

Keppel Infrastructure Trust

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MEDIA RELEASE

Keppel Infrastructure Trust Unaudited Results for the Third Quarter and Nine Months Ended 30 September 2019

14 October 2019

The Directors of Keppel Infrastructure Fund Management Pte. Ltd., as Trustee-Manager of Keppel Infrastructure Trust, advise the following results of Keppel Infrastructure Trust for the third quarter and nine months ended 30 September 2019.

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Keppel Infrastructure Trust achieves a 40.0% YoY increase in distributable cash flow for 9M 2019

Results Highlights

- Distributable cash flow (DCF) for the third quarter of 2019 (3Q 2019) was \$55.7 million¹, bringing DCF for the nine months ended 30 September 2019 (9M 2019) to \$149.9 million¹, a 61.0% and 40.0% year-on-year (YoY) increase over the corresponding periods in 2018 respectively
- Distribution per Unit (DPU) was 0.93 cents for 3Q 2019, bringing 9M 2019 DPU to 2.79 cents, translating to an annualised distribution yield of 7.0%²
- Announced the proposed divestment of Keppel Infrastructure Trust's (KIT) 51% stake in DataCentre One, allowing KIT to realise the remaining lease value upfront, with proceeds expected to be redeployed to strengthen the Trust

Financial Performance

Keppel Infrastructure Fund Management Pte. Ltd. (KIFM), as Trustee-Manager of Keppel Infrastructure Trust (KIT), is pleased to deliver DCF of \$55.7 million for 3Q 2019, bringing DCF for 9M 2019 to \$149.9 million. This was 61.0% and 40.0% higher than the corresponding periods in 2018 respectively, and was driven mainly by the positive contribution from Ixom HoldCo Pty Ltd (Ixom) as well as higher contribution from City Gas as a result of over-recovery due to time lag in adjustments of gas tariffs to reflect actual fuel costs.

A segmental breakdown of KIT's DCF is tabled below. It excludes cash flows from Basslink as KIT does not depend on Basslink's cash flows for distribution.

Segmental Performance	Distributable Cash Flow					
	3Q 2019 \$ '000	3Q 2018 \$ '000	Change (%)	9M 2019 \$ '000	9M 2018 \$ '000	Change (%)
Distribution & Network ¹	34,244	8,295	>100.0	79,194	31,483	>100.0
Energy	10,802	11,766	(8.2)	33,752	33,603	0.4
Waste & Water	18,619	17,918	3.9	54,610	53,268	2.5
Others ³	(8,013)	(3,419)	>(100.0)	(17,705)	(11,338)	(56.2)
Total	55,652	34,560	61.0	149,851	107,016	40.0

The Trustee-Manager has declared DPU of 0.93 cents for 3Q 2019, bringing DPU for 9M 2019 to 2.79 cents. This translated to an annualised distribution yield of 7.0%, based on the market closing price per Unit of \$0.530 as at 30 September 2019.

¹ Excludes Basslink as KIT does not depend on Basslink's cash flows for distribution

² Based on the market closing price per Unit of \$0.530 as at 30 September 2019

³ Comprises mainly Trust expenses and distribution paid/payable to perpetual securities holders, higher during the quarter due to management fee and financing cost

Operational Performance

Stronger performance from the Distribution & Network segment was driven mainly by the addition of Ixom. Ixom continued to deliver on its performance targets, supported by continued operational excellence, working capital optimisation and productivity improvements.

On 24 August 2019, the Basslink electricity interconnector suffered a low voltage cable failure that was located in an above ground section in the transition station in Gifford, Victoria. KIT is pleased to update that the electricity interconnector has returned to service on 29 September 2019, ahead of the previously announced return to service date in mid-October 2019.

As updated previously, the ongoing disputes between Basslink with Hydro Tasmania (HT) and the State of Tasmania (State) arising from the December 2015 outage have been referred to arbitration. KIT and Basslink continue to work with HT and the State in relation to the Basslink interconnector.

In the Energy segment, Keppel Merlimau Cogen Plant had an unplanned maintenance for one of its four units, the affected unit is scheduled to resume service in November 2019. This is not expected to have a material financial impact to the net tangible asset per unit and distribution per unit of the KIT Group for the current financial year.

Assets in the Waste & Water sectors continued to fulfill all contractual obligations in the quarter.

Meanwhile, KIT continues to monitor the operational performance of the SingSpring Desalination plant, which it owns a 70% interest, to ensure that SingSpring Desalination plant's obligations under the Water Purchase Agreement are satisfactorily discharged. Operations at the plant are stable, and the plant has fulfilled all contractual requirements as at 30 September 2019.

Realising Value from DataCentre One

On 16 September 2019, KIFM announced the proposed divestment of KIT's 51% stake in DataCentre One to Keppel DC REIT for a consideration of \$102.9m.

This transaction will allow KIT to realise the remaining lease value of the asset upfront, benefiting Unitholders. Proceeds from this divestment are expected to be redeployed into quality acquisitions that will strengthen KIT's portfolio, as well as for refinancing purposes and working capital needs. Accordingly, the estimated net proceeds to be received by KIT (excluding the repayment of the portion of the shareholder loans owed to it) is \$51.3 million⁴.

The transaction is subjected to and conditional upon, among others, the approval of Unitholders of KIT at an extraordinary general meeting, which will take place on 23 October 2019.

⁴ After repayment of DataCentre One's loans and subject to adjustments at completion of the transaction

Looking Ahead

Capitalising on KIT's well-diversified portfolio of highly defensive and resilient infrastructure assets and businesses, providing essential products and services, the Trustee-Manager remains committed to deliver strong predictable cash flows to Unitholders.

At the same time, the Trustee-Manager will continue to grow KIT through acquisitions that will create greater value for KIT and Unitholders through stable recurring returns and steady long-term capital appreciation.

- End -

About Keppel Infrastructure Trust (www.keppelinfrastructure.com)

Keppel Infrastructure Trust (KIT) is a diversified business trust listed on the Singapore Exchange with over \$5 billion in assets under management. Its goal is to deliver sustainable returns to Unitholders, through a combination of recurring distributions and capital growth over the long term.

