Keppel DC REIT

Annual General Meeting

19 April 2023

FY 2022 Key Highlights

Sustainable Financial Growth

Higher Distributable Income

$184.9m

for FY 2022, 7.7% higher y-o-y, due mainly to contributions from accretive acquisitions, investment and proactive asset management

Strong DPU[1]

10.214 cents

for FY 2022, an increase of 3.7% y-o-y.

Attractive DPU yield

5.8%

based on the market closing price of $1.770 per Unit at 31 Dec 2022.

Resilient & Diversified Portfolio

Assets under Management (AUM)

$3.7b

as at 31 Dec 2022, an increase from $3.4b as at end-2021.

High Portfolio Occupancy

98.5%

as at 31 Dec 2022.

Long Portfolio WALE[2]

8.4 years

by area.

Healthy Balance Sheet

Aggregate Leverage[3]

36.4%

as at 31 Dec 2022.

Average Cost of Debt[4]

2.2%

for the year-to-date, as at 31 Dec 2022.

High Interest Coverage

7.6 times

as at 31 Dec 2022.

1. DPU was computed based on the distributable income to Unitholders after the deduction of Capex Reserves that has been set aside.
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. 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 options. Aggregate leverage as at 31 Dec 2021 was 34.6%.
4. Including amortisation of upfront debt financing costs and excluding lease charges

Value Creation with DPU Accretive Acquisitions

London Data Centre, United Kingdom

- Strengthened foothold in London, a top global data centre hub
- Located in Bracknell, a thriving commercial centre in the Thames Valley which is a region dubbed as United Kingdom's Silicon Valley
- Purchase consideration: GBP57.0m (approx. S$103.8m[1])

Guangdong Data Centres 2 & 3, China

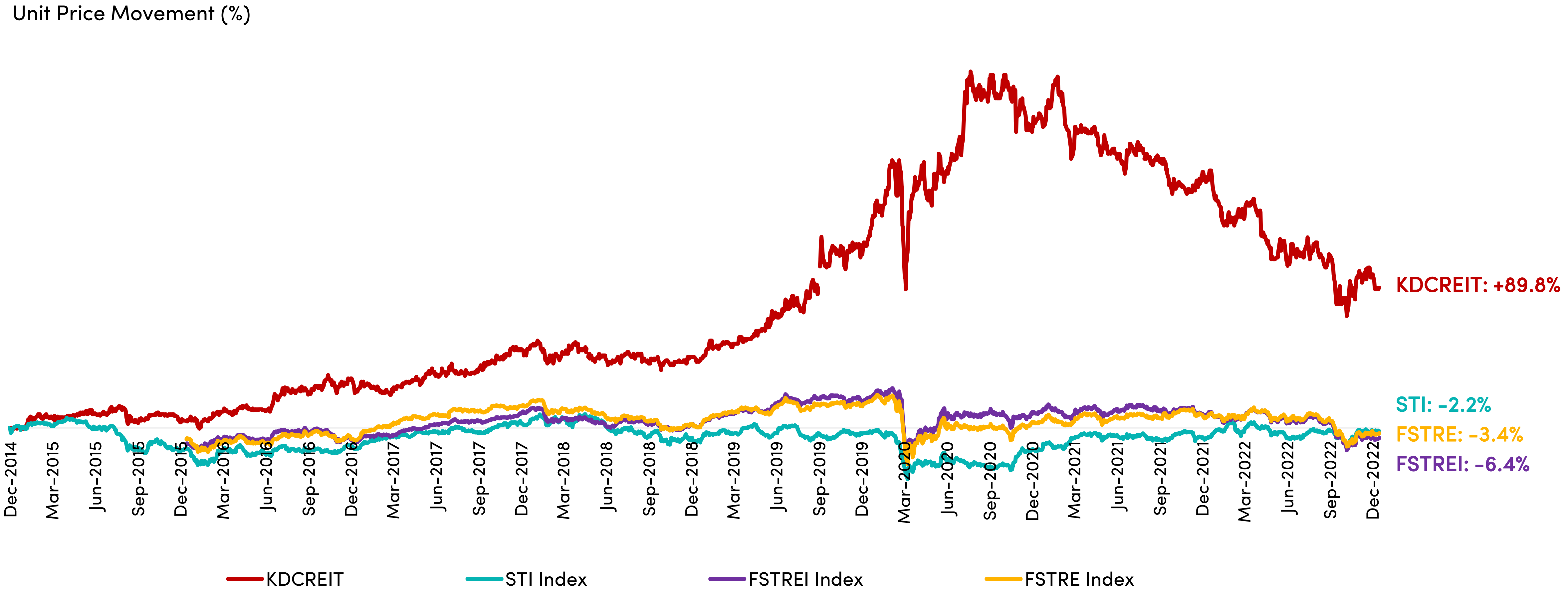
- Strengthened presence in Asia Pacific
- Located within the Greater Bay Area, one of China's most vibrant economic regions and one of China's eight national computing hubs
- Purchase Consideration[2]:
  - Guangdong DC 2:RMB 690.3m (approx. S$141.3m)
  - Guangdong DC 3:RMB 64.2m (approx. S$13.1m)[3]

