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MEDIA RELEASE

Unaudited Results of Keppel DC REIT for the First Half Ended 30 June 2022

25 July 2022

The Directors of Keppel DC REIT Management Pte. Ltd., as Manager of Keppel DC REIT, are pleased to announce the unaudited results of Keppel DC REIT for the first half ended 30 June 2022.

The materials are also available at www.keppeldcreit.com, www.keppeltt.com.sg, www.kepcapital.com and www.kepcorp.com.

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Keppel DC REIT achieves 2.5% y-o-y growth in DPU for 1H 2022

Key Highlights

- Distributable income grew 8.2% year-on-year (y-o-y) to \$91.2 million in 1H 2022, due mainly to contributions from accretive acquisitions and investment, asset enhancement initiatives, contract renewals and client expansion
- Declared distribution per Unit (DPU) of 5.049 cents for 1H 2022, 2.5% above 1H 2021's 4.924 cents
- Strengthened portfolio with the completion of the London Data Centre acquisition in the United Kingdom
- Continued execution of acquisition strategy with the announcement of DPU-accretive acquisitions of Guangdong Data Centre 2 and Guangdong Data Centre 3 in the People's Republic of China (PRC)
- Portfolio occupancy remained healthy at 98.2%¹ with portfolio weighted average lease expiry (WALE) at 7.6 years²

(\$'000)	1H 2022	1H 2021	% Change
Gross Revenue	135,540	135,147	0.3
Property Expenses	(12,305)	(11,313)	8.8
Net Property Income	123,235	123,834	(0.5)
Distributable Income	91,158	84,256	8.2
DPU⁽¹⁾ (cents)	5.049	4.924	2.5
Annualised Distribution Yield ⁽²⁾ (%)	5.13	3.96	117bps

(1) DPU was computed based on the distributable income to Unitholders after the deduction of Capex Reserves that has been set aside.

(2) Based on closing price of \$1.970 and \$2.490 per Unit as at 30 June 2022 and 30 June 2021 respectively.

Financial Results

Keppel DC REIT Management Pte. Ltd., the Manager of Keppel DC REIT, is pleased to announce that distributable income for 1H 2022 was \$91.2 million, a growth of 8.2% compared to 1H 2021. The growth in distributable income was due mainly to contributions from the accretive acquisitions³ of Guangdong Data Centre, London Data Centre and Eindhoven Campus, investment in the NetCo bonds⁴, asset enhancement initiatives at DC1 and the Dublin assets, the completion of Intellicentre 3 East Data Centre in July 2021, as well as contract renewals and client expansion.

Keppel DC REIT has declared a DPU of 5.049 cents for 1H 2022, an increase of 2.5% from 4.924 cents a year ago. Based on the closing price of \$1.970 per Unit on 30 June 2022, Keppel DC REIT's annualised distribution yield is 5.13%.

The Manager continues to exercise prudence in its capital management approach. To mitigate Keppel DC REIT's exposure to interest rate fluctuations, the Manager has hedged 76% of its borrowings as at 30 June 2022 through floating-to-fixed interest rate swaps. Keppel DC REIT maintained a healthy aggregate leverage ratio with borrowings well-diversified across five currencies and a well-staggered debt maturity profile. Forecast foreign sourced distributions have also been substantially hedged till

¹ Post-acquisition of Guangdong Data Centre 2 and Guangdong Data Centre 3, and assuming the acquisition was completed on 30 June 2022, portfolio occupancy would be 98.5%, and WALE would be 8.7 years by area and 5.8 years by rental income.

² By area. WALE by rental income was 5.1 years as a higher proportion of rental income is from colocation assets, which typically have shorter contractual periods.

³ The acquisition of Eindhoven Campus was completed in September 2021 while the acquisitions of Guangdong Data Centre and London Data Center were completed in December 2021 and January 2022 respectively.

⁴ The investment in the bonds issued by M1 Network Private Limited was completed in December 2021.

2H 2023 via foreign currency forward contracts, mitigating the impact of potential currency fluctuations.

In 2Q 2022, the Manager diversified its sources of funding with the issuance of EUR 75 million fixed rate notes due in 2028.

As at 30 June 2022, Keppel DC REIT's average cost of debt remained low at 1.9% per annum and healthy interest coverage ratio of 9.2 times. Aggregate leverage was 35.3% as at end-Jun 2022, leaving Keppel DC REIT with a comfortable debt headroom to pursue strategic growth opportunities.

