

**KEPPEL INFRASTRUCTURE TRUST  
FULL YEAR 2019 FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT  
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# Keppel Infrastructure Trust

Registration Number 2007001

(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 January 2007 (as amended))

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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 31 December 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 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 YEAR ENDED 31 DECEMBER 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 year ended 31 December 2019.

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

#### (i) Consolidated Income Statement

	4Q FY19 S\$'000	4Q FY18 S\$'000	Change %	Group		Change %
				FY2019 S\$'000	FY2018 S\$'000	
<b>Revenue</b>	<b>422,756</b>	172,184	>100.0	<b>1,566,715</b>	637,387	>100.0
<b>Other income</b>	<b>3,000</b>	2,288	31.1	<b>8,154</b>	9,169	(11.1)
<b>Other gain / (losses) - net</b>	<b>52,297</b>	(1,309)	N/M	<b>37,545</b>	(13,650)	N/M
<b>Expenses</b>						
Fuel and electricity costs	(33,247)	(42,055)	(20.9)	(149,239)	(155,601)	(4.1)
Gas transportation and freight costs	(43,323)	(23,771)	82.3	(155,607)	(93,873)	65.8
Depreciation and amortisation	(70,000)	(25,775)	>100.0	(173,067)	(103,480)	67.2
Staff costs	(40,113)	(7,473)	>100.0	(133,911)	(27,378)	>100.0
Operation and maintenance costs	(28,161)	(19,003)	48.2	(95,137)	(77,859)	22.2
Chemicals production and distribution costs	(172,783)	-	N/M	(585,913)	-	N/M
Finance costs	(37,578)	(29,956)	25.4	(145,864)	(123,669)	17.9
Trustee-Manager's fees	(5,997)	(2,224)	>100.0	(25,869)	(9,742)	>100.0
Other operating expenses	(30,187)	(13,433)	>100.0	(134,318)	(47,459)	>100.0
Total expenses	(461,389)	(163,690)	>100.0	(1,598,925)	(639,061)	>100.0
<b>Profit/(Loss) before joint venture</b>	<b>16,664</b>	9,473	75.9	<b>13,489</b>	(6,155)	N/M
Share of results of joint venture	298	1,027	(71.0)	3,342	3,840	(13.0)
<b>Profit/(Loss) before tax</b>	<b>16,962</b>	10,500	61.5	<b>16,831</b>	(2,315)	N/M
Income tax expense	5,950	2,374	>100.0	(6,637)	(43)	>100.0
<b>Net profit/(loss) after tax</b>	<b>22,912</b>	12,874	78.0	<b>10,194</b>	(2,358)	N/M
<b>Profit/(Loss) attributable to:</b>						
Unitholders	29,473	20,413	44.4	38,578	32,023	20.5
Perpetual securities holders	3,423	-	N/M	7,757	-	N/M
Non-controlling interests	(9,984)	(7,539)	32.4	(36,141)	(34,381)	5.1
	<b>22,912</b>	12,874	78.0	<b>10,194</b>	(2,358)	N/M

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

	4Q FY19 S\$'000	4Q FY18 S\$'000	Change %	Group		Change %
				FY2019 S\$'000	FY2018 S\$'000	
<b>Net profit/(loss) after tax</b>	<b>22,912</b>	12,874	78.0	<b>10,194</b>	(2,358)	N/M
<b>Other comprehensive income:</b>						
<u>Items that may be reclassified</u>						
<u>subsequently to income statement</u>						
Cash flow hedges:						
- Fair value gains/(losses)	<b>20,909</b>	(12,464)	N/M	<b>(58,078)</b>	(14,560)	>100.0
- Transfer to income statement	<b>(3,589)</b>	4,468	N/M	<b>18,491</b>	28,025	(34.0)
Share of net change in fair value of cash flow hedges of a joint venture	<b>1,574</b>	(164)	N/M	<b>1,008</b>	502	>100.0
Currency translation differences relating to consolidation of foreign subsidiaries	<b>(9,284)</b>	(285)	>100.0	<b>(46,111)</b>	(91)	>100.0
Defined benefit plan reserve:						
- Fair value (losses)	<b>(7,901)</b>	-	N/M	<b>(7,901)</b>	-	N/M
<b>Other comprehensive income, net of tax</b>	<b>1,709</b>	(8,445)	N/M	<b>(92,591)</b>	13,876	N/M
<b>Total comprehensive income</b>	<b>24,621</b>	4,429	>100.0	<b>(82,397)</b>	11,518	N/M
<b>Attributable to:</b>						
Unitholders	<b>31,328</b>	12,107	>100.0	<b>(54,825)</b>	42,525	N/M
Perpetual securities holders	<b>3,423</b>	-	N/M	<b>7,757</b>	-	N/M
Non-controlling interests	<b>(10,130)</b>	(7,678)	31.9	<b>(35,329)</b>	(31,007)	13.9
	<b>24,621</b>	4,429	>100.0	<b>(82,397)</b>	11,518	N/M

