

MEDIA RELEASE

Keppel Infrastructure Trust to acquire 45% stake in a solar portfolio from Enpal, a German renewable energy company

First solar investment doubles KIT's renewable energy exposure to 22% of assets under management, a significant step towards target of 25% of AUM by 2030.

Singapore, 21 December 2023 – Keppel Infrastructure Fund Management Pte. Ltd. (KIFM), as Trustee-Manager of Keppel Infrastructure Trust (KIT) is committing up to €109m (approximately S\$159m)¹ to acquire a 45% effective stake in Enpal B.V. (Enpal)'s solar portfolio (AssetCos) through a special purpose vehicle (SPV). Enpal is Germany's first green tech unicorn and is among some of the largest residential solar installers and fastest-growing energy companies in Europe², installing over 2,500 new solar energy systems monthly.³

KIT will hold a 50% stake in the SPV where the other 50% stake is held by Equitix Investment Management Limited (Equitix) and its co-investors. The SPV will acquire a 90% stake in Enpal's solar portfolio with Enpal retaining the remaining 10% stake.

The portfolio is projected to include over 60,000 bundled solar photovoltaic (PV) systems⁴ across Germany with a projected combined generation capacity of 585 MW. The bundled PV solutions are also projected to include more than 55,000 battery storage systems and more than 30,000 electric vehicle charging equipment. These bundled solutions are leased to households under 20-year lease agreements and will provide highly predictable cash flows to KIT. Post-acquisition, the monitoring and maintenance of the PV systems will continue to be handled by Enpal under 20-year agreements with the AssetCos.

The acquisition of Enpal's portfolio will take place in four phases; the first closing consisting of over 53,500 systems is expected to be completed by end-2023, and the remaining three closings comprising over 6,500 systems by end-June 2024.

Mr Kevin Neo, CEO of KIFM, said, "We are very excited to participate in the growing adoption of solar energy, and to expand our presence in Germany's burgeoning renewable energy sector, which is propelled by the country's ambition to achieve carbon neutrality by 2045. Our investment in Enpal's substantial home solar portfolio marks KIT's first acquisition in the solar energy sector and will expand our exposure to renewables beyond onshore and offshore wind.

Connected by an intelligent renewable network that supports a highly efficient energy delivery model, Enpal's solar portfolio will provide strong and stable earnings visibility to bolster KIT's distributions to unitholders, as we grow KIT's investments in renewables to 25% of AUM by 2030."

¹ Subject to adjustments and based on exchange rate of EUR/SGD: 1.465

² According to FT1000 Ranking 2022 by Financial Times & Statista

³ Source: World Economic Forum

⁴ Including systems under development

Enpal has been benefiting from increasing demand for solar power systems, with consumers seeking alternatives as Germany reduces its reliance on fossil fuels. Enpal's renewable energy solutions are appealing to German households as they allow homeowners to install PV systems, batteries, and EV chargers without incurring high upfront costs. It is generally cheaper for households to lease the energy systems from Enpal compared to buying electricity from the grid. Furthermore, the households are also able to sell any excess electricity generated to the grid at an attractive feed-in-tariff.

KIFM intends to fund the investment with internal sources of funds and/or external borrowings. Upon completion of the transaction, KIT's AUM will grow from S\$7.3 billion as at FY 2022 to approximately S\$8.4 billion⁵, with renewable energy making up 22% of the total AUM.

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About Keppel Infrastructure Trust

Keppel Infrastructure Trust (KIT) is a diversified business trust listed on the Singapore Exchange with approximately \$7.3 billion in assets under management for FY 2022. 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. 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.

About Enpal

Enpal, the greentech unicorn in Germany, is developing an integrated overall solution for renewable energy and is thereby doing pioneering work in the energy transition, reducing households' dependency from fossil energy sources. The company, which has been profitable since 2022, maintains its leading market position for solar power systems for private use in Germany with the sale of several thousand new energy systems every month. The solar power system is part of the integrated energy ecosystem of electricity storage, charging station, heat pump and the Enpal energy

⁵ Represents KIT's equity interest of enterprise value of its portfolio investments, plus cash held at the Trust, of \$7.3 billion for FY 2022; including the \$1.1 billion enterprise value of the proposed investment (adjusted for KIT's equity interest)

manager, which is an intelligent combination of hardware and software. Founded in 2017, Enpal digitizes and revolutionizes the purchase of green energy for a home that is independent of fossil energy with its rental model and flexible, down payment-free purchase option. More than 55,000 households equipped by Enpal already form our climate-friendly energy community in Germany. The world's largest impact and technology investors such as TPG Rise Climate, Softbank Vision Fund II, Princeville Climate Technologies and The Westly Group ensure a steady company growth at Enpal. For customer growth, Enpal receives support from refinancing partners such as BlackRock, ING and DWS

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