on distribution payout
Gearing Limit		<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • 50%
Taxation		<ul style="list-style-type: none"> • Subject to income tax • Exemption for income from Qualifying Project Debt Securities (QPDS) 	<ul style="list-style-type: none"> • Tax transparent



Portfolio of strategic businesses and assets across a broad range of **highly defensive industries** that delivers **long-term sustainable cash flows to Unitholders**

Distribution & Network

- City Gas
- Ixom
- Philippine Coastal
- Basslink



Strategic businesses and assets with potential for long-term growth supported by favourable demand dynamics

Energy

- Keppel Merlimau Cogen Plant (KMC)



Stable and resilient infrastructure assets anchored by concession contracts that are backed by government and government-linked corporations

Waste & Water

- Senoko Waste-to-Energy Plant
- Tuas Waste-to-Energy Plant
- Ulu Pandan NEWater Plant
- SingSpring Desalination Plant



Geographical Presence



SINGAPORE

DISTRIBUTION & NETWORK

- City Gas

ENERGY

- Keppel Merlimau Cogen Plant

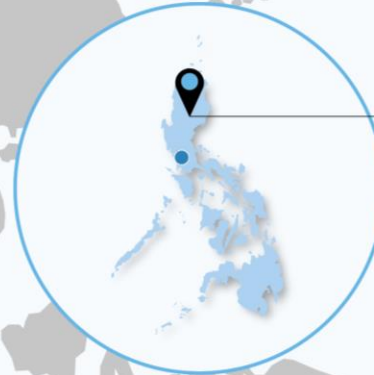
WASTE & WATER

- Senoko WTE Plant
- Keppel Seghers Tuas WTE Plant
- Keppel Seghers Ulu Pandan NEWater Plant
- SingSpring Desalination Plant

Assets under Management

\$5.2b

- Distribution & Network
- Energy
- Waste & Water



THE PHILIPPINES

DISTRIBUTION & NETWORK

- Philippine Coastal Storage & Pipeline Corporation



AUSTRALIA & NEW ZEALAND

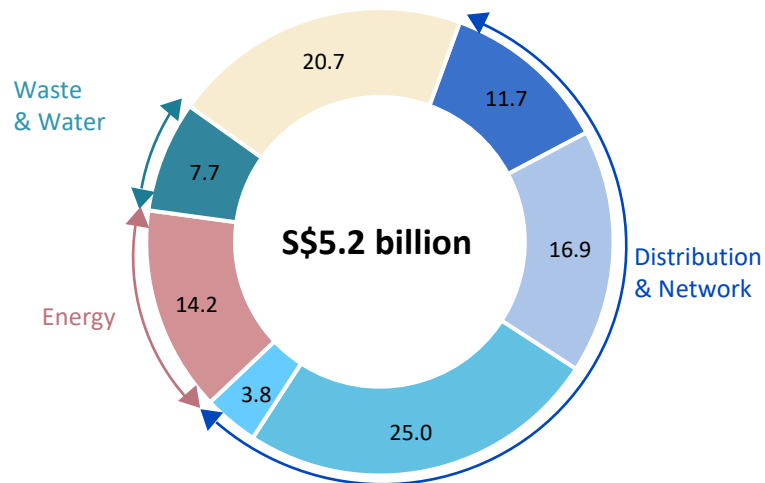
DISTRIBUTION & NETWORK

- Ixom
 - New South Wales
 - New Territories
 - Queensland
 - South Australia
 - Victoria
 - Western Australia
 - North Island
 - South Island
- Basslink
 - Tasmania
 - Victoria



By Businesses and Assets (%)

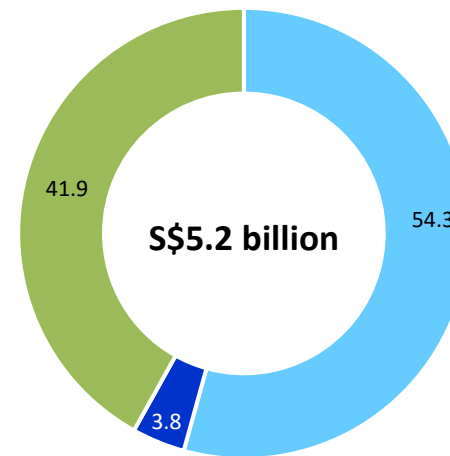
As at 30 Jun 2021



- City Gas
- Basslink
- Ixom
- Philippine Coastal
- KMC
- Waste & Water
- Trust assets and non-controlling interest