N/M - Not meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

	<u>Group</u>		<u>Trust</u>	
	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000
<b>Non-Current Assets</b>				
Property, plant and equipment	2,355,741	2,152,479	-	-
Intangibles	985,341	518,758	-	-
Investment in subsidiaries	-	-	1,305,565	801,231
Investment in and advances to joint venture	-	20,009	-	-
Notes receivables	-	-	775,712	775,712
Amount receivable from a subsidiary	-	-	12,407	15,387
Service concession receivables	284,372	332,221	-	-
Finance lease receivables	84,772	95,070	-	-
Derivative financial instruments	40	69	-	-
Right-of-use asset	114,668	-	-	-
Other assets	149,093	164,785	-	-
<b>Total non-current assets</b>	<b>3,974,027</b>	<b>3,283,391</b>	<b>2,093,684</b>	<b>1,592,330</b>
<b>Current Assets</b>				
Cash and bank deposits	470,093	231,603	215,275	26,116
Trade and other receivables	269,885	151,787	8,946	13,784
Service concession receivables	47,856	46,537	-	-
Finance lease receivables	10,487	10,069	-	-
Derivative financial instruments	847	202	-	31
Inventories	198,772	59,236	-	-
Current tax receivable	2,790	-	-	-
Other current assets	28,518	22,182	15	14
<b>Total current assets</b>	<b>1,029,248</b>	<b>521,616</b>	<b>224,236</b>	<b>39,945</b>
<b>Current Liabilities</b>				
Borrowings	1,318,473	1,034,565	-	147,609
Trade and other payables	318,733	177,905	6,606	3,648
Provisions	23,235	-	-	-
Derivative financial instruments	25,589	16,772	-	-
Finance lease payables	13,786	-	-	-
Income tax payable	6,281	4,356	87	15
<b>Total current liabilities</b>	<b>1,706,097</b>	<b>1,233,598</b>	<b>6,693</b>	<b>151,272</b>
<b>Net Current (Liabilities)/Assets</b>	<b>(676,849)</b>	<b>(711,982)</b>	<b>217,543</b>	<b>(111,327)</b>
<b>Non-Current Liabilities</b>				
Borrowings	793,180	740,383	99,783	-
Notes payable to non-controlling interests	260,000	260,000	-	-
Derivative financial instruments	127,441	99,491	1,230	-
Other payables	246,373	250,732	-	-
Provisions	55,973	26,935	-	-
Finance lease payables	81,500	-	-	-
Deferred tax liabilities	18,542	15,612	-	-
<b>Total non-current liabilities</b>	<b>1,583,009</b>	<b>1,393,153</b>	<b>101,013</b>	<b>-</b>
<b>Net Assets</b>	<b>1,714,169</b>	<b>1,178,256</b>	<b>2,210,214</b>	<b>1,481,003</b>
<b>Represented by:</b>				
<b>Unitholders' Funds</b>				
Units in issue	2,630,307	2,138,066	2,630,307	2,138,066
Other reserves	(255,413)	(162,008)	(1,230)	31
Accumulated losses	(1,050,488)	(923,582)	(717,834)	(657,094)
<b>Total Unitholders' funds</b>	<b>1,324,406</b>	<b>1,052,476</b>	<b>1,911,243</b>	<b>1,481,003</b>
Perpetual securities	298,971	-	298,971	-
Non-controlling interests	90,792	125,780	-	-
	<b>1,714,169</b>	<b>1,178,256</b>	<b>2,210,214</b>	<b>1,481,003</b>

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>	
	31 Dec 2019	31 Dec 2018
	S\$'000	S\$'000
<b>Unsecured borrowings</b>		
Amount repayable within one year	-	147,609
Amount repayable after one year	<u>277,361</u>	-
	<u>277,361</u>	<u>147,609</u>
<b>Secured borrowings</b>		
Amount repayable within one year	<u>1,318,473</u>	886,956
Amount repayable after one year	<u>515,819</u>	740,383
	<u>1,834,292</u>	<u>1,627,339</u>
<b>Total borrowings</b>	<u>2,111,653</u>	<u>1,774,948</u>

**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 Ltd<sup>1</sup>, 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. In November 2019, Basslink announced a 12-month extension of the maturity date of the financing arrangements in place for the Basslink Interconnector and the waiver by the lending syndicate of all breaches and events of default that had arisen under the financing arrangements as at 27 November 2019.

Basslink remains current on its debt payments under the project financing subsequent to the return to service of the interconnector on 13 June 2016.

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<sup>1</sup> 30% unitholder of SingSpring Trust