KIT's portfolio of strategic infrastructure assets provides essential products and services to a wide multitude of customers including government agencies, multinational corporations, commercial and industrial enterprises as well as retail consumers.

KIT's assets are segmented into the three core sectors of Energy, Distribution & Network and Waste & Water. Assets in the Energy and Waste & Water sectors are integral to the provision of power, and waste treatment and water purification services. The contract terms for these assets are backed by recurring fixed capacity/availability payments, providing KIT with stable and defensive cash flows. Assets in the Distribution & Network segment provide essential products and services in the areas of gas production, telecoms and electricity transmission, data centres, as well as manufacturing and distribution of critical and essential chemicals. These assets are well-positioned to deliver resilient cash flows with potential for growth that is supported by favourable market dynamics and demand over the long term.

KIT is sponsored by Keppel Infrastructure Holdings Pte. Ltd., a leading developer, owner and operator of infrastructure businesses. The Trustee-Manager for KIT is Keppel Infrastructure Fund Management, a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd., a premier asset manager in Asia with a diversified portfolio in real estate, infrastructure and data centre properties in key global markets.

**KEPPEL INFRASTRUCTURE TRUST
THIRD QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2019 FINANCIAL STATEMENTS
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INTRODUCTION

Keppel Infrastructure Trust (“KIT” or “Trust”), was originally listed on 12 February 2007 on the Singapore Exchange Securities Trading Limited as CitySpring Infrastructure Trust (“CIT”).

KIT’s portfolio as at 30 September 2019 included 100% interest in City Gas, Senoko Waste-to-Energy (WTE) Plant, Keppel Seghers Tuas WTE Plant, Keppel Seghers Ulu Pandan NEWater Plant, Basslink and Ixom; 70% interest in SingSpring Desalination Plant and 51% in Keppel Merlimau Cogen, DataCentre One and City-OG Gas.

On 19 February 2019, KIT completed its acquisition of 100% of the shares in Ixom HoldCo Pty Ltd (“Ixom”), one of the leading industrial infrastructure businesses in Australia and New Zealand, supplying and distributing water treatment chemicals which are key to fundamental industries, as well as industrial and specialty chemicals.

The sponsor of KIT is Keppel Infrastructure Holdings Pte. Ltd., a wholly owned subsidiary of Keppel Corporation Limited (“KCL”). Keppel Infrastructure Fund Management Pte. Ltd. is the Trustee-Manager of KIT, and wholly owned by Keppel Capital Holdings Pte. Ltd., which is in turn a wholly owned subsidiary of KCL.

KIT is included in the FTSE ST Large/Mid Cap Index and FTSE ST Mid Cap Index.

KIT, being a business trust, is allowed to pay distributions to Unitholders out of its retained cash and residual cash flows, in accordance with its distribution policy. This is unlike companies, which are governed by the Companies Act, and can only make dividend payments out of accounting profits.

1. UNAUDITED RESULTS FOR THE THIRD QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2019

The Directors of **Keppel Infrastructure Fund Management Pte. Ltd., as Trustee-Manager of Keppel Infrastructure Trust**, advises the following unaudited results of the Group for the third quarter and 9 months ended 30 September 2019.

1(a) INCOME STATEMENT AND STATEMENT OF OTHER COMPREHENSIVE INCOME

(i) Consolidated Income Statement

	<u>Group</u>					
	3Q FY19	3Q FY18	Change	9M 2019	9M 2018	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	407,472	162,046	>100.0	1,143,959	465,203	>100.0
Other income	2,702	5,197	(48.0)	5,154	6,881	(25.1)
Other losses - net	(3,191)	(3,930)	(18.8)	(14,752)	(12,341)	19.5
Expenses						
Fuel and electricity costs	(38,326)	(42,741)	(10.3)	(115,992)	(113,546)	2.2
Gas transportation and freight costs	(44,982)	(23,353)	92.6	(112,284)	(70,102)	60.2
Depreciation and amortisation	(36,027)	(25,834)	39.5	(103,067)	(77,705)	32.6
Staff costs	(35,354)	(6,900)	>100.0	(93,798)	(19,905)	>100.0
Operation and maintenance costs	(24,341)	(20,248)	20.2	(66,976)	(58,856)	13.8
Chemicals production and distribution costs	(148,922)	-	N/M	(413,130)	-	N/M
Finance costs	(35,433)	(31,231)	13.5	(108,286)	(93,713)	15.6
Trustee-Manager's fees	(3,572)	(2,627)	36.0	(19,872)	(7,518)	>100.0
Other operating expenses	(32,358)	(11,340)	>100.0	(104,131)	(34,026)	>100.0
Total expenses	<u>(399,315)</u>	<u>(164,274)</u>	>100.0	<u>(1,137,536)</u>	<u>(475,371)</u>	>100.0
Profit/(Loss) before joint venture	7,668	(961)	N/M	(3,175)	(15,628)	(79.7)
Share of results of joint venture	<u>1,014</u>	989	2.5	<u>3,044</u>	2,813	8.2
Profit/(Loss) before tax	8,682	28	>100.0	(131)	(12,815)	(99.0)
Income tax expense	(4,938)	(448)	>100.0	(12,587)	(2,417)	>100.0
Net profit/(loss) after tax	<u>3,744</u>	<u>(420)</u>	N/M	<u>(12,718)</u>	<u>(15,232)</u>	(16.5)
Profit/(Loss) attributable to:						
Unitholders	<u>9,356</u>	8,154	14.7	<u>9,105</u>	11,610	(21.6)
Perpetual securities holders	<u>3,592</u>	-	N/M	<u>4,334</u>	-	N/M
Non-controlling interests	<u>(9,204)</u>	(8,574)	7.3	<u>(26,157)</u>	(26,842)	(2.6)
	<u>3,744</u>	<u>(420)</u>	N/M	<u>(12,718)</u>	<u>(15,232)</u>	(16.5)

N/M - Not meaningful

Please refer to paragraph 8.2 for further details.