By Geography (%)

As at 30 Jun 2021



- Singapore
- Philippines
- Australia, New Zealand and other countries

1H 2021 Financial Results

City Gas





EBITDA of S\$193.5m¹ and FCFE² of S\$100.7m in 1H 2021

EBITDA¹ decreased by 3.9% and FCFE down by 11.2% YoY due mainly to the under recovery of fuel cost at City Gas as a result of the timing differences in the fuel price pass through gas tariff mechanism



Sustained stable DPU of 1.86 cents for 1H 2021

KIT's performance remained resilient, driven by robust operations and growth across the Trust's portfolio of essential businesses and assets



Acquiring remaining 30% interest in the SingSpring Desalination Plant³

DPU-accretive acquisition that enhances the operational and business continuity of the asset



Maintained low gearing of 30.1%

Comfortable debt headroom to pursue growth opportunities

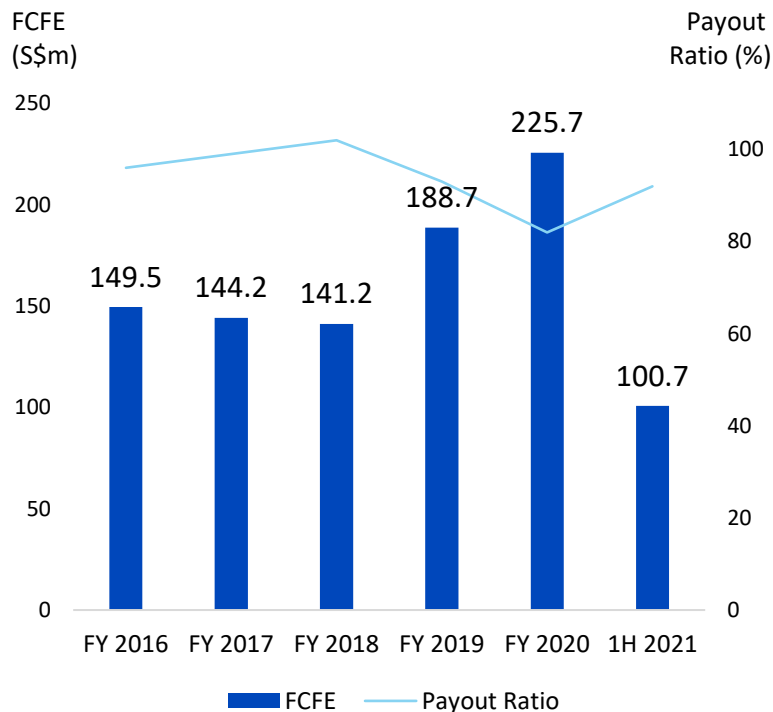
1. Excludes one-off acquisition related cost incurred for Ixom's acquisition of ABP (S\$0.7m), Basslink's arbitration provision (S\$23.8m), impairment loss on Ixom's assets in relation to the cessation of operations of a long-term customer (S\$17.0m). 1H 2021 Group EBITDA is S\$152m without the adjustments.

2. Free cash flow to equity (FCFE) is equivalent to distributable cash flow. FCFE is net of trust expenses, distribution paid/payable to perpetual securities holders, management fees and financing costs.

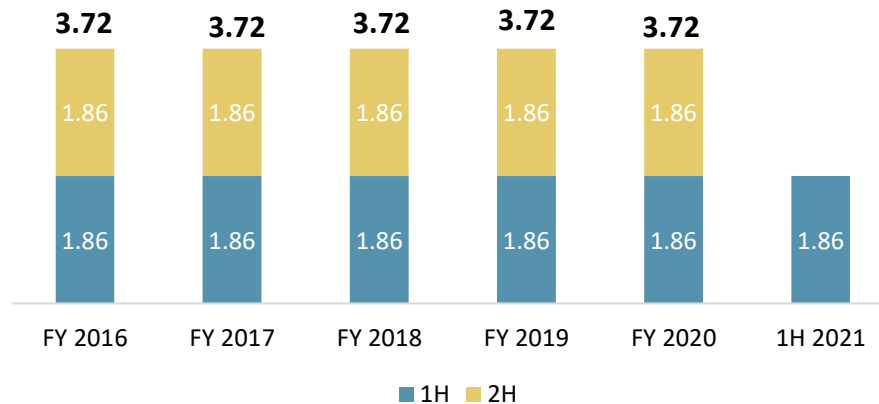
3. Acquisition is expected to be completed in 3Q 2021.