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	<u>Group</u>			
	4Q FY19 S\$'000	4Q FY18 S\$'000	FY2019 S\$'000	FY2018 S\$'000
<b>Operating activities</b>				
Profit/(loss) before tax	16,962	10,500	16,831	(2,315)
Adjustments for:				
Depreciation and amortisation	70,000	25,775	173,067	103,480
Finance costs	37,578	29,956	145,864	123,669
Interest income	(1,537)	(585)	(4,027)	(2,022)
Fair value loss on derivative financial instruments	(7,861)	1,317	5,787	13,275
Impairment loss on trade and other receivables (net)	(13)	71	(119)	757
Property, plant and equipment written off	-	3	-	3
Transaction cost	2,950	-	38,075	-
Gain on disposal of property, plant and equipment	-	(2)	(21)	(2)
Gain on disposal of joint venture	(44,796)	-	(44,796)	-
Share of results of joint venture	(298)	(1,027)	(3,342)	(3,840)
Unrealised foreign exchange loss	2,443	325	793	(349)
Management fees paid in units	-	-	239	528
Operating cash flows before working capital changes	<b>75,428</b>	66,333	<b>328,351</b>	233,184
Changes in working capital :				
Trade and other receivables	37,410	12,800	174,925	61,059
Trade and other payables	(21,377)	(1,700)	(34,816)	3,725
Inventories	34,460	(3,753)	53,417	(5,375)
<b>Cash generated from operations</b>	<b>125,921</b>	73,680	<b>521,877</b>	292,593
Interest received	1,771	752	3,989	2,028
Interest paid	(46,399)	(23,637)	(157,959)	(110,923)
Income tax paid	(6,051)	(392)	(19,716)	(3,221)
<b>Net cash from operating activities</b>	<b>75,242</b>	50,403	<b>348,191</b>	180,477
<b>Investing activities</b>				
Acquisition of subsidiary, net of cash acquired (Note b)	-	-	(746,220)	-
Dividend received from joint venture	-	989	3,054	3,723
Repayment of advances from joint venture	19,069	337	19,990	1,362
Divestment of joint venture net of transaction cost	46,111	-	46,111	-
Purchase of property, plant and equipment and intangible assets	(16,356)	(8,133)	(33,413)	(8,502)
Proceeds from sale of property, plant and equipment	7,099	14	7,217	14
Proceeds from sale of inventories	299	191	1,218	313
<b>Net cash from/(used in) investing activities</b>	<b>56,222</b>	<b>(6,602)</b>	<b>(702,043)</b>	<b>(3,090)</b>
<b>Financing activities</b>				
Decrease/(Increase) in restricted cash	24,284	(1,209)	27,093	(2,144)
Proceeds from issuance of units (net)	6	-	492,241	-
Proceeds from issuance of perpetual securities (net)	104	-	298,190	-
Proceeds from borrowings	-	2,000	1,504,165	2,000
Repayment of borrowings	(35,372)	(4,186)	(1,494,826)	(16,134)
Repayment of obligations under finance leases	(5,083)	-	(12,746)	-
Payment of loan upfront fees	(3,783)	-	(17,119)	-
Distributions paid to Perpetual securities holders	(6,976)	-	(6,976)	-
Distributions paid to Unitholders of the Trust	(46,448)	(35,883)	(165,484)	(143,512)
Distributions paid by subsidiaries to non-controlling interests	(1,672)	(389)	(4,966)	(2,172)
<b>Net cash (used in)/from financing activities</b>	<b>(74,940)</b>	<b>(39,667)</b>	<b>619,572</b>	<b>(161,962)</b>
<b>Net increase in cash and cash equivalents</b>	<b>56,524</b>	4,134	<b>265,720</b>	15,425
<b>Cash and cash equivalents at beginning of the period</b>	<b>389,101</b>	175,374	<b>179,705</b>	164,202
Effect of currency translation on cash and cash equivalents	(335)	197	(135)	78
<b>Cash and cash equivalents at end of the period (Note a)</b>	<b>445,290</b>	179,705	<b>445,290</b>	179,705



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

**Note a:**

	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000
Cash and bank deposits	470,093	231,603
Less: Restricted cash	<u>(24,803)</u>	<u>(51,898)</u>
Cash and cash equivalents	<u>445,290</u>	<u>179,705</u>

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.

**Note b:**

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

	Fair value S\$'000
Property, plant and equipment	486,070
Identifiable intangible assets	103,395
Prepayments	3,420
Financial liabilities	(726,456)
Inventories	202,001
Financial assets	287,749
Deferred tax assets / (liabilities)	<u>(19,664)</u>
<b>Total identifiable assets acquired and liabilities assumed</b>	<b>336,515</b>
Non-controlling interest	(5,307)
Goodwill	431,465
<b>Total consideration transferred in cash</b>	<b><u>762,673</u></b>
<b>Net cash outflow arising on acquisition:</b>	
Cash consideration	762,673
Less: cash and cash equivalent balances acquired	<u>(54,528)</u>
	<b><u>708,145</u></b>

The Group incurred acquisition costs of \$38.1m.

