

Tuesday, 10 August 2021

The Manager
Company Announcements
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

INVOLVEMENT OF PSP INVESTMENT BOARD IN BID CONSORTIUM

Please find attached Spark Infrastructure's announcement relating to the involvement of Public Sector Pension Investment Board in joining the consortium comprised of Ontario Teachers' Pension Plan Board and Kohlberg Kravis Roberts & Co. L.P.

Yours sincerely,



Jenny Faulkner
General Counsel and Company Secretary

10 August 2021

INVOLVEMENT OF PSP INVESTMENT BOARD IN BID CONSORTIUM

On 28 July 2021 Spark Infrastructure RE Limited (ACN 114 940 984) (in its capacity as responsible entity of Spark Infrastructure Trust (ARSN 116 870 725)) ("Spark Infrastructure") announced that it had received a further revised conditional and non-binding indicative proposal ("Further Revised Proposal") from Ontario Teachers' Pension Plan Board ("OTPP") and Kohlberg Kravis Roberts & Co. L.P. ("KKR"), on behalf of certain of its affiliated infrastructure investment funds, vehicles and entities managed and/or advised by it or its affiliates (the "KKR Funds"), together the Consortium (the "Consortium"), to acquire all of the ordinary stapled securities in Spark Infrastructure by way of a scheme. The Further Revised Proposal followed two earlier proposals by the Consortium announced by Spark Infrastructure on 15 July 2021.

Spark Infrastructure confirms that it has received a request from the Consortium to engage with Public Sector Pension Investment Board ("PSP") for the purposes of PSP joining that Consortium (together the "Revised Consortium"). It is expected that each of the Revised Consortium parties will provide a one-third contribution to the total equity funding requirement under the proposed transaction. Notwithstanding this, OTTP and KKR have confirmed their interest in Spark Infrastructure is not contingent on PSP receiving all internal and external approvals to participate in the Revised Consortium, and have stated that they have sufficient financial capacity to complete an acquisition of Spark Infrastructure in the unlikely circumstances that PSP does not receive these approvals.

The Revised Consortium has confirmed that its interest in Spark Infrastructure remains consistent with the Further Revised Proposal, including specifically an all cash consideration of A\$2.95 per stapled security to be reduced to the extent that Spark Infrastructure pays or declares a distribution to its securityholders prior to the implementation of the proposed transaction. Following the announcement of Spark Infrastructure's first half interim distribution for 2021 of A\$0.0625 per stapled security on 1 July 2021, the implied consideration under the Further Revised Proposal is A\$2.8875 per stapled security¹.

The Revised Consortium has confirmed that the key terms and conditions of the Further Revised Proposal are unchanged and that the involvement of PSP in the Revised Consortium will not have any impact on the timetable.

The involvement of PSP and confirmation of the Revised Consortium's interest in Spark Infrastructure follows Spark Infrastructure's decision, as announced on 28 July 2021, to provide the Consortium with the opportunity to conduct due diligence on a non-exclusive basis.

Following careful consideration, and consultation with its advisers, the Board of Spark Infrastructure considers that it is in the interests of Spark Infrastructure's securityholders to engage with the Revised Consortium. Accordingly, Spark Infrastructure has decided to allow the Revised Consortium to continue to conduct the due diligence commenced by the Consortium, again on a non-exclusive basis and on the basis that the confidentiality arrangements entered into by OTTP and KKR are entered into by PSP.

¹ To the extent any further distribution is paid or declared prior to implementation of any proposed transaction, the implied consideration under the Further Revised Proposal would be further reduced for this amount.

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The Board notes that there is no certainty that the engagement between Spark Infrastructure and the Revised Consortium will result in a control transaction.

The Board remains focused on maximising securityholder value and will carefully consider any proposal that is consistent with this objective.

Irrespective of whether the engagement between Spark Infrastructure and the Revised Consortium results in a control transaction, the Board considers that Spark Infrastructure has a high quality and scarce group of regulated assets that have a very attractive future and is well positioned to continue to deliver an attractive yield now with franking credits. Complementing its reliable and inflation-linked revenues, Spark Infrastructure's investment portfolio also has strong growth prospects in its underlying high quality asset base, and has strong ESG credentials given its important role in supporting the multi-decade energy transition to a lower carbon future.

Spark Infrastructure is being advised by Goldman Sachs and Herbert Smith Freehills.

Spark Infrastructure makes this statement, and will continue to keep the market informed, in accordance with its continuous disclosure obligations. In the interim, securityholders do not need to take any action in relation to the Further Revised Proposal.

This announcement is authorised for release by the Board of Directors of Spark Infrastructure.

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