Directors' Statement
and Financial Statements
Year ended December 31, 2024

Keppel Infrastructure Fund Management Pte. Ltd.
Business Trust Registration No. 200803959H

Growing Sustainable Value

ANNUAL REPORT 2024

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FINANCIAL STATEMENTS

Directors' Statement

The directors present their statement together with the audited financial statements of the Company for the financial year ended 31 December 2024.

In the opinion of the directors,

a. the financial statements as set out on pages 5 to 21 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2024, and the financial performance, changes in equity and cash flows of the Company for the financial year covered by the financial statements; and
b. at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS
The directors of the Company in office at the date of this statement are:

Daniel Cuthbert Ee Hock Huat	
Mark Andrew Yeo Kah Chong	
Susan Chong Suk Shien	
Adrian Chan Pengee	
Christina Tan Hua Mui	
Ng Kin Sze	
Khor Poh Hwa	(Appointed on 1 July 2024)
Eng Chin Chin	(Appointed on 20 February 2025)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES
Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures, of the Company or any other body corporate, except as mentioned in the following paragraph.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES
All the members of the Company have consented to this Statement not containing any information of interest in shares or debentures of the Company or its related corporations held by the Directors holding office at the end of the financial year.

SHARE OPTIONS
There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option as at the end of the financial year.

INDEPENDENT AUDITOR
The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of Directors

Daniel Ee

DANIEL CUTHBERT EE HOCK HUAT
Chairman

Christina Tan

CHRISTINA TAN HUA MUI
Director

26 March 2025

Independent Auditor's Report to the Member of Keppel Infrastructure Fund Management Pte. Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the accompanying financial statements of Keppel Infrastructure Fund Management Pte. Ltd. (the "Company") are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the balance sheet as at 31 December 2024;
- the statement of comprehensive income for the year ended 31 December 2024;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Independent Auditor's Report to the Member of Keppel Infrastructure Fund Management Pte. Ltd.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

PRICEWATERHOUSECOOPERS LLP
Public Accountants and
Chartered Accountants

Singapore
26 March 2025

Balance Sheet

As at 31 December 2024

	Note	2024 $'000	2023 $'000
Share capital	4	**1,000**	1,000
Revenue reserves		**51,323**	31,508
Total equity		**52,323**	32,508
Represented by:			
Non-current assets			
Trade and other receivables	5	**–**	32,186
Deferred tax assets	6	**422**	–
Total non-current assets		**422**	32,186
Current assets			
Cash and cash equivalents	8	**5,942**	2,355
Trade and other receivables	5	**64,084**	10,370
Amounts due from related companies	7	**5**	–
Total current assets		**70,031**	12,725
Current liabilities			
Other payables	9	**4,813**	5,598
Amounts due to related companies	7	**8,224**	2,009
Taxation	10	**4,273**	4,150
Total current liabilities		**17,310**	11,757
Net current assets		**52,721**	968
Non-current liabilities			
Other payables	9	**820**	646
Total non-current liabilities		**820**	646
Net assets		**52,323**	32,508

The accompanying notes form an integral part of these financial statements.

Statement of Comprehensive Income

Year ended 31 December 2024

	Note	2024 $'000	2023 $'000
Revenue	11	**52,880**	56,626
Interest income		**104**	70
Staff costs	12	**(5,659)**	(5,660)
Other operating expenses – net	14	**(11,773)**	(16,171)
Profit before taxation		**35,552**	34,865
Taxation	10	**(3,737)**	(4,139)
Profit for the year, representing total comprehensive income for the year		**31,815**	30,726

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

Year ended 31 December 2024

	Note	Share capital $'000	Revenue reserves $'000	Total $'000
2024				
As at 1 January		**1,000**	**31,508**	**32,508**
Profit for the year, representing total comprehensive income for the year		**–**	**31,815**	**31,815**
Dividends	15	**–**	**(12,000)**	**(12,000)**
As at 31 December		**1,000**	**51,323**	**52,323**
2023				
As at 1 January		1,000	14,782	15,782
Profit for the year, representing total comprehensive income for the year		–	30,726	30,726
Dividends	15	–	(14,000)	(14,000)
As at 31 December		1,000	31,508	32,508