The purchase price allocation of the acquisition of Ixom for the quarter ended 31 December 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	Defined Benefit Plan Reserve S\$'000	Accumulated Losses S\$'000	Total Unitholders' Funds S\$'000	Perpetual Securities S\$'000	Non-controlling Interests S\$'000	Total S\$'000
<b>2019</b>										
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	-	-	-	-	-	9,105	9,105	4,334	(26,157)	(12,718)
Other comprehensive income for the period	-	(58,212)	(37,046)	-	-	-	(95,258)	-	958	(94,300)
Total	-	(58,212)	(37,046)	-	-	9,105	(86,153)	4,334	(25,199)	(107,018)
<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)	(1,914)	-	(10,711)
Distributions paid	-	-	-	-	-	(119,036)	(119,036)	-	(3,294)	(122,330)
Total	492,235	-	-	-	-	(119,036)	373,199	298,086	(3,294)	667,991
<u>Changes in ownership interests in subsidiary</u>										
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	5,121	5,121
<b>At 30 September 2019</b>	<b>2,630,301</b>	<b>(258,438)</b>	<b>(37,538)</b>	<b>38,710</b>	<b>-</b>	<b>(1,033,513)</b>	<b>1,339,522</b>	<b>302,420</b>	<b>102,408</b>	<b>1,744,350</b>
<u>Total comprehensive income</u>										
Profit/(loss) for the period	-	-	-	-	-	29,473	29,473	3,423	(9,984)	22,912
Other comprehensive income for the period	-	18,825	(9,071)	-	(7,901)	-	1,853	-	(146)	1,707
Total	-	18,825	(9,071)	-	(7,901)	29,473	31,326	3,423	(10,130)	24,619
<u>Contributions by and distributions to owners</u>										
Issuance cost	6	-	-	-	-	-	6	104	-	110
Distributions paid	-	-	-	-	-	(46,448)	(46,448)	(6,976)	(1,672)	(55,096)
Total	6	-	-	-	-	(46,448)	(46,442)	(6,872)	(1,672)	(54,986)
<u>Changes in ownership interests in subsidiary</u>										
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	186	186
<b>At 31 December 2019</b>	<b>2,630,307</b>	<b>(239,613)</b>	<b>(46,609)</b>	<b>38,710</b>	<b>(7,901)</b>	<b>(1,050,488)</b>	<b>1,324,406</b>	<b>298,971</b>	<b>90,792</b>	<b>1,714,169</b>

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

Group

	Attributable to Unitholders of the Trust							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	Non- controlling Interests S\$'000	
<b>2018</b>								
At 1 January 2018	2,137,538	(210,861)	(359)	38,710	(812,093)	<b>1,152,935</b>	158,959	<b>1,311,894</b>
<u>Total comprehensive income</u>								
Profit/(Loss) for the period	-	-	-	-	11,610	<b>11,610</b>	(26,842)	<b>(15,232)</b>
Other comprehensive income for the period	-	18,664	144	-	-	<b>18,808</b>	3,513	<b>22,321</b>
Total	-	18,664	144	-	11,610	<b>30,418</b>	(23,329)	<b>7,089</b>
<u>Contributions by and distributions to owners</u>								
Issue of units	528	-	-	-	-	<b>528</b>	-	<b>528</b>
Distributions paid	-	-	-	-	(107,629)	<b>(107,629)</b>	(2,172)	<b>(109,801)</b>
Total	528	-	-	-	(107,629)	<b>(107,101)</b>	(2,172)	<b>(109,273)</b>
<b>At 30 September 2018</b>	<b>2,138,066</b>	<b>(192,197)</b>	<b>(215)</b>	<b>38,710</b>	<b>(908,112)</b>	<b>1,076,252</b>	<b>133,458</b>	<b>1,209,710</b>
<u>Total comprehensive income</u>								
Profit/(Loss) for the period	-	-	-	-	20,413	<b>20,413</b>	(7,539)	<b>12,874</b>
Other comprehensive income for the period	-	(8,029)	(277)	-	-	<b>(8,306)</b>	(139)	<b>(8,445)</b>
Total	-	(8,029)	(277)	-	20,413	<b>12,107</b>	(7,678)	<b>4,429</b>
<u>Contributions by and distributions to owners</u>								
Distributions paid	-	-	-	-	(35,883)	<b>(35,883)</b>	-	<b>(35,883)</b>
Total	-	-	-	-	(35,883)	<b>(35,883)</b>	-	<b>(35,883)</b>
<b>At 31 December 2018</b>	<b>2,138,066</b>	<b>(200,226)</b>	<b>(492)</b>	<b>38,710</b>	<b>(923,582)</b>	<b>1,052,476</b>	<b>125,780</b>	<b>1,178,256</b>

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
<b>2019</b>						
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	-	-	67,213	67,213	4,334	71,547
Other comprehensive income for the period	-	(1,135)	-	(1,135)	-	(1,135)
Total	-	(1,135)	67,213	66,078	4,334	70,412
<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)	(1,914)	(10,711)
Distributions paid	-	-	(119,036)	(119,036)	-	(119,036)
Total	492,235	-	(119,036)	373,199	298,086	671,285
<b>At 30 September 2019</b>	<b>2,630,301</b>	<b>(1,104)</b>	<b>(708,917)</b>	<b>1,920,280</b>	<b>302,420</b>	<b>2,222,700</b>
<u>Total comprehensive income</u>						
Profit for the period	-	-	37,531	37,531	3,423	40,954
Other comprehensive income for the period	-	(126)	-	(126)	-	(126)
Total	-	(126)	37,531	37,405	3,423	40,828
<u>Contributions by and distributions to owners</u>						
Issuance cost	6	-	-	6	104	110
Distributions paid	-	-	(46,448)	(46,448)	(6,976)	(53,424)
Total	6	-	(46,448)	(46,442)	(6,872)	(53,314)
<b>At 31 December 2019</b>	<b>2,630,307</b>	<b>(1,230)</b>	<b>(717,834)</b>	<b>1,911,243</b>	<b>298,971</b>	<b>2,210,214</b>
<b>2018</b>						
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	-	-	107,804	107,804	-	107,804
Other comprehensive income for the period	-	790	-	790	-	790
Total	-	790	107,804	108,594	-	108,594
<u>Contributions by and distributions to owners</u>						
Issue of units	528	-	-	528	-	528
Distributions paid	-	-	(107,629)	(107,629)	-	(107,629)
Total	528	-	(107,629)	(107,101)	-	(107,101)
<b>At 30 September 2018</b>	<b>2,138,066</b>	<b>(69)</b>	<b>(602,590)</b>	<b>1,535,407</b>	<b>-</b>	<b>1,535,407</b>
<u>Total comprehensive income</u>						
Loss for the period	-	-	(18,621)	(18,621)	-	(18,621)
Other comprehensive income for the period	-	100	-	100	-	100
Total	-	100	(18,621)	(18,521)	-	(18,521)
<u>Contributions by and distributions to owners</u>						
Distributions paid	-	-	(35,883)	(35,883)	-	(35,883)
Total	-	-	(35,883)	(35,883)	-	(35,883)
<b>At 31 December 2018</b>	<b>2,138,066</b>	<b>31</b>	<b>(657,094)</b>	<b>1,481,003</b>	<b>-</b>	<b>1,481,003</b>

