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

ANNOUNCEMENT

PROPOSED SALE OF 50% STAKE IN PHILIPPINE COASTAL STORAGE & PIPELINE CORPORATION

Introduction

Keppel Infrastructure Fund Management Pte. Ltd. ("**KIT Trustee-Manager**"), acting in its capacity as trustee-manager of Keppel Infrastructure Trust ("**KIT**"), announces that KIT and Metro Pacific Investments Corporation ("**MPIC**") have, on 23 October 2024, agreed to sell their aggregate 100% stake in Philippine Coastal Storage & Pipeline Corporation ("**PCSPC**") to affiliates of I Squared Capital ("**I Squared**") for an aggregate enterprise value of USD460[1] million (SGD598 million[2]) (inclusive of USD181 million (SGD235 million) net debt) ("**Transaction**").

The Transaction is a "disclosable transaction" under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

Transaction Rationale

KIT and MPIC had each acquired their respective 50% equity stakes in PCSPC in early 2021. The Transaction is in line with KIT's long term investment strategy to focus on lower carbon energy transition segments. As significant capital will be required to grow and scale up PCSPC, which would in turn further entrench KIT in the business, KIT Trustee-Manager took the opportunity to divest the asset. In addition, the Transaction would strengthen KIT's balance sheet and increase its financial flexibility to pursue other growth initiatives.

I Squared

I Squared is an independent global infrastructure investment manager with over USD40 billion in assets under management. The company focuses on a variety of sectors including utilities, energy, digital infrastructure, transport, environmental infrastructure and social infrastructure in North America, Europe and high growth economies in Asia, Australia and South America. I Squared is a team of over 280 people, headquartered in Miami with offices in Abu Dhabi, London, Munich, New Delhi, Sao Paulo,

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1 Excluding certain additional contingent payments of up to USD50 million (SGD65 million) in aggregate, out of which KIT's share is 50%, which may be payable by the Purchaser to the Seller (or as it may direct), subject to PCSPC achieving certain performance milestones over a period of approximately three years after Completion ("**Earn-Out**").

2 In this Announcement, USD amounts are converted into SGD amounts at the illustrative exchange rate of USD1:SGD1.3 prevailing as of 19 October 2024, except that the exchange rates used for the *pro forma* financial effects and SGX-ST materiality ratios are those prevailing as of the respective historical dates.

Singapore, Sydney and Taipei. In addition to these on-the-ground investing and operations teams, I Squared also has a diverse portfolio of 86 companies in more than 70 countries.

Transaction SPA

KIT and MPIC hold their respective 50% equity stakes in PCSPC through a series of intermediate holding companies and under a shareholders' agreement dated 29 January 2021 (as amended, "**SHA**") and the Transaction is structured as a sale of certain of such holding companies.

On 23 October 2024, Razor Crest Storage Infrastructure Holdings Corporation ("**Seller**"), Coral Terminal Holdings Corp. ("**Purchaser**"), Terminal PH Investments Pte. Ltd., KIT and MPIC entered into a sale and purchase agreement, pursuant to which the Seller agreed to sell all its shares in Hyperion Storage Holdings Corporation ("**Company**") to the Purchaser. The Seller is an indirect 50:50 jointly-controlled company of KIT and MPIC and indirectly holds all the shares in PCSPC. The Purchaser and its parent entity, Terminal PH Holdings Pte. Ltd., are affiliates of I Squared.

Completion of the SPA ("**Completion**") is subject to certain customary conditions, including anti-trust clearance in The Philippines. Subject to the satisfaction or (if applicable) waiver of such conditions, Completion is expected in early 2025.

In connection with the Transaction, KIT and MPIC had also entered into a separate agreement to supplement their SHA and allocate certain matters relating to the Transaction as between them.

Transaction Terms

As at the end of its latest financial year ended 31 December 2023, the Company and its subsidiaries ("**PCSPC Group**") had an audited consolidated net asset value of USD219 million (SGD285 million), excluding USD167 million (SGD217 million) net debt. This debt relates to the loan put in place to fund part of KIT and MPIC's acquisition of the PCSPC Group, as well as its capital expenditure and working capital requirements. The loan will be refinanced by the Purchaser as part of the Transaction.

After taking into account such loan refinancing, the purchase price payable for all the shares in the Company is expected to be USD296 million (SGD385 million), excluding the Earn-Out ("**Purchase Price**"). The Purchase Price is payable in cash in full on Completion. KIT's share will be equal to 50% thereof – i.e., USD148 million (SGD192 million).

The Purchase Price is subject to adjustments in case of certain payments by the PCSPC Group to KIT, MPIC and their respective affiliates prior to Completion, including any dividend declaration or redemption of shares pre-Completion.