1(a) INCOME STATEMENT AND STATEMENT OF OTHER COMPREHENSIVE INCOME (CONT'D)

(ii) Consolidated Statement of Comprehensive Income

	3Q FY19 S\$'000	3Q FY18 S\$'000	Change %	Group		Change %
				9M 2019 S\$'000	9M 2018 S\$'000	
Net profit/(loss) after tax	3,744	(420)	N/M	(12,718)	(15,232)	(16.5)
Other comprehensive income:						
<u>Items that may be reclassified</u>						
<u>subsequently to income statement</u>						
Cash flow hedges:						
- Fair value (losses)/gain	(32,920)	(13,445)	>100.0	(78,987)	(2,096)	>100.0
- Transfer to income statement	6,739	7,773	(13.3)	22,080	23,557	(6.3)
Share of net change in fair value of cash flow hedges of a joint venture	(382)	(184)	>100.0	(566)	666	N/M
Currency translation differences relating to consolidation of foreign subsidiaries	(10,235)	357	N/M	(36,827)	194	N/M
Other comprehensive income, net of tax	(36,798)	(5,499)	>100.0	(94,300)	22,321	N/M
Total comprehensive income	(33,054)	(5,919)	>100.0	(107,018)	7,089	N/M
Attributable to:						
Unitholders	(27,617)	2,612	N/M	(86,153)	30,418	N/M
Perpetual securities holders	3,592	-	N/M	4,334	-	N/M
Non-controlling interests	(9,029)	(8,531)	5.8	(25,199)	(23,329)	8.0
	(33,054)	(5,919)	>100.0	(107,018)	7,089	N/M

N/M - Not meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

	<u>Group</u>		<u>Trust</u>	
	30 Sep 2019 S\$'000	31 Dec 2018 S\$'000	30 Sep 2019 S\$'000	31 Dec 2018 S\$'000
Non-Current Assets				
Property, plant and equipment	2,297,877	2,152,479	-	-
Intangibles	1,108,879	518,758	-	-
Investment in subsidiaries	-	-	1,370,145	801,231
Investment in and advances to joint venture	18,513	20,009	-	-
Notes receivables	-	-	775,712	775,712
Amount receivable from a subsidiary	-	-	13,887	15,387
Service concession receivables	296,337	332,221	-	-
Finance lease receivables	87,431	95,070	-	-
Derivative financial instruments	82	69	-	-
Deferred tax assets	19,884	-	-	-
Right-of-use asset	71,912	-	-	-
Other assets	153,304	164,785	-	-
Total non-current assets	4,054,219	3,283,391	2,159,744	1,592,330
Current Assets				
Cash and bank deposits	438,188	231,603	151,026	26,116
Trade and other receivables	310,248	151,787	17,219	13,784
Service concession receivables	47,531	46,537	-	-
Finance lease receivables	10,389	10,069	-	-
Derivative financial instruments	4,094	202	-	31
Inventories	197,287	59,236	-	-
Current tax receivable	2,477	-	-	-
Other current assets	31,719	22,182	44	14
Total current assets	1,041,933	521,616	168,289	39,945
Current Liabilities				
Borrowings	1,357,258	1,034,565	-	147,609
Trade and other payables	343,108	177,905	4,462	3,648
Provisions	25,197	-	-	-
Derivative financial instruments	22,709	16,772	-	-
Finance lease payables	7,388	-	-	-
Income tax payable	6,190	4,356	9	15
Total current liabilities	1,761,850	1,233,598	4,471	151,272
Net Current (Liabilities)/Assets	(719,917)	(711,982)	163,818	(111,327)
Non-Current Liabilities				
Borrowings	798,691	740,383	99,758	-
Notes payable to non-controlling interests	260,000	260,000	-	-
Derivative financial instruments	158,502	99,491	1,104	-
Other payables	244,851	250,732	-	-
Provisions	47,728	26,935	-	-
Finance lease payables	65,986	-	-	-
Deferred tax liabilities	14,194	15,612	-	-
Total non-current liabilities	1,589,952	1,393,153	100,862	-
Net Assets	1,744,350	1,178,256	2,222,700	1,481,003
Represented by:				
Unitholders' Funds				
Units in issue	2,630,301	2,138,066	2,630,301	2,138,066
Other reserves	(257,266)	(162,008)	(1,104)	31
Accumulated losses	(1,033,513)	(923,582)	(708,917)	(657,094)
Total Unitholders' funds	1,339,522	1,052,476	1,920,280	1,481,003
Perpetual securities	302,420	-	302,420	-
Non-controlling interests	102,408	125,780	-	-
	1,744,350	1,178,256	2,222,700	1,481,003

Please refer to paragraphs 8.3 and 8.4 for further details.

1(b)(ii) **AGGREGATE AMOUNT OF BORROWINGS AND DEBT SECURITIES**

	<u>Group</u>	
	30 Sep 2019	31 Dec 2018
	S\$'000	S\$'000
Unsecured borrowings		
Amount repayable within one year	-	147,609
Amount repayable after one year	277,312	-
	277,312	147,609
Secured borrowings		
Amount repayable within one year	1,357,258	886,956
Amount repayable after one year	521,379	740,383
	1,878,637	1,627,339
Total borrowings	2,155,949	1,774,948

Details of collaterals

The bank borrowings are secured over the assets and business undertakings of SingSpring, Basslink Group and Ixom Group. The bank borrowings granted to SingSpring is also secured by a charge over the units in SingSpring held by the Trustee-Manager and Hyflux Ltd¹, and a charge over the shares held by the Trustee-Manager in SingSpring Pte Ltd. The bank borrowings granted to KMC is secured mainly by an assignment of KMC's rights under the Capacity Tolling Agreement.

On 20 December 2015, the Basslink interconnector experienced an unplanned outage caused by a cable fault. The interconnector returned to service on 13 June 2016. As previously announced on 18 July 2016 and 14 August 2017, Basslink was unable to meet the minimum debt service coverage ratio covenant in the project financing. As a condition of waiver of this event of default, Basslink was required to agree with the banking syndicate a Long Term Financing Plan ("LTFP") which has yet to be agreed as at 30 September 2019. There is no contractual recourse to KIT under the project financing. Discussions have been ongoing for a year with the banking syndicate regarding the refinancing of the facility. Negotiations with the financiers regarding the refinancing or an extension of the loan facility are in their final stages.