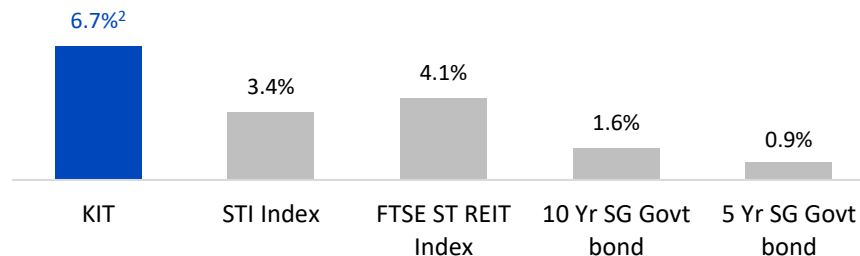
FCFE and Payout Ratio



Stable Distribution (cents)



Comparative Yields¹



1. Sources: Bloomberg and Monetary Authority of Singapore. Comparative yield based on preceding 12-month data as at 30 June 2021.

2. Based on the market price per Unit of \$0.555 as at 30 June 2021.

100% ownership in the SingSpring Desalination Plant



- Acquiring the remaining 30% stake in the SingSpring Desalination Plant
- DPU-accretive acquisition that offers KIT attractive risk-adjusted returns
- Enhance the operational and business continuity of the asset, as well as strengthen the asset's cash flows stability
- NewSpring O&M¹ to take over the operation and maintenance services of SingSpring upon the completion of the acquisition

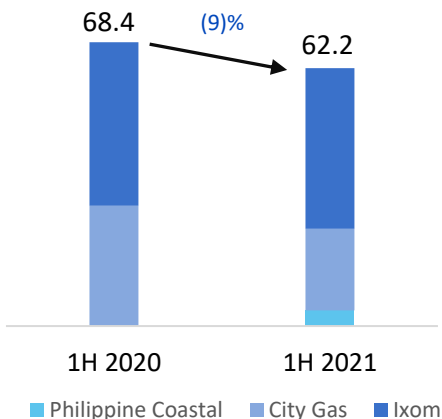


Seller	Hyflux Ltd. (in Judicial Management)
Purchase price	S\$12m
Expected completion	3Q 2021, subject to approvals from PUB and lenders

1. NewSpring O&M Pte. Ltd is a subsidiary of Keppel Infrastructure Holdings Pte. Ltd, the Sponsor of KIT.



Operational Cash Flows (OCF) (\$m)



City Gas

- Customer base grew 1.3% YoY to 873,000 as at end-Jun 2021
- Residential consumption of town gas remains healthy while Commercial & Industrial consumption remains below pre COVID-19 levels
- OCF was lower YoY due to under recovery of fuel cost caused by the timing difference inherent in the fuel price pass through gas tariff mechanism. City Gas has no exposure to fuel price risk over time.

Ixom

- Healthy demand from the construction, mining, dairy, as well as the water treatment segments
- Enhanced product offerings with the acquisition of Australian Botanical Products in the Life Science segment
- Pursuing growth opportunities to capture greater market share across key growth segments

Philippine Coastal

- Business integration completed in 2Q 2021
- Fuel storage utilisation remained stable
- Demand expected to improve as the Philippines economy recovers gradually from COVID-19