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 December 2024

	Note	2024 $'000	2023 $'000
Operating activities			
Profit before taxation		**35,552**	34,865
Adjustments for:			
Interest income		**(104)**	(70)
Unit and share plans expenses		**841**	685
Operating cash flows before movements in working capital		**36,289**	35,480
Working capital changes:			
Amounts due from related companies		**(5)**	–
Trade and other receivables		**(21,528)**	(26,718)
Other payables		**(1,452)**	1,842
Amounts due to related companies		**6,215**	–
Cash generated from operations		**19,519**	10,604
Interest received		**104**	73
Income tax paid	10	**(4,036)**	(3,886)
Net cash generated from operating activities		**15,587**	6,791
Financing activity			
Dividends paid, representing cash used in financing activity	15	**(12,000)**	(14,000)
Net change in cash and cash equivalents		**3,587**	(7,209)
Cash and cash equivalents at the beginning of the year		**2,355**	9,564
Cash and cash equivalents at the end of the year	8	**5,942**	2,355

The accompanying notes form an integral part of these financial statements.

1. GENERAL

The Company is incorporated and domiciled in Singapore. The address of the Company's registered office is 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632.

The Company's principal activity is that of trust management.

The Company is the Trustee-Manager of Keppel Infrastructure Trust ("KIT" or the "Trust"), which was formerly known as CitySpring Infrastructure Trust, from May 18, 2015 onwards. The Trustee-Manager is responsible for safeguarding the interests of unitholders and for carrying out KIT's investments and financing strategies, asset acquisitions and disposal policies and for the overall management of KIT's assets.

The financial statements of the Company for the year ended 31 December 2024 were authorised for issue by the Board of Directors of the Company on 26 March 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs"). All references to SFRS(I)s and IFRSs are referred to collectively as SFRS(I)s in these financial statements, unless specified otherwise.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The financial statements are expressed in Singapore Dollars, which is the Company's functional and presentation currency, except when otherwise indicated.

The preparation of these financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

2.2 Adoption of new and revised standards

The Company has adopted the new or amended SFRS(I)s and Interpretations of SFRS(I) ("INT SFRS(I)s") that are effective for annual periods beginning on or after 1 January 2024.

The adoption of these new or amended SFRS(I)s and INT SFRS(I)s did not result in material changes to the accounting policies of the Company and had no material impact on the amounts reported for the current or prior years.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Financial assets

Financial assets include cash and cash equivalents, amounts due from related companies, and trade and other receivables (excluding goods and services tax receivables and prepayments).

The Company classifies its financial assets in the measurement category "Amortised cost". The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Company reclassifies its debt instruments when and only when its business model for managing those assets changes.

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

2.4 Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applied the simplified approach permitted by SFRS(I) 9, which requires lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, the Company considers historical payment patterns and credit characteristics of each debtor and adjusts for forward looking information. Receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

For cash and cash equivalents, amounts due to related companies, and trade and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2.5 Financial liabilities

Financial liabilities comprise trade and other payables (excluding goods and service tax payable) and amount due to related companies. They are initially recognised at fair value, and are subsequently measured at amortised cost, using the effective interest method except for short-term balances when the recognition of interest would be immaterial.

2.6 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.7 Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable.

Base Fee

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 for the relevant period.

Performance Fee

Performance fee is charged 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.

Other fees

In addition to the Base Fee and the Performance Fee, the Trustee-Manager (in its personal capacity) is also entitled to receive an Acquisition Fee in respect of any investment acquired by the Trust or such other 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.

Interest income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable using the effective interest method.

2.8 Employee benefits

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for leave as a result of services rendered by employees up to the balance sheet date.

Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as The Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

Share-based compensation

The Company has cash-settled share-based and unit-based compensation plans. The fair value of the employee services received in exchange for the grant of share and units is recognised as an expense in the profit and loss account with a corresponding increase in the provision for employee share and unit plan over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair values of the share and units granted on the respective dates of grant.

