

**Kayne Anderson**

*Capital Advisors, L.P.*



# KYN & KMF INVESTOR UPDATE

November 21, 2022

# Energy Infrastructure Investing Backdrop

## **Bullish long-term outlook**

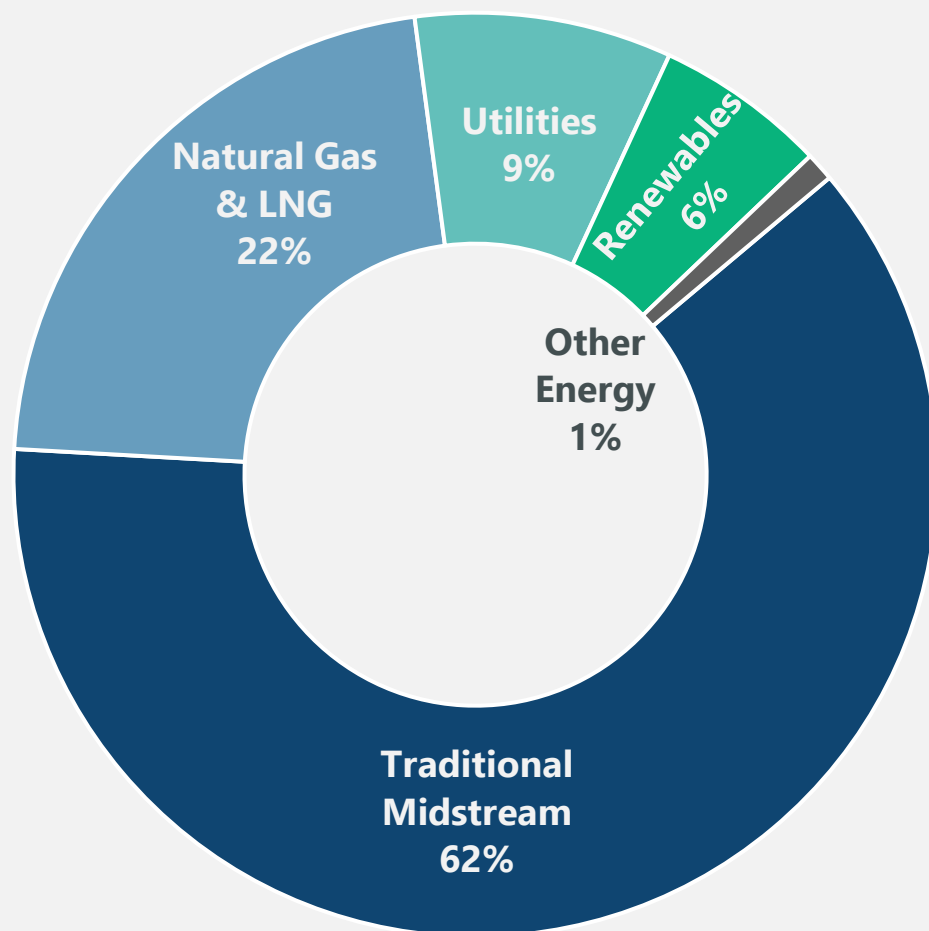
- Global energy security
- Accelerating energy transition

