**JOINT MEDIA RELEASE**

**Keppel and Keppel Infrastructure Trust enter into an agreement for the respective sale and purchase of a 50% equity interest in the Keppel Marina East Desalination Plant**

- *Proposed Acquisition will entitle Keppel Infrastructure Trust to the entire economic benefit from the entity which owns the dual-mode desalination plant.*
- *Keppel's Infrastructure Division will continue to perform the Operations & Maintenance of the plant and receive a recurring fee.*

**Singapore, 18 November 2024** – Keppel Infrastructure Holdings Pte. Ltd. (KIH), which is a wholly-owned subsidiary of Keppel Ltd. (Keppel) and the Sponsor of Keppel Infrastructure Trust (KIT), and Keppel Infrastructure Fund Management Pte. Ltd. (KIFM), as Trustee-Manager of KIT, have entered into an agreement for the respective sale and purchase of a 50% equity interest in Marina East Water Pte. Ltd. (MEW), which will entitle KIT to the entire economic benefit from MEW (Proposed Acquisition), after having received in-principle approval from PUB, Singapore's National Water Agency, for the Proposed Acquisition. MEW, which owns the Keppel Marina East Desalination Plant (KMEDP), has an enterprise value of S$323 million.

Upon the completion of the Proposed Acquisition (which is expected by the first quarter of 2025), Keppel and KIT will each hold a 50% joint-controlling stake in MEW. KIT will receive 100% of the economic benefits from KMEDP, while the operations and maintenance (O&M) of KMEDP will continue to be performed by Keppel's Infrastructure Division (which will receive the recurring O&M fees) until the end of KMEDP's concession period in 2045. The Proposed Acquisition frees up Keppel's balance sheet, in line with Keppel's focus on being asset light and driving recurring income.

Located at Marina East, KMEDP is Singapore's fourth desalination plant and is the country's first and only large-scale, dual-mode desalination plant, which can treat both seawater and freshwater. KMEDP commenced commercial operations in June 2020 and is capable of producing 137,000 cubic metres of fresh drinking water per day. Keppel was awarded a contract by PUB, Singapore's National Water Agency, to Design, Build, Own and Operate (DBOO) KMEDP, with a 25-year concession from 2020 to 2045.

For its outstanding design features and exceptional Active, Beautiful, Clean (ABC) standards, KMEDP became the first industrial plant in Singapore to be awarded the ABC Waters Certification (Gold) by PUB in October 2019. KMEDP was also named 'Desalination Plant of the Year' at the Global Water Awards 2021.

KIT currently owns two water treatment plants in Singapore, namely the Keppel Seghers Ulu Pandan NEWater Plant and the SingSpring Desalination Plant, which are operated by Keppel's Infrastructure Division as well. The strategic addition of KMEDP to KIT's existing portfolio of water treatment plants is DPU-accretive and will deepen its exposure to critical water treatment solutions.

Ms Cindy Lim, CEO of Keppel's Infrastructure Division, said, "Since commencing commercial operations in June 2020, the Keppel Marina East Desalination Plant has consistently delivered strong availability and high-quality water. With a proven track record of stable operational performance, the partial sale of our interest is aligned with Keppel's capital recycling strategy and our commitment as a Sponsor of KIT to develop and contribute a pipeline of long-lived, stable-yield assets. Keppel's Infrastructure Division will be operating and maintaining the plant until 2045, generating steady recurring income while supporting PUB's mission of ensuring a diversified and sustainable supply of water for Singapore."

Mr Kevin Neo, CEO of KIFM, said, "The strategic acquisition of the Keppel Marina East Desalination Plant, which is a high quality and energy efficient asset, will further enhance the strength and resilience of KIT's portfolio, as well as support KIT's environmental, social and governance goals. The facility is one of the key assets that contribute to Singapore's water security and has a long-term contract with a strong counterparty, which will bolster KIT's distributable income as well as support our goal of generating sustainable returns that will enhance total returns for Unitholders."

KIFM intends to fund the investment with internal sources of funds and existing debt facilities of KIT. KIT's assets under management will grow from S$8.7 billion as at 30 September 2024 to approximately S$9.0 billion upon the completion of the Proposed Acquisition.

The Proposed Acquisition is subject to customary closing conditions including the receipt of applicable regulatory approvals, as well as approval by unitholders of KIT at an Extraordinary General Meeting, further details of which will be provided in due course.

For Keppel, the Proposed Acquisition is not expected to have any material impact on the net tangible assets per share or earnings per share for the current financial year.

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**About Keppel Ltd.**

Keppel Ltd. (SGX:BN4) is a global asset manager and operator with strong expertise in sustainability-related solutions spanning the areas of infrastructure, real estate and connectivity. Headquartered in Singapore, Keppel operates in more than 20 countries worldwide, providing critical infrastructure and services for renewables, clean energy, decarbonisation, sustainable urban renewal and digital connectivity. Keppel creates value for investors and stakeholders through its quality investment platforms and diverse asset portfolios, including private funds and listed real estate and business trusts.

**About Keppel Infrastructure Trust**

Keppel Infrastructure Trust (KIT) is the largest infrastructure business trust listed on the Singapore Exchange (SGX-ST) with approximately S$8.7 billion in assets under management. 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 Pte. Ltd. (KIFM). KIT is sponsored by Keppel, a global asset manager and operator with strong expertise in sustainability-related solutions spanning the areas of infrastructure, real estate and connectivity.

## 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, KIFM 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 KIFM 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, shifts in expected levels of occupancy rate, property rental income, charge out collections, 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 KIFM's current view on future events.