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

<b>GROUP and TRUST</b>	<b>1 Oct 2019 to 31 Dec 2019</b>	<b>1 Oct 2018 to 31 Dec 2018</b>	<b>1 Jan 2019 to 31 Dec 2019</b>	<b>1 Jan 2018 to 31 Dec 2018</b>
Issued units at the beginning of the period	<b>4,994,391,069</b>	3,858,298,065	<b>3,858,298,065</b>	3,857,378,731
Settlement of management fees <sup>(1)</sup>	-	-	<b>509,007</b>	919,334
Private placement	-	-	<b>680,273,000</b>	-
Preferential offering	-	-	<b>455,310,997</b>	-
Issued units at the end of the period	<b>4,994,391,069</b>	3,858,298,065	<b>4,994,391,069</b>	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 31 December 2019 and 31 December 2018.

The total number of issued units as at 31 December 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.

## 5. CHANGES IN ACCOUNTING POLICIES (CONT'D)

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.

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 S\$'000	31 Dec 2018 S\$'000
Increase/(Decrease) in:		
<b><u>Statement of Financial Position</u></b>		
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 31 December 2019 is mainly due to the consolidation of Ixom's leases.

## 6. EARNINGS PER UNIT ("EPU")

	<u>Group</u>					
	4Q FY19	4Q FY18	%	FY2019	FY2018	%
Weighted average number of units	4,993,471,735	3,858,298,065	29.4	4,708,579,744	3,858,117,720	22.0
EPU						
- based on the weighted average number of units in issue (cents)						
- basic and diluted	0.59	0.53	11.3	0.82 <sup>(1)</sup>	0.83	(1.2)

<sup>(1)</sup> The EPU for FY2019 comprised of transaction cost incurred in relation to the Ixom acquisition. Excluding the transaction cost, EPU for FY2019 would be 1.63 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>		
	31 Dec 2019	31 Dec 2018	%	31 Dec 2019	31 Dec 2018	%
NAV per unit (cents)	26.5	27.3	(2.9)	38.3	38.4	(0.3)
Adjusted NAV per unit (cents)						
- (after distribution payable to unitholders)	25.6	26.4	(3.0)	37.4	37.5	(0.3)

The Group NAV per unit before hedging and translation reserves was 32.2 cents as at 31 December 2019 and 32.5 cents as at 31 December 2018. The Trust NAV per unit before hedging reserves was 38.3 cents as at 31 December 2019 and 38.4 cents as at 31 December 2018.

## 7. NET ASSET VALUE (“NAV”) PER UNIT (CONT’D)

The Group NAV per unit including perpetual securities was 32.5 cents as at 31 December 2019 and 27.3 cents as at 31 December 2018. The Trust NAV per unit including perpetual securities was 44.3 cents as at 31 December 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 31 December 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\$445.3 million and S\$179.7 million as at 31 December 2019 and 31 December 2018, respectively.

Net cash generated from operating activities in FY2019 was S\$348.2 million, S\$167.7 million higher than FY2018, largely due to consolidation of Ixom from 19 February 2019 and timing difference in working capital.

Net cash used in investing activities of S\$702.0 million in FY2019 relates mainly to the acquisition of Ixom and capital expenditure, partially offset by the net proceeds in relation to the disposal of 51% stake in Datacentre One. In FY2018 net cash used in investing activities of S\$3.1 million was mainly on purchase of property, plant and equipment. This was partially offset by receipt of dividend and repayment of advances from DataCentre One.

Net cash from financing activities of S\$619.6 million in FY2019 mainly pertains to equity raised, issuance of perpetual securities and borrowings taken to fund the acquisition of Ixom, partially offset by the repayment of certain facilities of the Group and payment of distributions to unitholders. In FY2018, net cash used in financing activities of S\$162.0 million mainly relates to payment of distributions to unitholders and repayment of borrowings.

### 8.2 Income Statement

#### *Revenue*

Group revenue for 4Q FY19 and FY2019 was S\$422.8 million and S\$1,566.7 million, respectively. These were higher than 4Q FY18 and FY2018, largely driven by the consolidation of Ixom from 19 February 2019, which contributed revenue of S\$264.3 million and S\$915.2 million in 4Q FY19 and FY2019, respectively.