## **Conservative portfolio positioning**

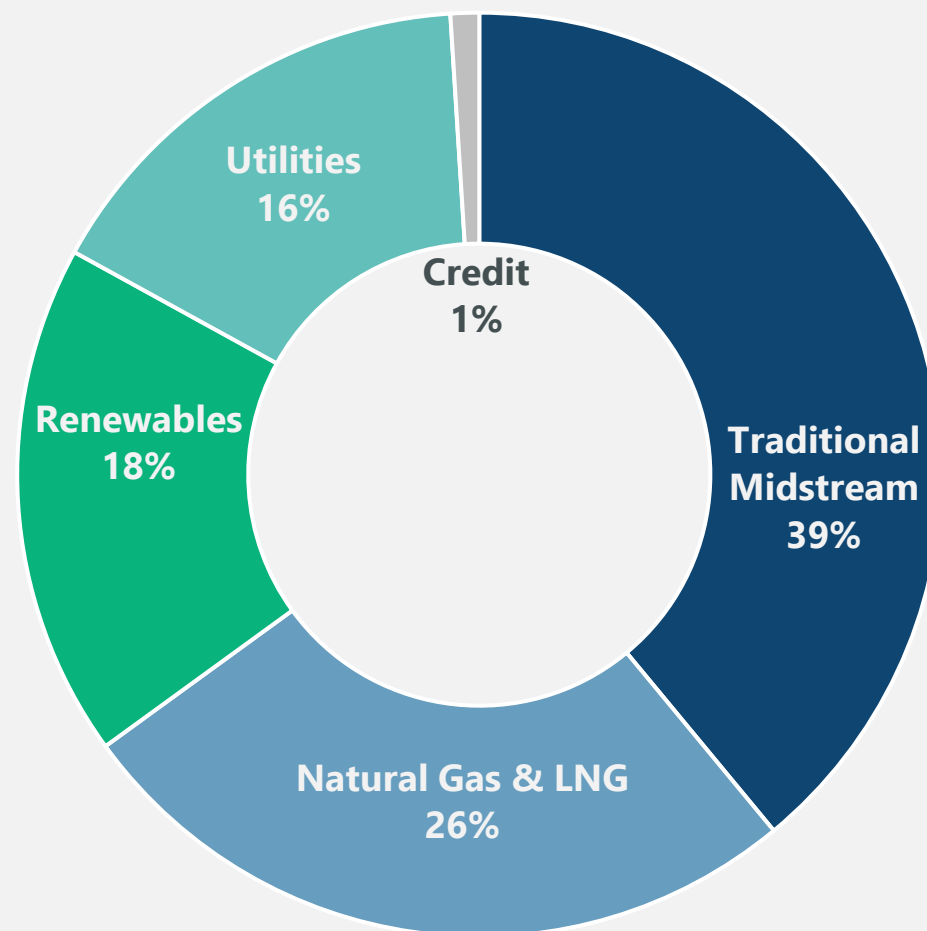
- Large-cap, liquid equities
- Lower leverage

