

The logo for Keppel DC REIT, featuring the word "Keppel" in white on a grey background, followed by "DC REIT" in red. The background of the entire slide is a server room with blue and green lighting and a large red arrow pointing upwards and to the right.

Keppel DC REIT

DBS-SGX-REITAS Virtual Conference

Riding the new Digital and E-Commerce Wave

17 June 2021

Strong and Resilient Data Centre Demand

- Notwithstanding the pandemic, hyperscalers' spendings on colocation data centres increased 25% in 2020, of which 70% was met by colocation providers¹
- Global colocation market is expected to grow by 16% in 2021, largely spurred by growth in Asia Pacific and Europe¹
- Enterprise spending on cloud infrastructure grew >30% in 2020, expected to continue expanding at a CAGR of >20% through 2025¹

Industry Outlook



APAC data centre spending to surpass US\$35b by 2024 to account for >35% of global market¹



>70% of all hyperscale data centres are located in facilities that are leased or owned by partners³



Smartphone subscription estimated at 6.1b by end-2020 and forecasted to reach 7.5b in 2026⁴



European data centre market to grow by >40% to over US\$25b by 2024, despite limited new supply¹



Global internet traffic surge 47% y-o-y in 2020, higher than initial forecast of 28%²

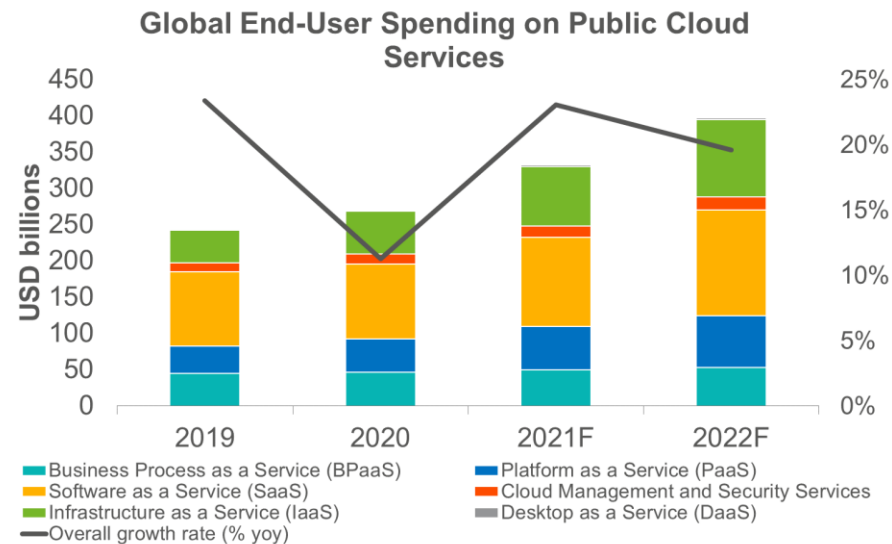


5G subscriptions are expected to reach 3.5b in 2026, and account for an estimated 54% of total mobile data⁴

COVID-19 Accelerated Digital Transformation Plans

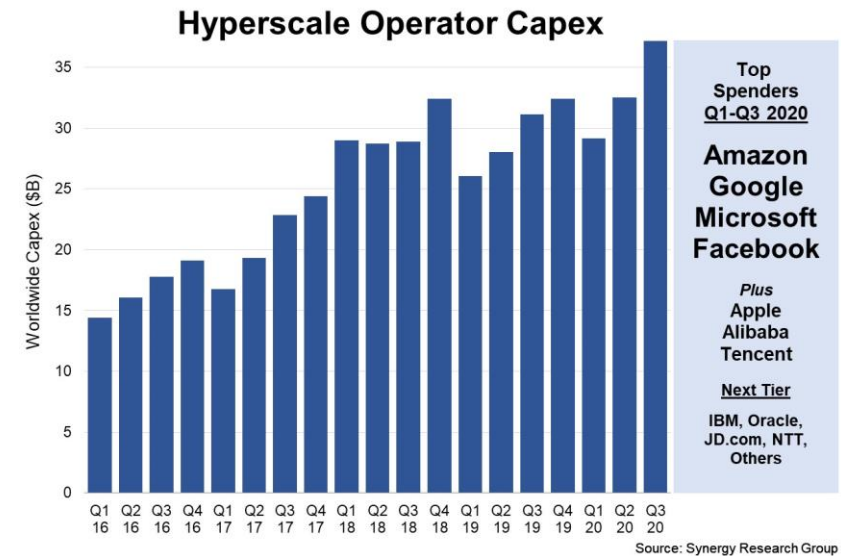
Cloud spending keeps growing

- COVID-19 spurred the digital transformation of many corporates and governments
- End-user spending on public cloud services projected to grow at 17.8% CAGR between 2019 and 2022