Keppel DC REIT

1. Based on the exchange rate of GBP 1.00 to S$ 1.8217 as at 31 Jan 2022.
2. Excluding value-added taxes, based on an exchange rate of RMB 1.00 is to S$0.2047 as at 31 Aug 2022.
3. This is the purchase price for the building shell. The acquisition of the building shell of Guangdong Data Centre 3 was completed in August 2022 and is expected to be fully-fitted by the third quarter of 2023. Full purchase consideration for Guangdong Data Centre 3 is RMB 690.3m (approx, S$141.3m)

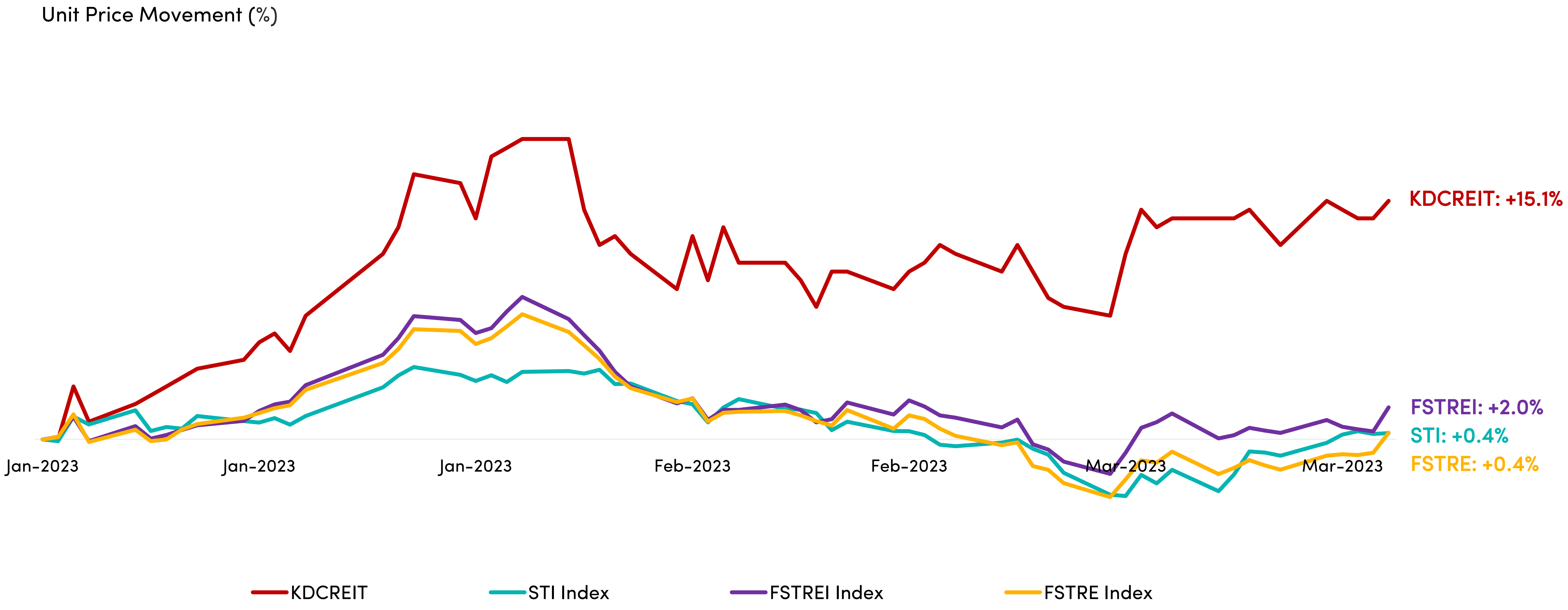
Unit Price Performance (IPO – FY 2022)

- Total Unitholder Return since IPO: 152.3%



Unit Price Performance (1Q 2023)

- Total Unitholder Return: 19.3%



Source: Bloomberg

1Q 2023 Updates

1Q 2023 Key Highlights

Resilient financial performance underpinned by quality portfolio

- Distributable income and DPU for 1Q 2023 increased by 4.1% and 3.0% year-on-year respectively, mainly due to contributions from acquisitions and proactive asset management
- Majority of rental income is derived from clients with investment grade or equivalent credit profiles
- Obtained approvals for the NetCo Bonds to be qualified as Qualifying Project Debt Securities (QPDS)

Proactive management of borrowing costs and impact of currency fluctuations

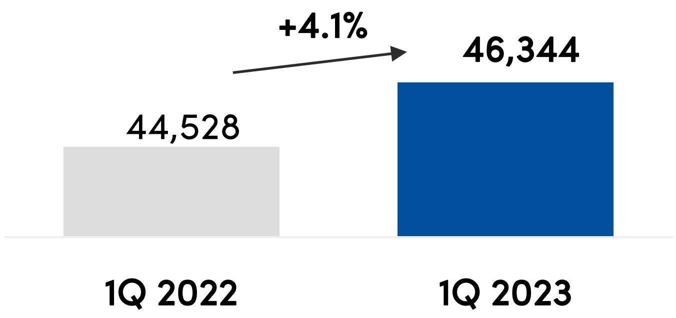
- Bulk of debt expiring from 2026 and beyond. By Apr 2023, completed the refinancing of all loans due in 2023
- Interest rates exposures are mitigated with 73% of loans fixed
- Forecast foreign sourced distributions have been substantially hedged till end 2023. In Apr 2023, progressively hedged part of the forecast foreign sourced distributions till end Jun 2024