## Portfolio Allocations as of 10/31/22

KYN



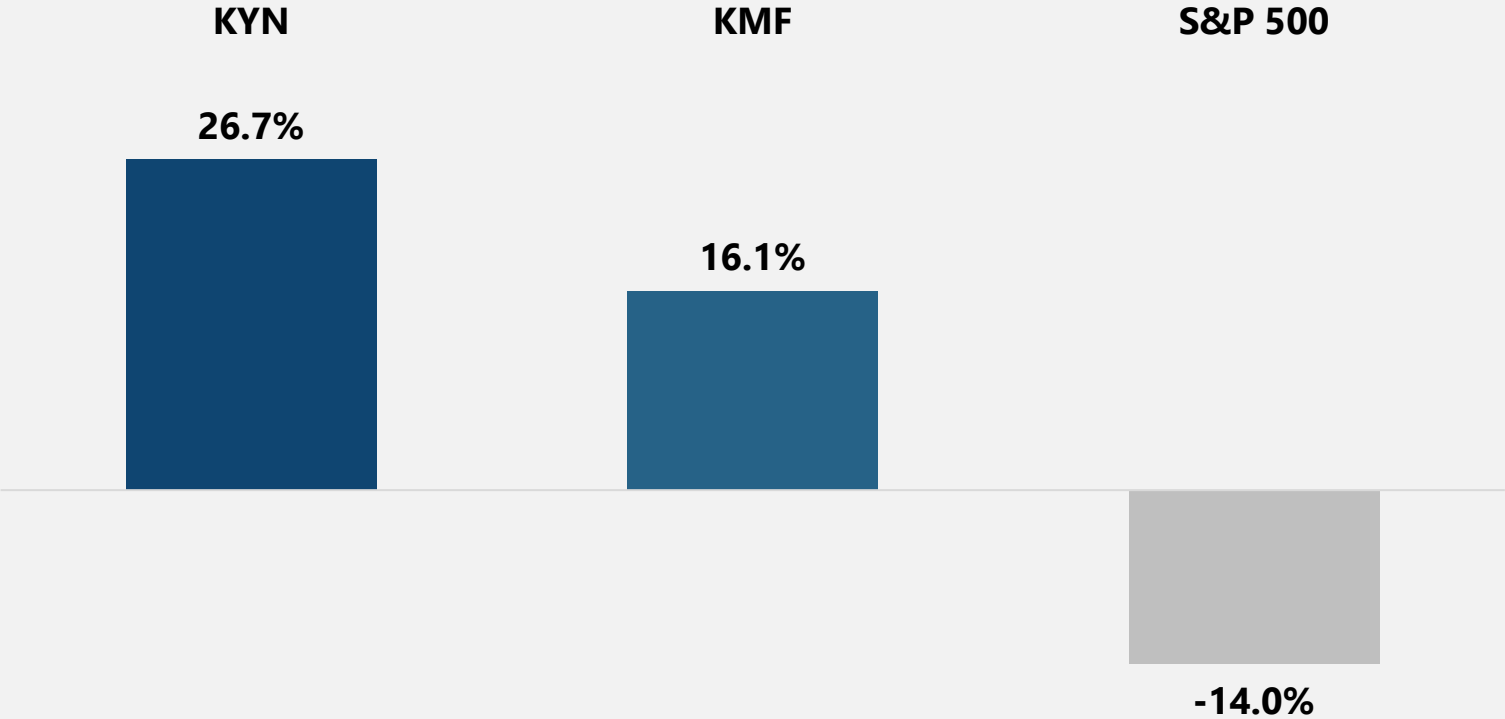
KMF





# Performance – Net Asset Returns

## Fiscal Year-to-Date Performance<sup>(1)</sup>

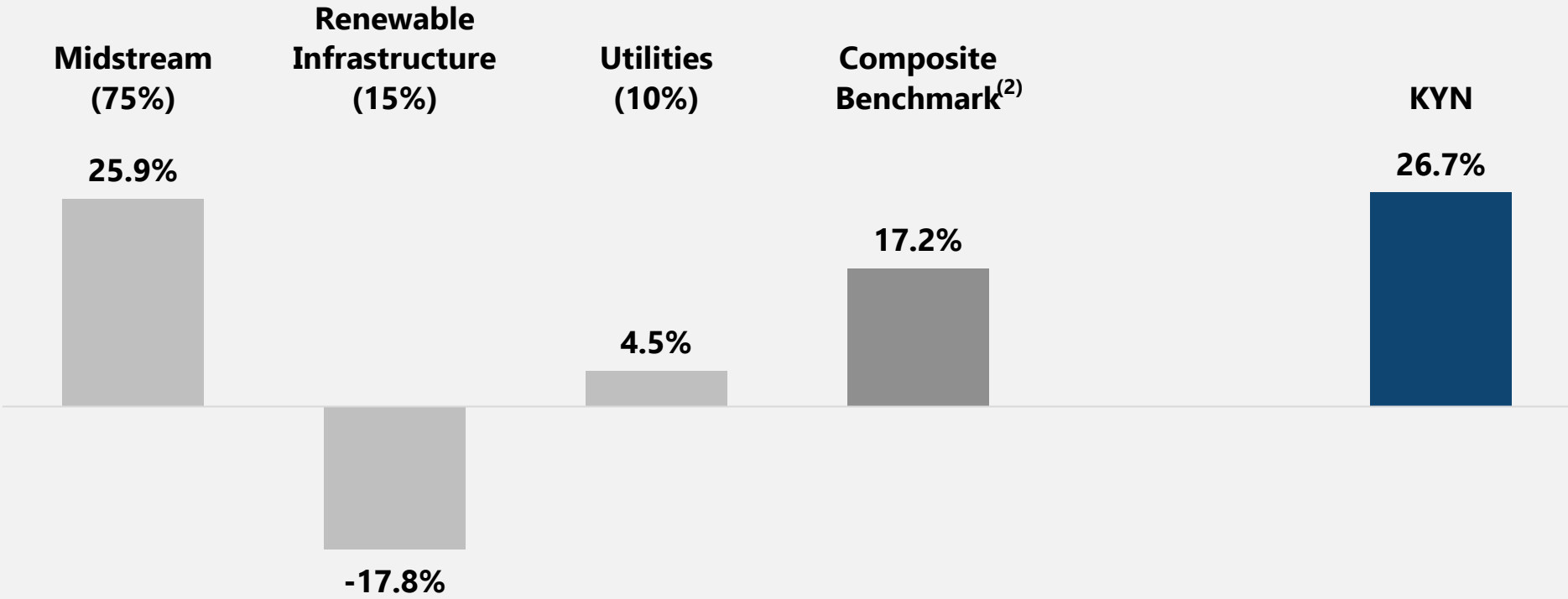


*Note: KYN and KMF performance reflects Net Asset Return which is defined as the change in net asset value per share plus cash distributions paid during the period (assuming reinvestment through our dividend reinvestment plan). Past performance does not guarantee future results.*