At City Gas, revenue of S\$82.0 million and S\$343.2 million in 4Q FY19 and FY2019 were lower than corresponding period last year due to lower tariff as a result of lower fuel prices and lower volume of gas sold. City Gas achieved 100% plant availability during the period.

The Concessions<sup>2</sup> contributed revenue of S\$25.0 million in 4Q FY19 and S\$100.3 million in FY2019 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 4Q FY19 of S\$22.5 million was comparable to 4Q FY18 of S\$24.6 million. Revenue for FY2019 of S\$82.2 million was higher than FY2018 of S\$67.1 million, as there was a service outage from 25 March to 5 June 2018, resulting in lower fees earned during that period.

At KMC, revenue of S\$29.0 million and S\$125.8 million for 4Q FY19 and FY2019 respectively was lower than 4Q corresponding period last year due to unplanned maintenance which was promptly rectified. KMC achieved 96% plant availability for the year.

#### *Other gains / (losses) - net*

Other gains / (losses) comprised mainly the gain on divestment of 51% stake in Datacentre One and fair value movement of financial derivative instruments.

#### *Expenses*

Fuel and electricity costs for 4Q FY19 and FY2019 were lower than last year due to lower fuel prices.

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<sup>2</sup> 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)**

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 4Q FY19 and FY2019 as compared to last year is mainly due to the consolidation of Ixom's expenses from 19 February 2019.

Higher trustee-manager's fees in FY2019 were mainly due to the acquisition fee paid in relation to the acquisition of Ixom coupled with divestment fees paid in relation to the divestment of Datacentre One.

Share of results of joint venture relates to KIT's interest in DataCentre One. The 51% stake in Datacentre One has been divested on 31 October 2019.

#### ***Profit attributable to Unitholders of the Trust***

The Group recorded higher profit attributable to Unitholders of the Trust in 4Q FY19 as compared to last year mainly arising from consolidation of Ixom's results.

Profit attributable to Unitholders in FY2019 was higher compared to FY2018 mainly due to gain from divestment of 51% stake in Datacentre One net of 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\$44.6 million mainly arising from higher contributions from Basslink and the consolidation of Ixom's results from 19 February 2019.

### **8.3 Balance Sheet – Group**

Total assets as at 31 December 2019 of S\$5,003.3 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 31 December 2019 of S\$3,289.1 million was higher than S\$2,626.8 million as at 31 December 2018 due to consolidation of Ixom. The Group reported net current liabilities of S\$676.8 million as at 31 December 2019 which includes reclassification of S\$610.3 million borrowings as current liability which stems from 12-month extension of the maturity date of the financing arrangements in place for the Basslink Interconnector on 27 November 2019. Please refer to Paragraph 10 for further details.

Total Unitholders' funds stood at S\$1,324.4 million as at 31 December 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 31 December 2019 of S\$2,210.2 million was higher compared to S\$1,481.0 million as at 31 December 2018 arising from the equity fund raising exercise and perpetual securities issued in relation to acquisition of Ixom during the year.

## **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.



## 10. PROSPECTS (CONT'D)

### 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.

### 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 ended with positive +12.5% for FY2019.

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.

On 27 November 2019, Basslink announced a 12-month extension of the maturity date of the financing arrangements in place for the Basslink Interconnector and the waiver by the lending syndicate of all breaches and events of default that had arisen under the financing arrangements as at 27 November 2019.

### 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 which was completed on 31 October 2019, 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\$49.3 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 October 2019 to 31 December 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 October 2018 to 31 December 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

14 February 2020

### 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 29 January 2020 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 29 January 2020 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 29 January 2020 will be entitled to the Distribution.

## 12. SEGMENT ANALYSIS

Management monitors the results of the Group based on the following operating segments for the purpose of making decisions in resource allocation and performance assessment:

- Energy: tolling arrangement for the power plant in Singapore;
- Distribution & Network: production and retailing of town gas and retailing of natural gas in Singapore, operator of subsea electricity interconnector in Australia, supplying and distributing water treatment chemicals, industrial and specialty chemicals and leasing of a data centre;
- Water & Waste: concessions in relation to the desalination plant, water treatment plant and waste-to-energy plants in Singapore;
- Corporate: investment holding, asset management and business development.

Information regarding the Trust's reportable segments for FY2019 and FY2018 are set out below:

### By Business Segment

	Energy		Distribution & Network			Water & Waste	Corporate	Total
	KMC S\$'000	City Gas S\$'000	Basslink S\$'000	Ixom S\$'000	DC One S\$'000	S\$'000	S\$'000	S\$'000
<b>FY2019</b>								
<b>Revenue</b>	<b>125,816</b>	<b>343,189</b>	<b>82,202</b>	<b>915,185</b>	<b>-</b>	<b>100,323</b>	<b>-</b>	<b>1,566,715</b>
<b>Profit/(loss) before tax</b>	<b>(40,171)</b>	<b>47,648</b>	<b>(8,989)</b>	<b>(11,775)</b>	<b>-</b>	<b>21,586</b>	<b>8,532</b>	<b>16,831</b>
<b>Funds from Operations ("FFO")<sup>(1)</sup></b>	<b>41,699</b>	<b>45,982</b>	<b>7,931</b>	<b>49,281</b>	<b>6,383</b>	<b>79,287</b>	<b>(25,947)</b>	<b>204,616</b>
<b>Other segment items</b>								
Depreciation and amortisation	(76,948)	(3,975)	(16,874)	(68,121)	-	(7,149)	-	(173,067)
Fair value gain/(loss) on derivative financial instruments	-	(427)	(5,360)	-	-	-	-	(5,787)
Impairment loss on trade and other receivables (net)	-	(241)	-	-	-	-	14	(227)
Share of results of joint venture	-	-	-	-	3,342	-	-	3,342
Finance costs <sup>(2)</sup>	(64,438)	(5,302)	(43,925)	(23,854)	-	(2,589)	(5,756)	(145,864)
A reconciliation of cash earnings to loss before tax is provided as follows:								
<b>Funds from Operations</b>								<b>204,616</b>
Reduction in concession / lease receivables								(55,894)
Non-cash finance cost								(7,820)
Other non-cash items								17,093
Depreciation and amortisation								(173,067)
Maintenance capital expenditure								26,010
Finance cost attributable to non-controlling interest								(43,850)
FFO from joint venture								(6,383)
FFO attributable to non-controlling interests								48,369
Distribution to perps holders								7,757
<b>Profit before tax</b>								<b>16,831</b>
<b>Segment and consolidated total assets</b>	<b>1,562,915</b>	<b>588,278</b>	<b>850,486</b>	<b>1,244,775</b>	<b>-</b>	<b>533,816</b>	<b>223,005</b>	<b>5,003,275</b>
<b>Segment liabilities</b>	<b>1,155,435</b>	<b>347,384</b>	<b>840,836</b>	<b>746,130</b>	<b>-</b>	<b>77,214</b>	<b>88,854</b>	<b>3,255,853</b>
Unallocated liabilities:								
Current tax liabilities								6,281
Deferred tax liabilities								18,542
<b>Consolidated total liabilities</b>								<b>3,289,106</b>
<b>Other segment items</b>								
Maintenance capital expenditure - property, plant and equipment	643	886	4,151	20,327	-	3	-	26,010

<sup>(1)</sup> Funds from operations is defined as PAT adjusted for reduction in concession/lease receivables, transaction costs, non-cash interest and current cash tax, maintenance capital expenditure, non-cash adjustments and non-controlling interests adjustments.

<sup>(2)</sup> Excludes interest payable on notes issued by subsidiaries to KIT.

## 12. SEGMENT ANALYSIS (CONT'D)

### By Business Segment (cont'd)

	Energy	Distribution & Network		Water & Waste	Corporate	Total	
	KMC	City Gas	Basslink	DC One			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>FY2018</b>							
<b>Revenue</b>	<b>129,121</b>	<b>347,629</b>	<b>67,123</b>	<b>-</b>	<b>93,514</b>	<b>-</b>	<b>637,387</b>
<b>Profit/(loss) before tax</b>	<b>(33,572)</b>	<b>37,043</b>	<b>(15,886)</b>	<b>-</b>	<b>22,611</b>	<b>(12,512)</b>	<b>(2,315)</b>
<b>Funds from Operations ("FFO")<sup>(1)</sup></b>	<b>45,141</b>	<b>35,257</b>	<b>10,397</b>	<b>7,419</b>	<b>78,653</b>	<b>(15,762)</b>	<b>161,105</b>
<b>Other segment items</b>							
Depreciation and amortisation	(75,699)	(2,764)	(17,962)	-	(7,054)	-	(103,480)
Fair value loss on derivative financial instruments	-	8	(13,283)	-	-	-	(13,275)
Impairment loss on trade and other receivables (net)	-	(448)	-	-	-	(309)	(757)
Share of results of joint venture	-	-	-	3,840	-	-	3,840
Finance costs <sup>(2)</sup>	(63,139)	(5,830)	(47,920)	-	(2,959)	(3,821)	(123,669)

A reconciliation of cash earnings to profit before tax is provided as follows:

<b>Funds from Operations</b>							<b>161,105</b>
Reduction in concession / lease receivables							(54,951)
Non-cash finance cost							(6,190)
Other non-cash items							(7,444)
Depreciation and amortisation							(103,480)
Transaction costs in relation to acquisition							-
Maintenance capital expenditure							8,490
Finance cost attributable to non-controlling interest							(43,850)
FFO from joint venture							(7,419)
FFO attributable to non-controlling interests							51,424
Profit before tax							(2,315)
<b>Segment and consolidated total assets</b>	<b>1,613,083</b>	<b>576,644</b>	<b>973,250</b>	<b>20,009</b>	<b>595,700</b>	<b>26,321</b>	<b>3,805,007</b>
<b>Segment liabilities</b>	<b>1,114,730</b>	<b>337,290</b>	<b>919,957</b>	<b>-</b>	<b>83,791</b>	<b>151,015</b>	<b>2,606,783</b>
Unallocated liabilities:							
Current tax liabilities							4,356
Deferred tax liabilities							15,612
<b>Consolidated total liabilities</b>							<b>2,626,751</b>
<b>Other segment items</b>							
Maintenance capital expenditure - property, plant and equipment	-	697	7,780	-	13	-	8,490

<sup>(1)</sup> Funds from operations is defined as PAT adjusted for reduction in concession/lease receivables, transaction costs, non-cash interest and current cash tax, maintenance capital expenditure, non-cash adjustments and non-controlling interests adjustments.