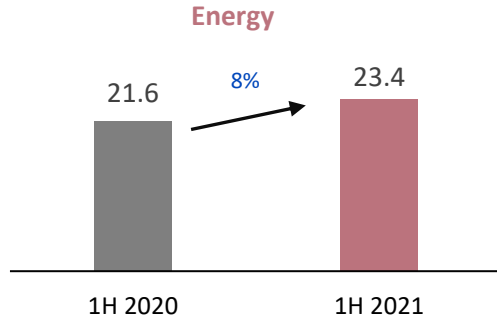
Basslink¹

- Basslink achieved 99.8% availability and the Commercial Risk Sharing Mechanism was positive at 4.9% for 1H 2021
- Secured a 3-month extension of its loans to Aug 2021; continues to work towards securing a longer term refinancing package

1. KIT is not dependent on Basslink's cash flows for distributions.



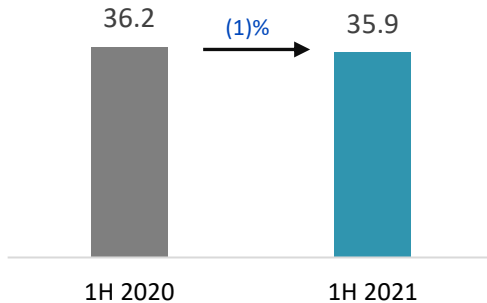
Operational Cash Flows (OCF) (\$m)



Keppel Merlimau Cogen Plant

- Achieved 100% contracted availability in 1H 2021 compared to 97.9% in 1H 2020
- KMC has no tariff exposure to the Singapore wholesale electricity market and has no exposure to fluctuations in fuel oil prices
- Benefit from lower interest rates, following the achievement of pre-set carbon emission targets as part of the 7-year S\$700 million sustainability-linked loan

Waste & Water



Senoko and Tuas WTE Plants, Ulu Pandan NEWater Plant and SingSpring Desalination Plant

- Availability above contractual obligations and operations remained stable
- Enhance operational continuity with acquisition of remaining 30% stake in the SingSpring Desalination Plant and proposed O&M transfer to a KI owned O&M company

Free Cash Flow to Equity



	1H 2021 S\$'000	1H 2020 S\$'000	+/(-) %
Distribution & Network	62,208	68,437	(9.1)
City Gas	19,723	29,011	(32.0)
Ixom	38,723	39,426	(1.8)
Philippine Coastal	3,762	-	100.0
Energy	23,367	21,607	8.1
Waste & Water	35,945	36,219	(0.8)
Operational Cash Flows	121,520	126,263	(3.8)
KIT and Holdco¹	(20,872)	(12,945)	(61.2)
Free Cash Flow to Equity	100,648	113,318	(11.2)

1. Comprises Trust expenses and distribution paid/payable to perpetual securities holders, management fees and financing costs

Balance Sheet and Capital Management



- Upsized Multicurrency Debt Issuance Programme from S\$1b to S\$2b: Issued S\$300m perpetual securities (classified as equity) to refinance borrowings, fund potential acquisitions and asset enhancement works
- Hedged ~88% of total loans
- Weighted average interest rate: 3.6%
- Weighted average term to maturity: 2.6 years¹

Balance Sheet (\$m)	As at 30 Jun 2021	As at 31 Dec 2020
Cash	650	581
Borrowings	2,212	2,161
Net debt	1,562	1,580
Total assets	5,196	4,930
Total liabilities	3,440	3,435
Group EBITDA	387 ^{2,3}	376 ⁴
Net gearing	30.1%	32.1%
Net debt / EBITDA	4.1x	4.2x

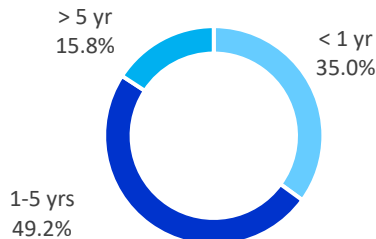
1. Excluding the Basslink loan, weighted average term to maturity would be 3.6 years

2. Excludes one-off acquisition related cost incurred for Ixom's acquisition of ABP (S\$0.7m), Basslink's arbitration provision (S\$23.8m) and the impairment loss on Ixom's assets in relation to the cessation of operations of a long-term customer (S\$17.0m). Annualised Group EBITDA is S\$345.5m without the adjustments.