Basslink is current on its debt payments under the project financing subsequent to the return to service of the interconnector on 13 June 2016. The event of default has no material financial impact on the distributions per unit of KIT for the year ending 31 December 2019 since KIT does not rely on Basslink's cash flows for its distributions.

¹ 30% unitholder of SingSpring Trust

1(c) **CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group			
	3Q FY19	3Q FY18	9M 2019	9M 2018
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit/(loss) before tax	8,682	28	(131)	(12,815)
Adjustments for:				
Depreciation and amortisation	36,027	25,834	103,067	77,705
Finance costs	35,433	31,231	108,286	93,713
Interest income	(1,186)	(530)	(2,490)	(1,437)
Fair value loss on derivative financial instruments	3,276	3,590	13,648	11,958
Impairment loss on trade and other receivables (net)	(71)	127	(106)	686
Transaction cost related to acquisition of Kom	-	-	35,125	-
Gain on disposal of property, plant and equipment	(21)	-	(21)	-
Share of results of joint venture	(1,014)	(989)	(3,044)	(2,813)
Unrealised foreign exchange loss	(3,082)	(568)	(1,650)	(674)
Management fees paid in units	-	-	239	528
Operating cash flows before working capital changes	78,044	58,723	252,923	166,851
Changes in working capital :				
Trade and other receivables	24,132	15,413	59,850	48,259
Trade and other payables	18,945	1,348	(13,439)	5,425
Inventories	(5,375)	2,001	18,957	(1,622)
Cash generated from operations	115,746	77,485	318,291	218,913
Interest received	1,118	346	2,218	1,276
Interest paid	(38,510)	(29,136)	(111,560)	(87,286)
Income tax paid	(725)	(925)	(13,665)	(2,829)
Net cash from operating activities	77,629	47,770	195,284	130,074
Investing activities				
Acquisition of subsidiary, net of cash acquired (Note b)	-	-	(1,096,707)	-
Dividend received from joint venture	1,009	963	3,054	2,734
Repayment of advances from joint venture	263	415	921	1,025
Purchase of property, plant and equipment and intangible assets	(6,657)	(179)	(17,057)	(369)
Proceeds from sale of property, plant and equipment	118	-	118	-
Proceeds from sale of inventories	870	53	919	122
Net cash (used in)/from investing activities	(4,397)	1,252	(1,108,752)	3,512
Financing activities				
(Increase)/decrease in restricted cash	686	559	2,809	(935)
Proceeds from issuance of units (net)	-	-	492,235	-
Proceeds from issuance of perpetual securities (net)	(15)	-	298,086	-
Proceeds from borrowings	-	-	1,507,924	-
Repayment of borrowings	(2,516)	(4,174)	(1,035,001)	(11,948)
Repayment of obligations under finance leases	(2,881)	-	(7,663)	-
Payment of loan upfront fees	(157)	-	(13,396)	-
Distributions paid to Unitholders of the Trust	(46,448)	(35,881)	(119,036)	(107,629)
Distributions paid by subsidiaries to non-controlling interests	(807)	-	(3,294)	(1,783)
Net cash from/(used in) financing activities	(52,138)	(39,496)	1,122,664	(122,295)
Net increase/(decrease) in cash and cash equivalents	21,094	9,526	209,196	11,291
Cash and cash equivalents at beginning of the period	367,632	165,938	179,705	164,202
Effect of currency translation on cash and cash equivalents	375	(90)	200	(119)
Cash and cash equivalents at end of the period (Note a)	389,101	175,374	389,101	175,374

Note a:

	30 Sep 2019	30 Sep 2018
	S\$'000	S\$'000
Cash and bank deposits	438,188	226,062
Less: Restricted cash	(49,087)	(50,688)
Cash and cash equivalents	389,101	175,374

Restricted cash represents the amount of cash and cash equivalents required to be set aside to meet interest and principal repayments for loans extended to, and for secured bank guarantees of, the Group. Also included in the Group's restricted cash is the insurance proceeds received in relation to Basslink cable outage, the usage of which is subject to the consent of the lenders.

Refer to paragraph 8.1 for further details.

1(c) **CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**

Note b:

During the year, the acquisition of 100% share in Ixom was completed on 19 February 2019. The fair values of the net assets of the subsidiary acquired were as follows:

	Fair value S\$'000
Property, plant and equipment	326,545
Intangible assets	15,875
Cash and bank deposits	58,964
Trade and other receivables and other assets	180,875
Inventories	164,295
Derivative financial instruments (net)	354
Current tax receivable	1,083
Deferred tax assets	19,856
Trade and other payables and provisions	(226,476)
Finance lease payables	(37,009)
Net identifiable assets acquired	<u>504,362</u>
Non-controlling interest measured at non-controlling interest's proportionate share of net assets	(5,121)
Provisional goodwill arising from acquisition	<u>621,305</u>
Net assets acquired	<u>1,120,546</u>
Total purchase consideration	1,120,546
Add: Transaction cost	35,125
Less: Cash and bank deposits acquired	(58,964)
Cashflow on acquisition	<u>1,096,707</u>

The purchase price allocation of the acquisition of Ixom for the quarter ended 30 September 2019 is provisional and the Group expects to complete the purchase price allocation exercise within 12 months from date of acquisition of Ixom.