Portfolio Updates

Portfolio occupancy remained healthy at 98.2%¹ and WALE remained long at 7.6 years² as at 30 June 2022. This was mainly attributable to the addition of London Data Centre which has a long WALE of 17.0 years, and the Manager's continued proactive asset management efforts. In 1H 2022, the Manager secured new, renewal and expansion contracts at Keppel DC REIT's data centres in Singapore, Ireland, Malaysia and the Netherlands. For the remainder of 2022, Keppel DC REIT has only 2.0% of contracts by lettable area due to expire.

In June 2022, Keppel DC REIT announced the acquisition of two data centres in Jiangmen, Guangdong Province for RMB 690.3 million (approximately S\$142.2 million⁵) each. The two seven-storey data centres will be master leased on a triple-net basis⁶ for 15 years. Guangdong Data Centre 2 is fully-fitted while Guangdong Data Centre 3 will be fitted out, with its expected completion by the third quarter of 2023.

This DPU-accretive acquisition of the two assets strengthens Keppel DC REIT's foothold in the PRC, the largest growing data centre hub in Asia. As a major technology hub and one of the PRC's most established data centre markets, the Guangdong data centre market is set to grow further with rising demand for high quality, efficient data centres and benefit from the tightening supply.

Growing in a Sustainable Manner

The Manager continues to integrate environmental, social and governance (ESG) considerations in its strategy and operations. Keppel DC REIT remains committed to deliver sustainable outcomes and will share progress updates on our ESG targets as and where relevant.

Looking Ahead

In its June 2022 Global Economic Prospects report, the World Bank forecast that global economic growth in 2022 will slow to 2.9%, compared to 5.7% in 2021 as the war in Ukraine disrupts activity and trade in the near term, pent-up demand fades, and policy support is withdrawn amid high inflation. In addition, there are also various downside risks, including intensifying geopolitical tensions, growing stagflationary headwinds, rising financial instability, continuing supply strains, and worsening food insecurity.

Notwithstanding the macroeconomic challenges, industry trends such as the continued acceleration of digitalisation, adoption of technologies such as 5G and artificial intelligence, and rise of virtual reality communities will continue to bolster demand for data centres. According to Gartner, worldwide end-user spending on public cloud services is forecasted to grow 20.4% to US\$494.7 billion in 2022 and to nearly US\$600.0 billion by 2023⁷.

⁵ Excluding value-added taxes, based on an exchange rate of RMB 1.00 to S\$0.2060, as at 30 June 2022.

⁶ With the exception of the applicable real estate tax where the Seller shall bear up to a certain threshold.

⁷ Gartner forecasts worldwide public cloud end-user spending to reach nearly US\$500 billion in 2022, Intelligent Data Centres, 9 May 2022.

Looking ahead, the Manager will continue to focus on its value creation strategy. Keppel DC REIT will capitalise on growth opportunities in the data centre industry by driving organic growth in its diversified portfolio of data centres, and strengthen its global presence through accretive acquisitions. The Manager will also leverage Keppel Group's innovation initiatives and capabilities in the design, development and management of data centres, to drive further sustainable growth.

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About Keppel DC REIT (www.keppeldcreit.com)

Keppel DC REIT was listed on the Singapore Exchange on 12 December 2014 as the first pure-play data centre REIT in Asia.

Keppel DC REIT's investment strategy is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate and assets necessary to support the digital economy.

Keppel DC REIT's investments comprise an optimal mix of colocation, fully-fitted and shell and core assets, as well as network assets through its investments in debt securities, thereby reinforcing the diversity and resiliency of its portfolio.

Keppel DC REIT is sponsored by Keppel Telecommunications & Transportation Ltd (Keppel T&T), and managed by Keppel DC REIT Management Pte. Ltd. (the Manager). Keppel Capital Holdings Pte. Ltd. (Keppel Capital) has a 50% interest in the Manager, with the remaining interest held by Keppel T&T. Keppel Capital is a premier asset manager in Asia with a diversified portfolio in real estate, infrastructure, data centres and alternative assets in key global markets through its listed REITs and Trust, as well as private funds. The Keppel Group, through Keppel T&T and the private data centre funds has currently over \$2 billion of data centre assets under development.

The Manager's key objectives are to provide Keppel DC REIT's Unitholders with regular and stable distributions, as well as achieve long-term growth through at least 90% of its AUM in data centre investments, while maintaining an optimal capital structure.

Important Notice

The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this release 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 developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel DC REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the 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 release. None of the Manager, the trustee of Keppel DC REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this release or its contents or otherwise arising in connection with this release. 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 in Keppel DC REIT (Units) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including possible loss of principal amount invested.

Investors have no right to request the 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.