Hyperscalers ramping up capex

- Global hyperscalers continue to increase capex to meet growing demand
- Total hyperscale capex grew by 16% yoy in 9M2020 despite COVID-19 disruptions



Continued growth in cloud computing underpins demand for hyperscale and colocation data centres

Steady Portfolio Growth Since Listing

Investing in income-producing data centre assets, as well as real estate and assets necessary to support the digital economy.



EUROPE

● UNITED KINGDOM

- Cardiff Data Centre, Cardiff
- GV7 Data Centre, London

● IRELAND

- Keppel DC Dublin 1, Dublin
- Keppel DC Dublin 2, Dublin

● THE NETHERLANDS

- Almere Data Centre, Almere
- Amsterdam Data Centre, Amsterdam

● ITALY

- Milan Data Centre, Milan

● GERMANY

- maincubes Data Centre, Offenbach am Main
- Kelsterbach Data Centre, Kelsterbach



ASIA PACIFIC

● SINGAPORE

- Keppel DC Singapore 1
- Keppel DC Singapore 2
- Keppel DC Singapore 3
- Keppel DC Singapore 4
- Keppel DC Singapore 5
- DC1

● MALAYSIA

- Basis Bay Data Centre, Cyberjaya

● AUSTRALIA

- Gore Hill Data Centre, Sydney
- Intellicentre 2 Data Centre, Sydney
- Intellicentre 3 East Data Centre, Sydney (Under development)
- iseek Data Centre, Brisbane



Assets under Management

\$3.0b

19 data centres¹ across 8 countries

1Q 2021 Operational Updates

- **Continued to deliver healthy financial performance:** Distributable income¹ and DPU² for 1Q 2021 up 17.5% and 18.1% yoy respectively, supported by contributions from accretive acquisitions and AEI works in 2020
- **Value creation through portfolio optimisation:** Completed AEI works at Keppel DC Dublin 2 and DC1, totalling approximately \$72m³
- **Proactive leasing efforts:** Engaging tenants for lease renewals in 2021
- **Development completion of Intellicentre 3 East Data Centre** expected in 2Q 2021
- **Healthy aggregate leverage** of 37.2%
- **Low average cost of debt**⁴ of 1.5% p.a. **high ICR**⁵ of 13.1 times

1. Distributable Income includes Capex Reserves. Keppel DC REIT declares distributions on a half-yearly basis. No distribution has been declared for the quarter ended 31 March 2021.
2. Excludes an amount of Capex Reserves that has been set aside.
3. AEI works for Keppel DC Dublin 2 and DC1 are approximately EUR12m and \$53m respectively.
4. Computed based on gross borrowings and deferred payment as a percentage of deposited properties, both of which do not consider the lease liabilities pertaining to land rent commitments and options.
5. ICR is computed based on the definition set out in Appendix 6 of the Code on Collective Investment Schemes revised on 16 April 2020.



**Resilient asset class and stable portfolio matrices
provide long-term income sustainability**

Portfolio Occupancy

97.8%

as at 31 Mar 2021

Portfolio WALE

6.6 years

by leased area

Strategic Direction

The Manager will continue to capitalise on growth opportunities in the data centre industry, and strengthen Keppel DC REIT's global presence.

Keppel DC REIT: Well-positioned for Growth



Resilient asset class with long-term growth visibility, proxy to fast growing technology sector



Highly defensive and sustainable income stream



Strong operational expertise and proven track record



Disciplined investment strategy focused on:


- Growing a diversified portfolio of assets globally
- Cultivating a large and stable customer base
- Ensuring a well-balanced mix of master leases and colocation contracts

Thank You

Important Notice: The past performance of Keppel DC REIT is not necessarily indicative of its future performance. Certain statements made in this presentation 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 presentation. 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 presentation or its contents or otherwise arising in connection with this presentation. 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 the possible loss of the 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.

Connect with us on 
www.keppeldcreit.com