



(Business Trust Registration Number 2007001)
(Constituted in the Republic of Singapore as a business trust
pursuant to a trust deed dated 5 January 2007 (as amended))

RESPONSE TO SGX-ST'S QUERIES ON KEPPEL INFRASTRUCTURE TRUST'S ANNUAL REPORT

Keppel Infrastructure Fund Management Pte. Ltd., acting in its capacity as trustee-manager (the "**Trustee-Manager**") of Keppel Infrastructure Trust (the "**Trust**", or "**KIT**"), sets out its response to the queries raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 11 April 2024 as follows:

SGX-ST Queries on 11 April 2024:

We refer to the Trust's annual report for the year ended 31 December 2023 announced on 1 April 2024. The Trust recorded \$22.7 million in sales of goods and services and \$413.1 million in purchases with Keppel Group in its interested person transactions table on page 211. In the footnotes to the table, it was explained to be the result of a change in presentation of certain passthrough arrangements with Keppel Ltd in the calculation of the value of interested person transactions for FY2023.

- (a) Please clarify what these passthrough arrangements are.
- (b) Elaborate on how a change in presentation of the passthrough arrangements result in interested person transactions being recorded?
- (c) Clarify if KIT has sought unitholders' approval for these transactions which exceed 5% of KIT's latest FY2022 net tangible asset? If no, please explain why not.

Trustee-Manager's Response:

- (a) The Trust had on 30 June 2015 acquired a 51% direct interest in Keppel Merlimau Cogen Pte Ltd ("**KMC**", and the acquisition of KMC, the "**KMC Acquisition**"). In connection with the KMC Acquisition, KMC had also undergone a restructuring (the "**2015 KMC Restructuring**"), whereby, amongst others, KMC, Keppel Electric Pte. Ltd ("**KE**") and Keppel Infrastructure Holdings Pte. Ltd. ("**KIHPL**") had on 15 May 2015 entered into a capacity tolling agreement, as amended by a first supplemental agreement dated 11 February 2016, a second supplemental agreement dated 1 January 2022, and a third supplemental agreement dated 19 December 2023 (collectively, the "**CTA**"). The terms of the CTA provide for certain pass-through arrangements between KMC and KE, including:
 - (i) the reimbursement by KE for costs incurred by KMC relating to plant maintenance and major maintenance charges, computer hardware cost, inventory freight and transportation cost, inventory usage, diesel usage and fees related to maintaining KMC's electricity licence to generate electricity and trade in any wholesale electricity market operated by the Energy Market Company Pte Ltd ("**EMC**"); and

- (ii) the pass-through to KE of revenues received by KMC from the EMC for the sale of electricity and the provision of backup generator services.

The above pass-through arrangements under the CTA are referred to in this announcement as the **“Pass-through Arrangements”**.

KMC is an entity at risk, and each of KE and KIHPL are interested persons, under the Listing Manual of the SGX-ST (the **“Listing Manual”**).

- (b) Prior to the financial year ended 31 December 2023 (**“FY2023”**), the Trust had not disclosed the amounts received or payable under the Pass-through Arrangements, as these are reimbursement arrangements that are passed through KMC without any markups or added margins by KMC. That is to say, the Pass-through Arrangements are intended to be economically neutral to KMC, in that KMC would not incur any costs or make any profits under these Pass-through Arrangements.

As further explained in the Trustee-Manager’s Response in paragraph (c) below, approval from the unitholders of Keppel Infrastructure Trust (as it then was in 2015) (**“KIT (2015)”**) for the entry into the CTA, and the performance of KMC’s obligations thereunder, had already been obtained. Regardless, for FY2023, the Trust has, in the interests of greater transparency, decided to disclose the quantum of these Pass-through Arrangements. Notwithstanding the above, the Pass-through Arrangements remain unchanged as at the date of this announcement.

- (c) The unitholders of KIT (2015) had earlier approved (amongst others) the KMC Acquisition as an interested person transaction under the Listing Manual at the extraordinary general meeting of KIT (2015) held on 30 April 2015 (**“2015 EGM”**). As disclosed in the circular dated 2 April 2015 for the 2015 EGM, such approval for the KMC Acquisition is deemed to include the approval for the CTA and certain other transaction documents entered into by KMC as part of the 2015 KMC Restructuring. Accordingly, the entry into the CTA, and the performance of KMC’s obligations thereunder, had already been approved by unitholders of KIT (2015).

Please refer to the circular dated 1 April 2024 for more information on (amongst others) KMC, the CTA, and certain amendments that are proposed to be made to the CTA.

BY ORDER OF THE BOARD
KEPPEL INFRASTRUCTURE FUND MANAGEMENT PTE. LTD.
(Company Registration Number: 200803959H)
As Trustee-Manager of Keppel Infrastructure Trust

Darren Tan / Chiam Yee Sheng

Company Secretaries

15 April 2024

IMPORTANT NOTICE

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