1(d)(i) STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS

Group

Attributable to Unitholders of the Trust

	Units in Issue S\$'000	Hedging Reserve S\$'000	Translation Reserve S\$'000	Capital Reserve S\$'000	Accumulated Losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Non- controlling Interests S\$'000	Total S\$'000
2019									
At 1 January 2019	2,138,066	(200,226)	(492)	38,710	(923,582)	1,052,476	-	125,780	1,178,256
<u>Total comprehensive income</u>									
Profit/(loss) for the period	-	-	-	-	(251)	(251)	742	(16,953)	(16,462)
Other comprehensive income for the period	-	(32,014)	(26,271)	-	-	(58,285)	-	783	(57,502)
Total	-	(32,014)	(26,271)	-	(251)	(58,536)	742	(16,170)	(73,964)
<u>Contributions by and distributions to owners</u>									
Issue of units	501,032	-	-	-	-	501,032	-	-	501,032
Issue of perpetual securities	-	-	-	-	-	-	300,000	-	300,000
Issuance cost	(8,797)	-	-	-	-	(8,797)	(1,899)	-	(10,696)
Distributions paid	-	-	-	-	(72,588)	(72,588)	-	(2,487)	(75,075)
Total	492,235	-	-	-	(72,588)	419,647	298,101	(2,487)	715,261
<u>Changes in ownership interests in subsidiary</u>									
Acquisition of a subsidiary	-	-	-	-	-	-	-	5,121	5,121
At 30 June 2019	2,630,301	(232,240)	(26,763)	38,710	(996,421)	1,413,587	298,843	112,244	1,824,674
<u>Total comprehensive income</u>									
Profit/(loss) for the period	-	-	-	-	9,356	9,356	3,592	(9,204)	3,744
Other comprehensive income for the period	-	(26,198)	(10,775)	-	-	(36,973)	-	175	(36,798)
Total	-	(26,198)	(10,775)	-	9,356	(27,617)	3,592	(9,029)	(33,054)
<u>Contributions by and distributions to owners</u>									
Issuance cost	-	-	-	-	-	-	(15)	-	(15)
Distributions paid	-	-	-	-	(46,448)	(46,448)	-	(807)	(47,255)
Total	-	-	-	-	(46,448)	(46,448)	(15)	(807)	(47,270)
At 30 September 2019	2,630,301	(258,438)	(37,538)	38,710	(1,033,513)	1,339,522	302,420	102,408	1,744,350

1(d)(i) STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)

<u>Group</u>	Attributable to Unitholders of the Trust							Non-controlling Interests S\$'000	Total S\$'000
	Units in Issue S\$'000	Hedging Reserve S\$'000	Translation Reserve S\$'000	Capital Reserve S\$'000	Accumulated Losses S\$'000	Total Unitholders' Funds S\$'000			
2018									
At 1 January 2018	2,137,538	(210,861)	(359)	38,710	(812,093)	1,152,935	158,959	1,311,894	
<u>Total comprehensive income</u>									
Profit/(Loss) for the period	-	-	-	-	3,456	3,456	(18,268)	(14,812)	
Other comprehensive income for the period	-	24,495	(145)	-	-	24,350	3,470	27,820	
Total	-	24,495	(145)	-	3,456	27,806	(14,798)	13,008	
<u>Contributions by and distributions to owners</u>									
Issue of units	528	-	-	-	-	528	-	528	
Distributions paid	-	-	-	-	(71,748)	(71,748)	(1,783)	(73,531)	
Total	528	-	-	-	(71,748)	(71,220)	(1,783)	(73,003)	
At 30 June 2018	2,138,066	(186,366)	(504)	38,710	(880,385)	1,109,521	142,378	1,251,899	
<u>Total comprehensive income</u>									
Profit/(Loss) for the period	-	-	-	-	8,154	8,154	(8,574)	(420)	
Other comprehensive income for the period	-	(5,831)	289	-	-	(5,542)	43	(5,499)	
Total	-	(5,831)	289	-	8,154	2,612	(8,531)	(5,919)	
<u>Contributions by and distributions to owners</u>									
Distributions paid	-	-	-	-	(35,881)	(35,881)	-	(35,881)	
Total	-	-	-	-	(35,881)	(35,881)	-	(35,881)	
At 30 September 2018	2,138,066	(192,197)	(215)	38,710	(908,112)	1,076,252	133,847	1,210,099	

1(d)(i) STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)

<u>Trust</u>	Units in Issue S\$'000	Hedging Reserve S\$'000	Accumulated Losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Total S\$'000
2019						
At 1 January 2019	2,138,066	31	(657,094)	1,481,003	-	1,481,003
<u>Total comprehensive income</u>						
Profit for the period	-	-	41,682	41,682	742	42,424
Other comprehensive income for the period	-	(467)	-	(467)	-	(467)
Total	-	(467)	41,682	41,215	742	41,957
<u>Contributions by and distributions to owners</u>						
Issue of units	501,032	-	-	501,032	-	501,032
Issue of perpetual securities	-	-	-	-	300,000	300,000
Issuance cost	(8,797)	-	-	(8,797)	(1,899)	(10,696)
Distributions paid	-	-	(72,588)	(72,588)	-	(72,588)
Total	492,235	-	(72,588)	419,647	298,101	717,748
At 30 June 2019	2,630,301	(436)	(688,000)	1,941,865	298,843	2,240,708
<u>Total comprehensive income</u>						
Profit for the period	-	-	25,531	25,531	3,592	29,123
Other comprehensive income for the period	-	(668)	-	(668)	-	(668)
Total	-	(668)	25,531	24,863	3,592	28,455
<u>Contributions by and distributions to owners</u>						
Issuance cost	-	-	-	-	(15)	(15)
Distributions paid	-	-	(46,448)	(46,448)	-	(46,448)
Total	-	-	(46,448)	(46,448)	(15)	(46,463)
At 30 September 2019	2,630,301	(1,104)	(708,917)	1,920,280	302,420	2,222,700
2018						
At 1 January 2018	2,137,538	(859)	(602,765)	1,533,914	-	1,533,914
<u>Total comprehensive income</u>						
Profit for the period	-	-	69,649	69,649	-	69,649
Other comprehensive income for the period	-	585	-	585	-	585
Total	-	585	69,649	70,234	-	70,234
<u>Contributions by and distributions to owners</u>						
Issue of units	528	-	-	528	-	528
Distributions paid	-	-	(71,748)	(71,748)	-	(71,748)
Total	528	-	(71,748)	(71,220)	-	(71,220)
At 30 June 2018	2,138,066	(274)	(604,864)	1,532,928	-	1,532,928
<u>Total comprehensive income</u>						
Profit for the period	-	-	38,155	38,155	-	38,155
Other comprehensive income for the period	-	205	-	205	-	205
Total	-	205	38,155	38,360	-	38,360
<u>Contributions by and distributions to owners</u>						
Distributions paid	-	-	(35,881)	(35,881)	-	(35,881)
Total	-	-	(35,881)	(35,881)	-	(35,881)
At 30 September 2018	2,138,066	(69)	(602,590)	1,535,407	-	1,535,407