Based on the Purchase Price and after taking into account of exchange rate movements and deduction of estimated Transaction-related fees, expenses and taxes, KIT expects to realise a gain of USD21.1 million (SGD27.5 million) compared to the book value as of 30 September 2024 of KIT's investment in the PCSPC Group.

KIT expects to use the net proceeds of the Transaction for its general corporate purposes, including funding of working capital, capital expenditure, repayment of debt and other growth initiatives.

***Pro forma* financial effects of Transaction**

Based on the Purchase Price and after deducting estimated Transaction-related fees, expenses and taxes, the *pro forma* financial effects of the Transaction are as follows[3]:

- assuming that the Transaction had been completed as of 31 December 2023, the audited consolidated net asset value ("**NAV**") per unit of KIT and its subsidiaries ("**KIT Group**") as at such date would increase from 15.8 Singapore cents to 16.3 Singapore cents, representing a change of approximately 3.2%;

- assuming that the Transaction had been completed and the net Transaction proceeds had been applied to reduce the KIT Group's debt[4], in each case as of 31 December 2023, the gearing[5] of the KIT Group as at such date would decrease from 39.8% to 37.6%, representing a decrease of approximately 2.2 points; and

- assuming that the Transaction had been completed and the net Transaction proceeds had been applied to reduce the KIT Group's debt[5], in each case as of 1 January 2023, the FFO[6, 7] of the KIT Group for the financial year ended 31 December 2023 ("**FY23**") would decrease from SGD287.9[8] million to SGD282.8 million, representing a change of approximately -1.8%.

The Transaction is not expected to have a material impact on the distribution per unit ("**DPU**") of KIT for FY23 (assuming that the Transaction had been completed as of 1 January 2023) as the amount of DPU to be declared from time to time is determined by the Board of Directors of the KIT Trustee-Manager.

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3 The *pro forma* financial effects of the Transaction set out in this Announcement are shown purely for illustrative purposes only and neither indicate nor constitute projections of the financial condition, results or cashflows of the KIT Group after the Transaction.

4 As noted above, this is an illustrative assumption only – KIT may deploy the net Transaction proceeds for other purposes instead of paying down debt.

5 "**Gearing**" means the net debt of the KIT Group divided by the total assets of the KIT Group.

6 "**FFO**" refers to profit after tax adjusted for reduction in concession or lease receivables, transaction costs, non-cash interest and current cash tax, maintenance capital expenditure, non-cash adjustments and non-controlling interest adjustments. SGX has ruled that KIT may show FFO (instead of net profit before tax) as FFO is more reflective of the underlying business performance of the KIT Group.

7 The distributable income per KIT unit ("**DIPU**") for FY2023 was 4.03 Singapore cents (excluding the effects of the Ixom capital optimisation, which had been distributed as special distributions to KIT unitholders). Assuming the Transaction had been completed as of 1 January 2023, the *pro forma* DIPU adjusted for the Transaction would be 4.01 Singapore cents, representing a change of approximately -0.5%.

8 Excluding the effects of the Ixom capital optimisation, which had been distributed as a special distribution to KIT unitholders.

Materiality Ratios

The materiality ratios of the Transaction under Chapter 10 of the Listing Manual are as follows:

Rule[9]	PCSPC Group[10] (SGD'm) (A)	KIT Group (SGD'm)[11] (B)	Ratio of A to B
1006(a) – NAV	150.6	1,695.6	8.9%
1006(b) - FFO	6.2	138.5	4.5%
1006(c) – ratio of 50% of Purchase Price to KIT's market capitalisation	192.0	2,859.2[12]	6.7%

Disclosures

As at the date hereof and to the best of the KIT Trustee-Manager's knowledge, based on information available to the KIT Trustee-Manager as at the date hereof, no director or controlling unitholder of KIT has any interest, direct or indirect, in the Transaction, except for the interest in KIT units which they may hold.

A copy of the SPA is available for inspection during normal business hours at the registered office of the KIT Trustee-Manager (with prior appointment) at 1 HarbourFront Avenue #18-01, Keppel Bay Tower, Singapore 098632 from the date hereof until 23 January 2025.

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

Darren Tan / Chiam Yee Sheng
Company Secretaries
23 October 2024

9 Rules 1010(d) (number of consideration units issued on an acquisition) and (e) (mineral, oil and gas reserves) are not applicable to the Transaction.

10 Representing 50% of the PCSPC Group attributable to the 50% equity stake held by KIT and converted from USD into SGD.

11 Based on the unaudited consolidated financial results and condition of the KIT Group as of, and for the six months ended, 30 June 2024, as announced on SGX-ST on 26 July 2024.

12 Based on:
(1) 6,083,341,128 KIT units outstanding as at the date hereof; and
(2) a closing price of SGD0.47/unit on the SGX-ST as of 22 October 2024.

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, the KIT Trustee-Manager 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 the KIT 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 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.