At each balance sheet date, the Company revises its estimates of the number of share and units that are expected to become exercisable as well as share and unit plan awards that are expected to vest on the vesting dates and recognises the impact of the revision of the estimates in the profit and loss account, with a corresponding adjustment to the provision for employee share and unit plan over the remaining vesting period.

No expense is recognised for share and unit plan awards that do not ultimately vest.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Taxation

Current income tax is recognised at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets/liabilities are recognised for deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. The principal temporary differences arise from depreciation, valuation of investment properties, unremitted offshore income and future tax benefits from certain provisions not allowed for tax purposes until a later period. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset/liability is realised/settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and based on the tax consequence that will follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred income taxes are recognised as income or expense in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer’s interest in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities over cost.

The Company has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. The Company accounts for Pillar Two income taxes as current tax when it is incurred.

2.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise short-term placements with a related company which functions as the central treasury of the Keppel group of companies. The Company assessed that the short-term placements with the central treasury, which has sound financial strength, is subject to an insignificant risk of changes in value. The nature of the placement is disclosed in Note 8.

2.11 Currency translation

Transactions in foreign currency during the period are translated at the exchange rates prevailing at transaction dates. Currency exchange differences resulting from the translation of monetary assets and liabilities denominated in foreign currencies at closing rate at the balance sheet date are recognised in profit or loss.

2.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account. Dividends to the Company’s shareholders are recognised when the dividends are approved for payment.

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

3.1 Critical judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, the management is of the opinion that there are no instances of application of judgements which is expected to have a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. SHARE CAPITAL

	Number of ordinary shares			
	2024 '000	2023 '000	**2024 $'000**	2023 $'000
Issued and paid up:				
At beginning and end of year	**1,000**	1,000	**1,000**	1,000

The ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

5. TRADE AND OTHER RECEIVABLES

	2024 $'000	2023 $'000
Non-current		
Trade receivables – from Trust	**–**	32,186
Current		
Trade receivables – from Trust	**63,177**	9,662
Other receivables:		
Goods and services tax receivable	**653**	84
Trust and its group of Companies (non-trade)	**113**	412
Prepayments	**141**	212
	907	708
Total	**64,084**	10,370

As of 1 January 2023, trade receivables amounted to S$15,101,000. For the financial year ended 31 December 2024 and 2023, all trade receivables are neither past due nor impaired.

Other receivables due from related companies and related parties are unsecured, interest-free and repayable on demand.

6. DEFERRED TAX ASSETS

	2024 $'000	2023 $'000
Deferred tax asset	**422**	–

The movement in the net deferred income tax account is as follows:

Provisions

	2024 $'000	2023 $'000
Beginning of financial year	**–**	–
Tax credited to		
– profit or loss (Note 10)	**422**	–
End of financial year	**422**	–

7. AMOUNTS DUE FROM/TO RELATED COMPANIES

The Company's immediate holding company is Keppel Capital Holdings Pte. Ltd. ("KCH"). The Company's ultimate holding company is Keppel Ltd. ("Keppel"). Keppel and KCH are incorporated in Singapore. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

	2024 $'000	2023 $'000
Amounts due from related companies		
Other receivables	**5**	–
Amounts due to related companies		
Trade	**7,933**	1,232
Non-trade	**291**	777
	8,224	2,009

Amounts due from/to related companies are unsecured, interest-free and repayable on demand.

8. CASH AND CASH EQUIVALENTS

	2024 $'000	2023 $'000
Short-term placement with a related company	**5,942**	2,355

Short-term placement with a related company bears interest ranging from 1.22% to 1.50% (2023: 3.71% to 4.03%) per annum and is repayable on demand. Short-term placement with a related company, which functions as the central treasury of the Keppel group of companies, is subject to an arrangement with a bank where bank balances above or below a preset amount are transferred to/from a bank account of the related company daily.