1(d)(ii) DETAILS OF ANY CHANGE IN THE UNITS

GROUP and TRUST	1 Jul 2019 to 30 Sep 2019	1 Jul 2018 to 30 Sep 2018	1 Jan 2019 to 30 Sep 2019	1 Jan 2018 to 30 Sep 2018
Issued units at the beginning of the period	4,994,391,069	3,858,298,065	3,858,298,065	3,857,378,731
Settlement of management fees ⁽¹⁾	-	-	509,007	919,334
Private placement	-	-	680,273,000	-
Preferential offering	-	-	455,310,997	-
Issued units at the end of the period	4,994,391,069	3,858,298,065	4,994,391,069	3,858,298,065

Note:

(1) This relates to the payment of 5.9% of 4Q FY18 and 4.4% of 1Q FY19 (20.6% of 4Q FY17 and 3% of 1Q FY18) management fees in the form of units to the Trustee-Manager.

1(d)(iii) TOTAL NUMBER OF ISSUED UNITS EXCLUDING TREASURY UNITS AS AT THE END OF THE CURRENT FINANCIAL PERIOD, AND AS AT THE END OF THE IMMEDIATELY PRECEDING YEAR

The Group and Trust does not hold any treasury units as at 30 September 2019 and 31 December 2018.

The total number of issued units as at 30 September 2019 and 31 December 2018 were 4,994,391,069 and 3,858,298,065 respectively.

1(d)(iv) STATEMENT OF ALL SALES, TRANSFERS, DISPOSAL, CANCELLATION AND/OR USE OF TREASURY UNITS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON

Not applicable.

2. AUDIT

The figures have not been audited nor reviewed by the auditors.

3. AUDITORS' REPORT

Not applicable.

4. ACCOUNTING POLICIES

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation in the financial statements for the current financial period are consistent with those of the audited financial statements as at 31 December 2018.

5. CHANGES IN ACCOUNTING POLICIES

The Group has adopted all the new and revised SFRS(I) and SFRS(I) INT that are relevant to its operations and effective for annual periods beginning on or after 1 January 2019. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not result in changes to the Group's and Trust's accounting policies except for the adoption of SFRS(I) 16 *Leases*.

SFRS(I) 16 *Leases* is effective for financial years beginning on or after 1 January 2019. The Group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. SFRS(I) 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term leases and leases of low value assets. The accounting for lessors will not change significantly.

Right-of-use assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

5. CHANGES IN ACCOUNTING POLICIES (CONT'D)

The Group elected the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SFRS(I) 16 *Leases* to all contracts that were previously identified as leases under SFRS(I) 1-17 *Leases* and SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease*;
- on a lease-by-lease basis to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

The adoption of SFRS(I) 16 resulted in adjustments to the balance sheet of the Group as at 1 January 2019. The differences from the balance sheet as previously reported at 31 December 2018 are as follows:

	<u>Group</u>	
	1 Jan 2019	31 Dec 2018
	S\$'000	S\$'000
Increase/(Decrease) in:		
<u>Statement of Financial Position</u>		
Right-of-use asset	43,989	-
Finance lease payables	43,989	-
	<hr/>	<hr/>

Note:

The variance in right-of-use asset and finance lease payable balances between 1 January 2019 and 30 September 2019 is due to the consolidation of Ixom's leases.

6. EARNINGS PER UNIT ("EPU")

	<u>Group</u>					
	3Q FY19	3Q FY18	%	9M 2019	9M 2018	%
Weighted average number of units	4,993,471,735	3,858,298,065	29.4	4,612,262,374	3,858,056,945	19.5
EPU						
- based on the weighted average number of units in issue (cents)						
- basic and diluted	0.19	0.21	(9.5)	0.20 ⁽¹⁾	0.30	(33.3)

⁽¹⁾ The EPU for 9M FY19 comprised of transaction cost incurred in relation to the Ixom acquisition. Excluding the transaction cost, EPU for 9M FY19 would be 0.96 cents.

KIT, being a business trust, is allowed to pay distributions to Unitholders out of its retained cash and residual cash flows, in accordance with its distribution policy. This is unlike companies, which are governed by the Companies Act, and can only make dividend payments out of accounting profits.

7. NET ASSET VALUE ("NAV") PER UNIT

	<u>Group</u>			<u>Trust</u>		
	30 Sep 2019	31 Dec 2018	%	30 Sep 2019	31 Dec 2018	%
NAV per unit (cents)	26.8	27.3	(1.8)	38.4	38.4	-
Adjusted NAV per unit (cents)						
- (after distribution payable to unitholders)	25.9	26.4	(1.9)	37.5	37.5	-

The Group NAV per unit before hedging and translation reserves was 32.7 cents as at 30 September 2019 and 32.5 cents as at 31 December 2018. The Trust NAV per unit before hedging reserves was 38.4 cents as at 30 September 2019 and 38.4 cents as at 31 December 2018.

The Group NAV per unit including perpetual securities was 32.9 cents as at 30 September 2019 and 27.3 cents as at 31 December 2018. The Trust NAV per unit including perpetual securities was 44.5 cents as at 30 September 2019 and 38.4 cents as at 31 December 2018.

The number of units used for computation of NAV per unit and adjusted NAV per unit were 4,994,391,069 and 3,858,298,065 which were the number of units in issue as at 30 September 2019 and 31 December 2018 respectively.

8. REVIEW OF PERFORMANCE

8.1 Cash flow

The Group's cash and bank deposits net of restricted cash were S\$389.1 million and S\$175.4 million as at 30 September 2019 and 30 September 2018, respectively.

Net cash generated from operating activities in 9M FY19 was S\$195.3 million, S\$65.2 million higher than 9M FY18, largely due to consolidation of Ixom from 19 February 2019 and timing difference in working capital.