<sup>(2)</sup> Excludes interest payable on notes issued by subsidiaries to KIT.

## 12. SEGMENT ANALYSIS (CONT'D)

### By Geographical Area

The Group has operations in Singapore and Australia. Revenue is based on the country in which the operation is located. Total non-current assets are shown by the geographical area where the assets are located.

	Revenue		Non-current assets <sup>(1)</sup>	
	FY2019 S\$'000	FY2018 S\$'000	31 Dec 2019 S\$'000	31 Dec 2018 S\$'000
Singapore	521,765	570,264	2,630,211	1,811,798
Australia	1,044,950	67,123	710,871	879,448
	<u>1,566,715</u>	<u>637,387</u>	<u>3,341,082</u>	<u>2,691,246</u>

<sup>(1)</sup> Comprise property, plant and equipment, intangibles and investment in joint venture

## 13. IN THE REVIEW OF PERFORMANCE, THE FACTORS LEADING TO ANY MATERIAL CHANGES IN CONTRIBUTIONS TO TURNOVER AND EARNINGS BY THE BUSINESS OR GEOGRAPHICAL SEGMENTS

Refer to Paragraph 8.

## 14. BREAKDOWN OF REVENUE

	FY2019 S\$'000	FY2018 S\$'000	Change %
<b>a) Revenue</b>			
First half of the year	736,487	303,157	>100.0
Second half of the year	<u>830,228</u>	<u>334,230</u>	>100.0
	<u>1,566,715</u>	<u>637,387</u>	>100.0
<b>b) Profit/(Loss) after tax before deducting non-controlling interests</b>			
First half of the year	(16,462)	(14,812)	11.1
Second half of the year	<u>26,656</u>	<u>12,454</u>	>100.0
	<u>10,194</u>	<u>(2,358)</u>	N/M

## 15. BREAKDOWN OF TOTAL ANNUAL DISTRIBUTION

	FY2019 S\$'000	FY2018 S\$'000
<b>Total Distribution paid/payable</b>		
- 1 January 2018 to 31 March 2018	-	35,881
- 1 April 2018 to 30 June 2018	-	35,881
- 1 July 2018 to 30 September 2018	-	35,883
- 1 October 2018 to 31 December 2018	-	35,883
- 1 January 2019 to 24 March 2019	33,095	-
- 25 March 2019 to 31 March 2019	3,611	-
- 1 April 2019 to 30 June 2019	46,448	-
- 1 July 2019 to 30 September 2019	46,448	-
- 1 October 2019 to 31 December 2019 <sup>(1)</sup>	46,448	-
	<u>176,050</u>	<u>143,528</u>

<sup>(1)</sup> For the quarter ended 31 December 2019, the Trustee-Manager of the Trust declared a distribution per unit of 0.93 Singapore cents totaling S\$46.4 million to the unitholders of the Trust, payable on 14 February 2020.

## 16. 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)	
	FY2019 S\$'000	FY2018 S\$'000	FY2019 S\$'000	FY2018 S\$'000
<b>1. Temasek Holdings (Private) Limited and its Associates</b>				
General Transaction				
(a) Sales of Goods and Services	-	-	12,337	1,828
(b) Purchases	1,044	-	171,564	175,584
(c) Rental expense	-	-	2,834	1,762
Total	1,044	-	186,735	179,174
<b>2. Keppel Corporation Group</b>				
General Transaction				
(a) Sales of Goods and Services	260	-	1,090	-
(b) Purchases	-	-	36,696	44,493
(c) Management Fee Expense	-	-	26,431	9,934
(d) Reimbursement of expenses	-	-	136	157
Treasury Transactions	-	-	480,426	162,568
Investment or Divestment	104,255	-	-	-
Total	104,515	-	544,779	217,152

### REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CEO OR SUBSTANTIAL SHAREHOLDER

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that none of the persons occupying managerial positions in Keppel Infrastructure Fund Management Pte Ltd ("KIFM"), as Trustee-Manager of Keppel Infrastructure Trust or any of its principal subsidiaries is a relative of a director or chief executive officer of KIFM or substantial unitholder of Keppel Infrastructure Trust.

**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.

On behalf of the Board of Directors



KOH BAN HENG  
Chairman



CHRISTINA TAN HUA MUI  
Director

Singapore  
20 January 2020

**IMPORTANT NOTICE**

The past performance of KIT is not necessarily indicative of its future performance. Certain statements made in this announcement may not be based on historical information or facts and may be "forward-looking" statements due to 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 similar businesses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business. Such forward-looking statements speak only as of the date on which they are made, and KIT does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking statements.

Prospective investors and unitholders of KIT ("Unitholders") are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel Infrastructure Fund Management Pte. Ltd. (as trustee-manager of KIT) (the "Trustee-Manager") on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this announcement. The information is subject to change without notice, its accuracy is not guaranteed, has not been independently verified and may not contain all material information concerning KIT. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. 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, KIT, the Trustee-Manager or any of its affiliates and/or subsidiaries. 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 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.