9. OTHER PAYABLES

	2024 $'000	2023 $'000
Current		
Other payables:		
Accrued expenses	**4,499**	5,357
Provisions for employee unit and share plans	**306**	192
Other creditors	**8**	49
	4,813	5,598
Non-current		
Other payables:		
Provisions for employee unit and share plans	**820**	646
	820	646

10. TAXATION

a. Income tax expense

	2024 $'000	2023 $'000
Current year tax	**4,258**	4,174
Over provision of current tax in prior year	**(99)**	(35)
Deferred tax asset (Note 6)	**(422)**	-
Income tax expense recognised in profit or loss	**3,737**	4,139

The income tax differs from the amount of income tax that would arise by applying the Singapore standard rate of income tax due to the following:

	2024 $'000	2023 $'000
Profit before taxation	**35,552**	34,865
Tax calculated at a tax rate of 17% (2023: 17%)	**6,044**	5,927
Over provision of current tax in prior year	**(99)**	(35)
Tax-exempt income	**(17)**	(17)
Tax incentive	**(2,191)**	(1,736)
Net	**3,737**	4,139

The Company received the Financial Sector Incentive Scheme ("FSI") award from 1 January 2022 until 31 December 2032. Under the FSI Scheme, fees derived from fund management or investment advisory services of qualifying funds will be taxed at a concessionary tax rate of 10% whilst fees from non-qualifying funds will be taxed at the Singapore income tax rate applicable for the relevant year of assessment.

10. TAXATION (continued)

b. Movement in current income tax liabilities

	2024 $'000	2023 $'000
Beginning of financial year	**4,150**	3,926
Income tax paid	**(4,036)**	(3,886)
Tax expense	**4,258**	4,145
Adjustment for prior year's tax	**(99)**	(35)
End of financial year	**4,273**	4,150

Pillar Two income taxes
The Base Erosion and Profit Shifting (BEPS) Pillar Two model rules are applicable to the Company as the Company is part of a multinational enterprise group with consolidated revenue in excess of EUR 750 million. Singapore, where the Company's ultimate holding company is incorporated, will implement the Domestic Top-up Tax and Income Inclusion Rule under Pillar Two model rules for in-scope businesses from the financial year beginning on or after 1 January 2025.

As at the balance sheet date, the Pillar Two legislation has been enacted or substantively enacted in Singapore where the Company is incorporated, but not yet in effect as at 31 December 2024.

Under the Pillar Two rules, the Pillar Two effective tax rate ("ETR") is assessed on a jurisdictional basis and top-up tax is payable if the jurisdictional ETR is below 15%. Transitional Country-by-County Safe Harbour rules ("TCSH") have also been developed to provide temporary relief from compliance obligations during the initial implementation period. Under the TCSH, the top-up tax for such jurisdiction is deemed to be zero if certain tests can be met for the selected jurisdiction. As at 31 December 2024, Singapore is expected to meet the tests under TCSH and therefore, the Company does not estimate significant Pillar Two top-up taxes.

11. REVENUE

Revenue consists of the following fee income from the Trust and its group of companies:

	2024 $'000	2023 $'000
Trust and its group of companies		
Management fee income	**23,728**	37,314
Performance fee income	**12,984**	19,070
Acquisition fees income	**16,168**	242
Total	**52,880**	56,626
Revenue		
At a point in time	**16,168**	242
Over time	**36,712**	56,384
Total	**52,880**	56,626

12. STAFF COSTS

	2024 $'000	2023 $'000
Salaries, bonus and short-term benefits	**4,418**	4,445
Employer's contribution to Central Provident Fund	**400**	530
Share-based payments recharged by related company	**841**	685
Total	**5,659**	5,660

13. EMPLOYEE SHARE PLAN EXPENSE

KIFM Unit Plans

a. The KIFM RUP and KIFM PUP were approved and administered by the Nominating and Remuneration Committee of the Company.

b. The Company is the trustee-manager of KIT. The awards granted by the Company will be settled in KIT Units. Details of the KIFM RUP and KIFM PUP are as follows:

	KIFM RUP	KIFM PUP
Plan Description	Award of fully-paid KIT Units, conditional on fulfilment of service requirements	Award of fully-paid KIT Units, conditional on achievement of pre-determined targets over a three-year performance period
Performance Conditions	Nil	a. Asset under Management Growth b. Absolute Total Unitholder's Return c. Distribution per Unit
Final Award	100% of the contingent award granted, subject to fulfilment of service requirements	0% to 150% of the contingent awards granted, depending on achievement of pre-determined targets
Vesting Condition and Schedule	Awards will vest equally over three years subject to fulfilment of service requirements	If pre-determined targets are achieved, awards will vest at the end of the three-year performance period subject to fulfilment of service requirements

c. For Year 2023, the Company granted contingent deferred awards of 715,500 KIT Units under KIFM RUP on 15 February 2024, to be vested equally over 3 years from 15 February 2024 onwards provided the employees remain in employment. For Year 2024, the contingent deferred units will be granted in 2024 after taking into consideration KIT's and individual performance. Subject to the fulfilment of service conditions at vesting, the contingent deferred units will vest equally over three years from February 2025 onwards.

d. On 30 April 2024, the Company granted contingent awards of 925,000 KIT Units under KIFM PUP. The estimated fair value of the KIT Units granted under KIFM PUP is $0.28. The fair values of the contingent awards are determined at the grant date using the Monte Carlo simulation method which involves the projection of future outcomes using statistical distributions of key random variables including share price and volatility. The significant inputs into the model are as follows:

	2024		2023	
	RUP	PUP	RUP	PUP
Date of grant	**15.02.24**	**30.04.24**	15.02.23	28.04.23
Prevailing unit price at date of grant	**$0.50**	**$0.475**	$0.545	$0.49
Expected volatility				
Keppel Infrastructure Trust	**12.203%**	**16.577%**	12.748%	17.351%
Expected term	**0 – 2.00 years**	**2.83 years**	0 – 2.00 years	2.83 years
Risk-free rate	**N/A – 3.519%**	**3.395%**	N/A - 3.418%	2.926%

13. EMPLOYEE SHARE PLAN EXPENSE (continued)

KIFM Unit Plans (continued)

e. The expected volatilities are based on the historical volatilities of KIT's unit price and the FSTREI Index price over the previous 36 months immediately preceding the grant date. The expected term used in the model is based on the grant date and the end of the performance period.

As at 31 December 2024, the Company has updated the fair value of the KIT Units for the award granted but not yet vested using the market rate as at 16 December 2024 of $0.45.

f. The CEO and senior management of the Company, who are eligible for KIFM PUP, are required to hold a portion of the KIT Units released to them under a share ownership guideline which requires them to maintain a beneficial ownership stake in KIT thus further aligning their interests with the unitholders.

g. Movements in the number of KIT Units under KIFM RUP and KIFM PUP are as follows:

	2024		2023	
	RUP	PUP	RUP	PUP
At 1 January	**695,754**	**1,280,000**	361,832	640,000
Released	**715,500**	**–**	798,032	–
Vested	**(668,242)**	**–**	(464,110)	–
Contingent awards granted	**–**	**925,000**	–	640,000
Cancelled/Forfeited	**(86,188)**	**(207,000)**	–	–
At 31 December	**656,824**	**1,998,000**	695,754	1,280,000

Under KIFM RUP, there were 656,824 (2023: 695,754) restricted KIT Units that were released but not vested as at 31 December 2024.

Under KIFM PUP, there were 1,998,000 (2023: 1,280,000) contingent awards of performance KIT Units that were granted but not released as at 31 December 2024. Depending on the achievement of pre-determined performance targets, the actual number of performance KIT Units to be released can range from 0% to 150% of the contingent awards granted.

Keppel Share Plans

The Company has share plans, which comprise the Restricted Share Plan and Performance Share Plan of its ultimate holding company, Keppel. The share plans were approved and administered by Keppel Board of Directors.

Details of the share plans are disclosed in the Annual Report of the ultimate holding company.