Net cash used in investing activities of S\$1,108.8 million in 9M FY19 relates mainly to the acquisition of Ixom and capital expenditure. In 9M FY18 net cash from investing activities of S\$3.5 million arose mainly from receipt of dividend and repayment of advances from DataCentre One.

Net cash from financing activities of S\$1,122.7 million in 9M FY19 mainly pertains to equity raised, issuance of perpetual securities and asset level loan taken to fund the acquisition of Ixom and repay certain facilities of the Group. These were partially offset by payment of distributions to unitholders. In 9M FY18, net cash used in financing activities of S\$122.3 million mainly relates to payment of distributions to unitholders and repayment of borrowings.

8.2 Income Statement

Revenue

Group revenue for 3Q FY19 and 9M FY19 was S\$407.5 million and S\$1,144.0 million, respectively. These were higher than 3Q FY18 and 9M FY18, largely driven by the consolidation of Ixom from 19 February 2019, which contributed revenue of S\$249.3 million and S\$650.9 million in 3Q FY19 and 9M FY19, respectively.

At City Gas, revenue of S\$86.1 million in 3Q FY19 were lower than 3Q FY18 due to lower tariff and lower volume of natural gas sold. Revenue of S\$261.2 million in 9M FY19 were higher than last year, largely due to higher town gas tariff. City Gas achieved 100% plant availability during the period.

The Concessions² contributed revenue of S\$26.7 million in 3Q FY19 and S\$75.3 million in 9M FY19 which were higher than last year due to higher output from the plants. All 4 plants fulfilled their contractual obligations during the period.

Basslink's revenue for 3Q FY19 of A\$15.5 million (approximately S\$14.5 million) were lower than 3Q FY18 of A\$16.4 million (approximately S\$16.5 million) mainly attributed to low voltage cable outage from 24 Aug 2019 to 29 Sep 2019. Revenue for 9M FY19 of A\$62.5 million (approximately S\$59.7 million) were higher than and 9M FY18 of A\$41.7 million (approximately S\$42.5 million), as there was a service outage from 25 March to 5 June 2018, resulting in lower fees earned during that period.

Revenue from KMC for 3Q FY19 was comparable to 3Q FY18. The power plant had a unplanned maintenance for one of its four units, the affected unit is scheduled to resume service in November 2019.

Other losses - net

Other losses comprised mainly the fair value movement of financial derivative instruments.

Expenses

Fuel and electricity costs for 3Q FY19 were lower than last year due to lower fuel prices. Fuel and electricity costs for 9M FY19 were slightly higher than 9M FY18 due to higher average fuel prices during the year.

Higher gas transportation and freight costs, depreciation and amortisation, staff costs, operation and maintenance, chemicals production and distribution costs, finance costs and other operating expenses in 3Q FY19 and 9M FY19 as compared to last year is mainly due to the consolidation of Ixom's expenses from 19 February 2019.

Other operating expenses and trustee-manager's fees in 9M FY19 comprise transaction cost and acquisition fee paid to the Trustee-Manager in relation to the acquisition of Ixom.

Share of results of joint venture relates to KIT's interest in DataCentre One.

² Concessions comprise Senoko WTE, Tuas WTE, SingSpring Desalination and Ulu Pandan NEWater plants

8. REVIEW OF PERFORMANCE (CONT'D)

8.2 Income Statement (cont'd)

Profit attributable to Unitholders of the Trust

The Group recorded higher profit attributable to Unitholders of the Trust in 3Q FY19 as compared to last year mainly arising from consolidation of Ixom's results.

Profit attributable to Unitholders in 9M FY19 was lower compared to 9M FY18 mainly due to transaction cost incurred during the period in relation to Ixom acquisition. Excluding the transaction cost, profit attributable to Unitholders of the Trust would be higher than last year by S\$32.6 million mainly arising from higher contributions from Basslink and the consolidation of Ixom's results from 19 February 2019.

8.3 Balance Sheet – Group

The Group reported net current liabilities of S\$719.9 million as at 30 September 2019 comparable to that as at 31 December 2018. The net current liabilities position as at 30 September 2019 was largely due to classification of S\$646.2 million and S\$700.0 million borrowings as current liability as they mature in November 2019 and June 2020, respectively. S\$646.2 million borrowings is also classified as current liability due to an event of default subsisting. Please refer to Paragraph 10 for further details.

Total assets as at 30 September 2019 of S\$5,096.2 million, higher than total assets of S\$3,805.0 million as at 31 December 2018 due to consolidation of Ixom.

Similarly, total liabilities as at 30 September 2019 of S\$3,351.8 million was higher than S\$2,626.8 million as at 31 December 2018 due to consolidation of Ixom.

Total Unitholders' funds stood at S\$1,339.5 million as at 30 September 2019, higher than S\$1,052.5 million as at 31 December 2018 arising from an equity fund raising exercise partially offset by distributions paid, hedging reserve and foreign currency translation loss.

8.4 Balance Sheet – Trust

Net assets as at 30 September 2019 of S\$2,222.7 million was higher compared to S\$1,481.0 million as at 31 December 2018 arising from the acquisition of Ixom on 19 February 2019 and the ensuing equity fund raising exercise and perpetual securities issued.

9. VARIANCE FROM FORECAST STATEMENT

No forecast statement for financial year 2019 has been disclosed.

10. PROSPECTS

City Gas and Ixom are businesses that provide essential products and services which are scalable, supported by their leading market positions.

KIT's power and water and waste assets typically generate stable cash flows as a function of availability. All our plants follow industry best practices.

The Trustee-Manager will evaluate asset enhancement opportunities in its portfolio, and will continue to identify and evaluate suitable acquisitions, including those from the Sponsor, under its investment mandate to grow the Trust.

Keppel Merlimau Cogen

Under the capacity tolling agreement, KMC will receive a maximum annual capacity fee of S\$108 million (S\$55.1 million based on KIT's 51% interest in KMC) as long as it meets the availability and capacity test targets.

10. PROSPECTS (CONT'D)

City Gas

City Gas is the sole supplier of town gas, with history of over a century, in Singapore. It produces and sells town gas to residential customers, as well as town gas and natural gas to industrial customers.