*(1) Performance for the eleven-month period beginning 12/1/21-10/31/22. Refer to Disclaimers & Risk Considerations for the 1, 5, and 10-year standardized performance figures.*

KYN Performance

KYN Fiscal Year-to-Date Performance<sup>(1)</sup>



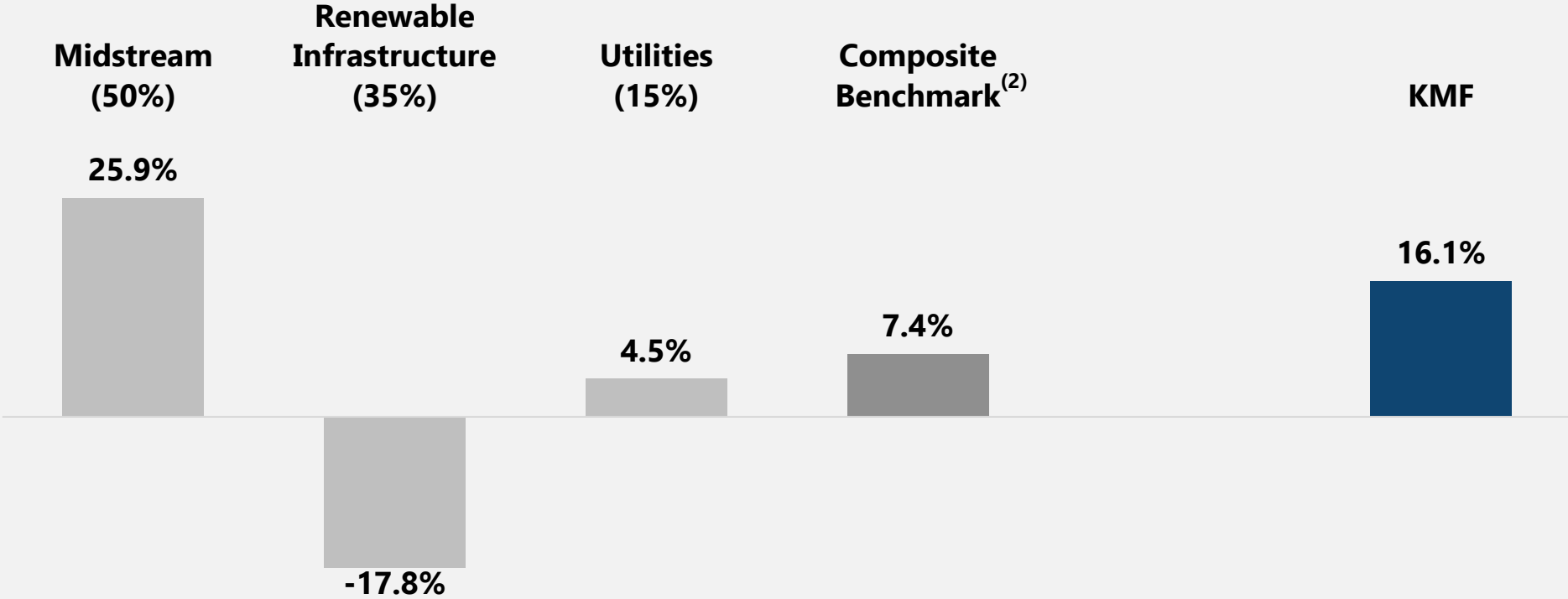
Note: KYN performance reflects Net Asset Return which is defined as the change in net asset value per share plus cash distributions paid during the period (assuming reinvestment through our dividend reinvestment plan). Past performance does not guarantee future results.

(1) Performance for the eleven-month period beginning 12/1/21-10/31/22. Refer to Disclaimers & Risk Considerations for the 1, 5, and 10-year standardized performance figures.