14. OTHER OPERATING EXPENSES – NET

	2024 $'000	2023 $'000
Directors' fees	**510**	595
Administrative, general office support and corporate services (Note 17)	**10,866**	14,980
Professional fees	**71**	235
Auditors' remuneration	**7**	9
Others	**319**	352
Total	**11,773**	16,171

15. DIVIDENDS

	2024 $'000	2023 $'000
Interim tax exempt one-tier dividend payable in respect of the financial year of $12.00 (2023: $14.00) per share	**12,000**	14,000

16. FINANCIAL RISKS MANAGEMENT

a. Categories of Financial Instruments

The following table sets out the financial instruments as at the end of the financial year:

	2024 $'000	2023 $'000
Financial assets, at amortised cost	69,237	44,615
Financial liabilities, at amortised cost	13,857	8,253

The carrying amounts of these financial assets and liabilities carried at amortised cost approximate their fair values.

b. Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Company. The maximum exposure to credit risk is the carrying amount of financial assets which are amounts due from related companies and cash and cash equivalents.

As at 31 December 2024 and 31 December 2023, there is a significant concentration of credit risks with KIT, for the duration of the Trust Deed entered into. The Company has assessed that KIT has strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from the obligations.

The related companies have sound financial strength and bank balances and deposits are place with or entered into with reputable financial institutions. The directors of the Company have considered the financial standing of these counterparties and are of the opinion that the Company has no significant exposure to credit risk.

c. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The directors of the Company are of the view that liquidity risk is minimal.

d. Currency risk

The Company's cash flows and financial assets and liabilities are mainly denominated in Singapore Dollars, its functional currency, and hence has no significant exposure to foreign currency risk.

e. Interest rate risk

The Company is exposed to interest rate risk on short-term placements with a related company. No sensitivity analysis is prepared as the Company does not expect any material effect on profit or loss arising from the effects of fluctuations in interest rates on short-term placements with a related company.

f. Capital risk

The directors of the Company review its capital structure at least annually to ensure that the Company will be able to continue as a going concern. The capital structure of the Company comprises of share capital and revenue reserves. The Company's overall strategy remains unchanged from prior year.

17. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and its related parties during the financial year.

Significant intercompany transactions are as follows:

	2024 **$'000**	2023 $'000
General office support, corporate and outsourcing services	**(10,866)**	(14,980)
Interest income from a related company	**104**	70

Compensation of directors and key management personnel:

	2024 **$'000**	2023 $'000
Short-term employee benefits	**(1,509)**	(1,604)
Employer's contribution to Central Provident Fund	**(61)**	(48)
Share-based payments	**(232)**	(923)
Directors' fees	**(510)**	(595)

During the year, the Company has elected to receive the management and performance fee from KIT by a combination of both cash and issue of units. The units received of 933,242 (2023: 735,410) were used to settle the unit-based compensation plans for employees of 668,242 (2023: 464,110) and 30% (2023: 30%) of the total Directors' fees paid to the independent directors of 265,000 (2023: 271,300).

18. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

SFRS (I) 18 *Presentation and Disclosure in Financial Statements* (effective for annual period beginning on or after 1 January 2027)

SFRS (I) 18 will replace SFRS (I) 1-1 *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though SFRS (I) 18 will not impact on the recognition or measurement of items in the financial statements, its impact on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the impact of the adoption of the above amendment on the primary financial statements and notes to the financial statements.

Amendments to Amendments to SFRS (I) 9 and SFRS (I) 7: *Amendments to the Classification and Measurement of Financial Instruments* (effective for annual periods beginning on or after 1 January 2026)

The amendments to SFRS (I) 9 and SFRS (I) 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

SFRS (I) 19 *Subsidiaries without Public Accountability: Disclosures* (effective for annual periods beginning on or after 1 January 2027)

This new standard works alongside other SFRS (I) Accounting Standards. An eligible subsidiary applies the requirements in other SFRS (I) Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in SFRS (I) 19. SFRS (I) 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. SFRS (I) 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

Management anticipates that the adoption of the above amendments in future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

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