The tariff adjustments mechanism is designed to ensure that City Gas fully recovers its fuel costs over the long run. In the short run, City Gas's financial performance could fluctuate due to time lag in the adjustment to the gas tariffs in response to changes in fuel cost.

Basslink

Following the low voltage cable outage on 24 August 2019, Basslink Interconnector has returned to service earlier than forecasted on 29 September 2019 and facility payments have resumed. The outage is not expected to have material financial impact on the net tangible asset per unit and distribution per unit of KIT for the financial year ending 31 December 2019.

While intended to be neutral over the long-term, the CRSM in Basslink in 2019 has been positive and expected to continue till end 2019.

On 20 December 2015, the Basslink interconnector asset was taken out of service due to a cable failure (the "Incident"). The cable returned to service on 13 June 2016. Basslink continues to maintain its position that the Incident was a Force Majeure Event under the Basslink Operations Agreement and Basslink Service Agreement and strongly denies the allegations made by the State of Tasmania (the "State") and Hydro Tasmania ("HT"). Basslink is vigorously defending itself in the arbitration and the arbitration is expected to conclude in 2020.

Discussions have been ongoing for a year with the banking syndicate regarding the refinancing of the facility. Negotiations with financiers regarding the refinancing or an extension of the loan facility are in their final stages. To-date, Basslink remains current on the debt payments and all outstanding payments under the project financing have been fulfilled. There is no contractual recourse to KIT under the project financing.

DataCentre One

On 16 September 2019, KIT announced that it is divesting its 51% stake in DataCentre One to Keppel DC REIT for a consideration of S\$102.9 million. The divestment allows KIT to realise the remaining lease value in DataCentre One upfront and the net proceeds are expected to be deployed into quality acquisitions that will strengthen KIT's portfolio, as well as for refinancing purposes and working capital needs.

Ixom

Ixom's revenue profile is seasonal over the course of the year which is typical for a business of this nature in Australia and New Zealand.

Ixom, which started contributing to KIT from 19 February 2019, has delivered S\$37.7 million of distributable cashflows to date. The Ixom Group's business has historically produced stable and resilient distributable cash flows each year. For the current period, it is on track to deliver its projected cash distribution targets.

Waste and water plants

Waste and water concessions have long-term contracts with Singapore statutory bodies and derive most of their cash flows from capacity and availability payments. As such, the underlying performance of these assets are expected to remain stable. In view of developments at Hyflux, KIT has increased its monitoring of operational performance at SingSpring Desalination Plant to ensure that SingSpring's obligations under the Water Purchase Agreement are satisfactorily discharged. There has been no impact to operations at the SingSpring Desalination Plant, KIT continues to work to ensure operational continuity. KIT will make the necessary announcements, if and when, there are material developments.

11. DISTRIBUTIONS

11a. Current financial period reported on

Any distributions recommended for the current financial period reported on? Yes

Amount	:	S\$46.4 million
Distribution period	:	1 July 2019 to 30 September 2019
Distribution rate	:	0.93 Singapore cents per unit
Distribution type	:	Cash, Tax-exempt Distribution
Tax rate	:	Distributions to Unitholders are exempt from Singapore income tax, regardless of their nationality, corporate identity or tax residence status. No credit is allowed to Unitholders for the tax paid by the Trustee-Manager.

11b. Corresponding Period of the Immediately Preceding Financial Year

Any distributions recommended for the current financial period reported on? Yes

Amount	:	S\$35.9 million
Distribution period	:	1 July 2018 to 30 September 2018
Distribution rate	:	0.93 Singapore cents per unit
Distribution type	:	Cash, Tax-exempt Distribution
Tax rate	:	Distributions to Unitholders are exempt from Singapore income tax, regardless of their nationality, corporate identity or tax residence status. No credit is allowed to Unitholders for the tax paid by the Trustee-Manager.

11c. Date Payable

15 November 2019

11d. Books Closure Date

Notice is hereby given that, the Unit Transfer Books and Register of Unitholders of KIT will be closed at 5.00 p.m. on 22 October 2019 for the purposes of determining each Unitholder's entitlement to the Distribution. Duly completed transfers in respect of Units in the capital of KIT received by the Registrar, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, up to 5.00 p.m. on 22 October 2019 will be registered to determine Unitholders' entitlement to the Distribution. Unitholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with Units at 5.00 p.m. on 22 October 2019 will be entitled to the Distribution.

12. INTERESTED PERSON TRANSACTIONS

The Group had obtained a general mandate pursuant to Rule 920 for interested person transactions as approved by independent unitholders at the annual general meeting held on 16 April 2019. The figures below are calculated based on the effective interest held by the Trust in each subsidiary. During the financial period, the following interested person transactions were entered into by the Group:

Name of Interested Person / Nature of Transaction	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions Conducted under unitholder's mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted during the financial period under review under unitholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	9M FY19 S\$'000	9M FY18 S\$'000	9M FY19 S\$'000	9M FY18 S\$'000
1. Temasek Holdings (Private) Limited and its Associates				
General Transaction				
(a) Sales of Goods and Services	-	-	11,962	1,406
(b) Purchases	1,044	-	134,824	131,277
(c) Rental expense	-	-	373	490
Total	1,044	-	147,159	133,173
2. Keppel Corporation Group				
General Transaction				
(a) Management Fee Expense	-	-	20,026	7,788
(b) Purchases	-	-	27,952	29,560
(c) Reimbursement of expenses	-	-	136	-
Treasury Transactions	-	-	399,406	111,895
Total	-	-	447,520	149,243

CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

The Trustee-Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

By Order of the Board
Keppel Infrastructure Fund Management Pte. Ltd.
(Company Registration Number: 200803959H)
As Trustee-Manager of Keppel Infrastructure Trust

WINNIE MAK/ESTHER CHUA
Company Secretaries
14 October 2019

CONFIRMATION BY THE BOARD

Pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the third quarter and nine months ended 30 September 2019 financial statements of Keppel Infrastructure Trust to be false or misleading, in any material aspect.

On behalf of the Board of Directors



KOH BAN HENG
Chairman



CHRISTINA TAN HUA MUI
Director

Singapore
14 October 2019

IMPORTANT NOTICE

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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.