(2) KYN's Composite Energy Infrastructure Benchmark is comprised of the indicated weightings per sector as noted in each chart above. Returns for each period are total returns (assuming reinvestment of dividends). The benchmark for the midstream sector is the Alerian Midstream Energy Total Return Index (AMNA). The benchmark for the renewable infrastructure sector is a composite total return for 37 domestic and international renewable infrastructure companies (calculated on a market-cap weighted basis with individual constituents capped at a 10% weighting). The benchmark for the utilities sector is the Utilities Select Sector SPDR (XLU), which is an ETF linked to the Utilities Select Sector Index (IXU), a sub-set of the S&P 500. The sub-sector allocations for this composite index were established by Kayne Anderson at the beginning of fiscal 2022 and are expected to change on an annual basis.

# KMF Performance

## KMF Fiscal Year-to-Date Performance<sup>(1)</sup>



Note: KMF performance reflects Net Asset Return which is defined as the change in net asset value per share plus cash distributions paid during the period (assuming reinvestment through our dividend reinvestment plan). Past performance does not guarantee future results.

(1) Performance for the eleven-month period beginning 12/1/21-10/31/22. Refer to Disclaimers & Risk Considerations for the 1, 5, and 10-year standardized performance figures.

(2) KMF's Composite Energy Infrastructure benchmark is comprised of the indicated weightings per sector as noted in each chart above. Returns for each period are total returns (assuming reinvestment of dividends). The benchmark for the midstream sector is the Alerian Midstream Energy Total Return Index (AMNA). The benchmark for the renewable infrastructure sector is a composite total return for 37 domestic and international renewable infrastructure companies (calculated on a market-cap weighted basis with individual constituents capped at a 10% weighting). The benchmark for the utilities sector is the Utilities Select Sector SPDR (XLU), which is an ETF linked to the Utilities Select Sector Index (IXU), a sub-set of the S&P 500. The sub-sector allocations for this composite index were established by Kayne Anderson at the beginning of fiscal 2021 and are expected to change on an annual basis.