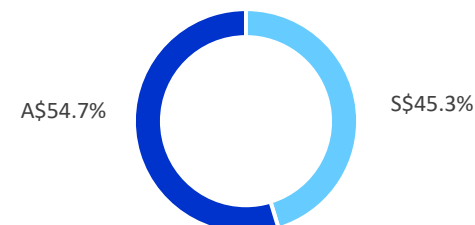
3. Includes annualized share of profits from Philippine Coastal, based on equity accounting

4. Excludes one-off acquisition related cost incurred for Ixom's acquisition of Medora (S\$0.8m), Ixom divestment of Latin America and China Life Science businesses (S\$16.7m) and Basslink's arbitration provision (S\$76.2m). Group EBITDA is S\$282.3m without the adjustments.

Debt Repayment Profile



Debt Breakdown by Currency




Loan Profile	Amount (\$m)	Maturity/ Call Date	Repayment
Basslink	A\$630.5	Aug 2021	Amortising*
KIT	S\$100.0	Feb 2022	Bullet*
Ixom	A\$557.4	Feb 2024	Bullet*
SingSpring	S\$28.4	Dec 2024	Amortising
City Gas	S\$178.0	Feb 2026	Bullet*
KMC	S\$700.0	Jun 2027	Amortising*

* To be refinanced upon maturity

Thank You

www.kepinfratrust.com

Connect with us on: 

Constituent of:

MSCI 

MSCI Singapore
Small Cap Index

**FTSE
Russell**

FTSE ST Large
& Mid-Cap Index

Philippine Coastal

KIT | KEPEL
INFRASTRUCTURE
TRUST



Additional Information

Keppel Merlimau Cogen Plant



KEPPEL
INFRASTRUCTURE
TRUST

Three-pronged Growth Strategy



The Trustee-Manager will harness the synergies of its **three-pronged growth strategy** to achieve its goal of **long-term value creation**

Value Creation

- Generate and grow cash flows from KIT's well-diversified portfolio of businesses and assets
- Drive organic growth from existing going concern businesses - City Gas, Ixom, Philippine Coastal - that are supported by long-term favourable demand trends
- Drive strong operational performance and efficiencies, as well as fulfil all contractual requirements

Operational Excellence

- Achieve operational excellence and asset optimisation to extract further value
- Maintain an optimal capital structure to support growth initiatives, and maximise returns for Unitholders
- Implement sustainable practices, where feasible, to support a sustainable future for KIT and its stakeholders

Focused Acquisition

- Seek leading businesses and assets with the following investment characteristics:
 - ✓ Generate defensive cash flows and revenues that are inflation-linked and/or GDP-linked with potential for growth
 - ✓ Possess high barriers to entry
 - ✓ Are key providers of essential products and services
- Potential bolt-on acquisitions at City Gas, Ixom and Philippine Coastal
- Undertake co-investment and incubation opportunities with Keppel Capital, the Sponsor and/or like-minded investment partners
- Partner with experienced operators on greenfield investments with limited construction exposure



Deliver recurring distributions and growth over the long term

Anchored

By acquiring strategic businesses and assets across a broad range of highly defensive industries

Benchmarks



Defensive and growing cash flows



High barriers to entry with a dominant or leading market position



Provider of essential products or services with potential for long-term growth



Jurisdictions with well-developed legal frameworks



Creditworthy off-takers and/or a large, diversified and stable customer base



ENVIRONMENTAL STEWARDSHIP

We will do our part to combat climate change and are committed to improving resource efficiency and reducing our environmental impact.



RESPONSIBLE BUSINESS

The long-term sustainability of our business is driven at the highest level of the organisation through a strong and effective board, good corporate governance and prudent risk management.



PEOPLE AND COMMUNITY

People are the cornerstone of our business. We are committed to providing a safe and healthy workplace, investing in training and developing our people to help them reach their full potential, as well as uplifting communities wherever we operate.












Through Keppel Capital, the Trustee-Manager supports the United Nations (UN) Global Compact as a signatory and adopts the Compact's 10 universal principles, which include human rights, labour, environment and anti-corruption.



Align sustainability approach with nine out of 17 Sustainable Development Goals to ensure that KIT's ESG efforts help address the most crucial sustainability issues globally.