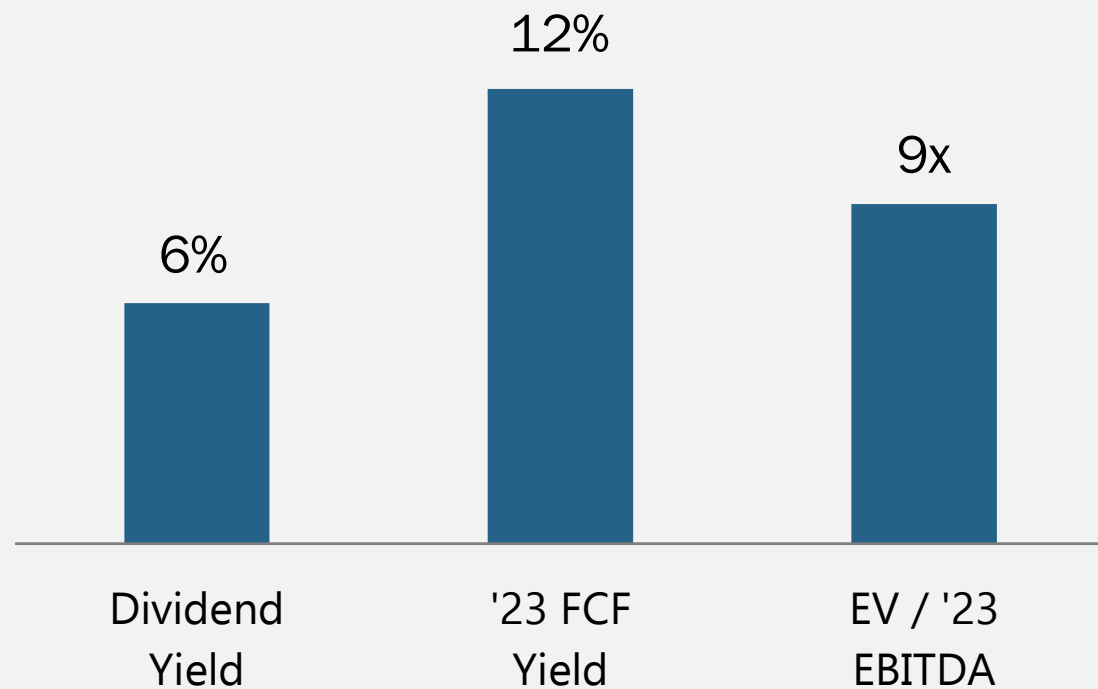
## Macro Update

### **Very supportive backdrop for energy infrastructure**

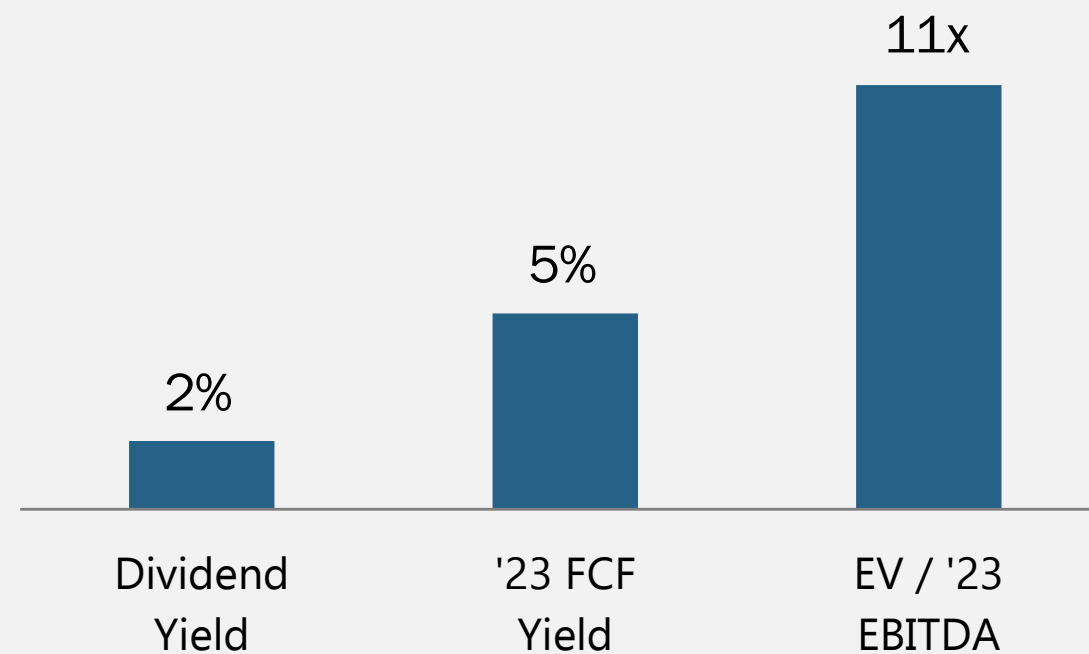
- “Energy security” is a priority
- Industry maturing from “boom-and-bust” cycles
- The world will transition but hydrocarbons still needed for the foreseeable future

# Quick Look At Valuations

## Midstream: KYN Top Ten



## S&P 500





## Key Takeaways

### **Very constructive outlook over the medium/long-term**

- Favorable macro environment supported by energy security, energy transition & tax incentives to accelerate investments in the sector
- Excited about midstream – balance sheets are in a good spot and companies are focused on returning free cash flow to investors
- The sector's current valuations make for nice entry point to invest

## Questions/Comments?

- Contact our team at:
  - Email: [CEF@kaynecapital.com](mailto:CEF@kaynecapital.com)
  - Investor Relations: (877) 657-3863
  - Advisor Sales: (443) 652-4233

# Disclaimer & Risk Considerations

## KYN Standardized Performance

As of 10/31/22	1-Yr	5-Yr	10-Yr
Adjusted NAV Return <sup>1</sup>	19.61%	5.71%	(5.85%)
NAV only	9.43%	(35.68%)	(64.24%)
Adjusted Price Return <sup>2</sup>	14.33%	(7.34%)	(25.42%)
Share price only	4.59%	(43.62%)	(71.67%)

## KMF Standardized Performance

As of 10/31/22	1-Yr	5-Yr	10-Yr
Adjusted NAV Return <sup>1</sup>	9.35%	(2.66%)	(24.81%)
NAV only	1.07%	(34.88%)	(68.36%)
Adjusted Price Return <sup>2</sup>	11.17%	(11.92%)	(35.64%)
Share price only	2.76%	(41.07%)	(72.91%)

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(1) Adjusted Net Asset Value ("NAV") Return is defined as the change in net asset value per share plus cash distributions paid during the period (assuming reinvestment through our dividend reinvestment plan).

(2) Adjusted Price Return is defined as the change in share price plus cash distributions paid during the period (assuming reinvestment through our dividend reinvestment plan).