Well-Diversified Customer Base and Reputable Off-takers



		Description	Customer and contract terms	Primary source of cash flows
Distribution & Network	<p><i>City Gas</i> <i>Singapore</i></p> 	Sole producer and retailer of piped town gas	Approx. 873,000 commercial and residential customers	Fixed margin per unit of gas sold, with fuel and electricity costs passed through to consumer
	<p><i>Ixom</i> <i>Australia</i></p> 	Industrial infrastructure business in Australia and New Zealand, supplying and distributing key water treatment chemicals, as well as industrial and specialty chemicals	Over 8,000 customers comprising municipals and blue-chip companies	Payments from customers for delivery of products and provision of services based on agreed terms.
	<p><i>Basslink</i> <i>Australia</i></p> 	Basslink subsea interconnector that transmits electricity and telecoms between Victoria and Tasmania in Australia	Service agreement with Hydro Tasmania (owned by Tasmania state government) until 2031, with option for 15-year extension	Fixed payments for availability of Basslink subsea cable for power transmission
	<p><i>Philippine Coastal</i> <i>Philippines</i></p> 	The largest petroleum products storage facility in the Philippines, located in the tax-friendly Subic Bay Freeport Zone	Blue-chip customers	USD-denominated “take-or-pay” contracts with no direct exposure to petroleum price and volume risk
Energy	<p><i>Keppel Merlimau Cogen</i> <i>Singapore</i></p> 	1,300MW combined cycle gas turbine power plant	Capacity Tolling Agreement with Keppel Electric until 2030 with option for 10-year extension (land lease till 2035, with 30-year extension)	Fixed payments for meeting availability targets
Waste & Water	<p><i>Senoko WTE Plant</i> <i>Singapore</i></p> 	Waste-to-energy plant with 2,310 tonnes/day waste incineration concession	NEA, Singapore government agency - concession until 2024	Fixed payments for availability of incineration capacity
	<p><i>Tuas WTE Plant</i> <i>Singapore</i></p> 	Waste-to-energy plant with 800 tonnes/day waste incineration concession	NEA, Singapore government agency - concession until 2034	Fixed payments for availability of incineration capacity
	<p><i>Ulu Pandan NEWater Plant</i> <i>Singapore</i></p> 	One of Singapore's largest NEWater plants, capable of producing 148,000m ³ /day ⁽¹⁾	PUB, Singapore government agency - concession until 2027	Fixed payments for the provision of NEWater production capacity
	<p><i>SingSpring Desalination Plant</i> <i>Singapore</i></p> 	Singapore's first large-scale seawater desalination plant, capable of producing 136,380m ³ /day of potable water	PUB, Singapore government agency - concession until 2025 (land lease till 2033)	Fixed payments for availability of output capacity

1. Keppel Seghers Ulu Pandan has an overall capacity of 162,800m³/day, of which 14,800m³/day is undertaken by Keppel Seghers Engineering Singapore.

Important Notice



The information contained in this presentation is for information purposes only and does not constitute or form part of, and should not be construed as, any offer or invitation to sell or issue or any solicitation of any offer or invitation to purchase or subscribe for any units ("Units") in Keppel Infrastructure Trust ("KIT") or rights to purchase Units in Singapore, the United States or any other jurisdiction. This presentation is strictly confidential to the recipient, may not be reproduced, retransmitted or further distributed to the press or any other person, may not be reproduced in any form and may not be published, in whole or in part, for any purpose to any other person with the prior written consent of the Trustee-Manager (as defined hereinafter). This presentation should not, nor should anything contained in it, form the basis of, or be relied upon in any connection with any offer, contract, commitment or investment decision whatsoever and it does not constitute a recommendation regarding the Units.

The past performance of KIT is not necessarily indicative of its future performance. Certain statements made in this presentation 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) ("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 presentation. 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.

The information contained in this presentation is not for release, publication or distribution outside of Singapore (including to persons in the United States) and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

This presentation is not for distribution, directly or indirectly, in or into the United States. No Units are being, or will be, registered under the U.S. Securities Act of 1933, as amended ("Securities Act"), or the securities laws of any state of the U.S. or other jurisdiction and no such securities may be offered or sold in the U.S. except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state or local securities laws. No public offering of securities is being or will be made in the U.S. or any other jurisdiction.