Continued pursuit of growth opportunities

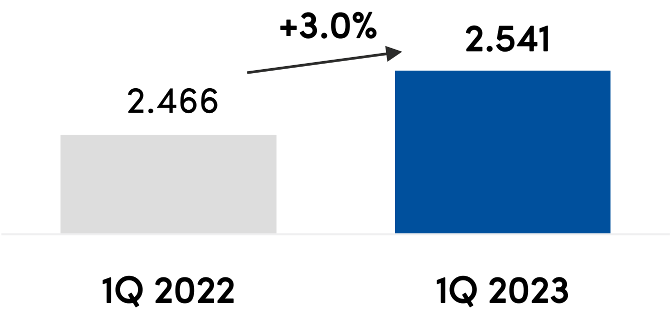
- Disciplined pursuit of data centre acquisition opportunities
- Continued geographical diversification for growth and income resilience

Higher Distributable Income and DPU

Distributable Income ($'000)[1]



Distribution Per Unit (cents)[2]



($'000)	1Q 2023	1Q 2022	% Change
Gross Revenue	70,403	66,104	+6.5
Property Expenses	(6,515)	(5,975)	+9.0
Net Property Income	63,888	60,129	+6.3
Finance Income	2,956	2,055	+43.8
Distributable Income	46,344	44,528	+4.1
Distribution per Unit (DPU)[2] (cents)	2.541	2.466	+3.0

1Q 2023 vs 1Q 2022

- Higher distributable income and DPU were mainly due to:
  - Increase in gross revenue from the acquisitions of Guangdong Data Centre 2 & building shell of Guangdong Data Centre 3;
  - Completed asset enhancement initiatives (AEI), renewals and income escalations; and
  - Tax savings[3] from approvals obtained for the NetCo Bonds to be qualified as QPDS

  These were partially offset by :
  - Net lower contributions from some of the Singapore colocation assets arising from higher facilities expenses including electricity costs
  - Higher finance costs from the refinanced loans, as well as unhedged loans
  - Depreciation of foreign currencies against SGD

- Higher property expenses mainly from the Dublin assets following AEI completion

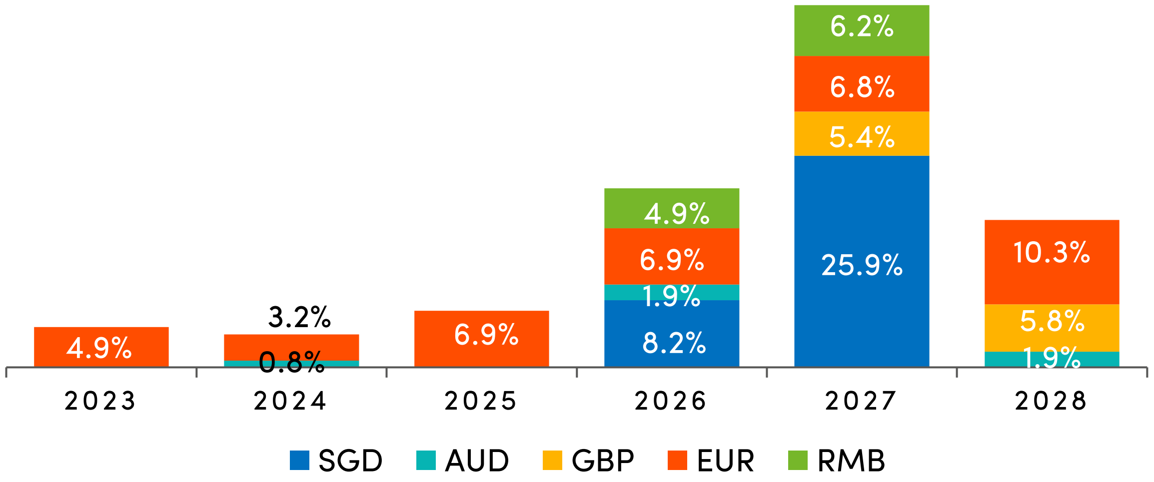
- Higher finance income mainly due to coupon income from Guangdong Data Centre 3

1. Distributable Income includes Capex Reserves. Keppel DC REIT declares distributions on a half-yearly basis.
2. Computed based on the distributable income to Unitholders after the deduction of Capex Reserves that has been set aside.
3. Tax savings for FY2022 of approximately $1m will form part of the distributable income over the first two quarters of 2023.

Favourable Debt Profile

- Debt is diversified across five currencies, with the bulk of debt expiring from 2026 and beyond. By Apr 2023, completed the refinancing of all loans due in 2023
- Healthy aggregate leverage provides debt headroom for growth opportunities

Debt Maturity Profile
as at 31 Mar 2023

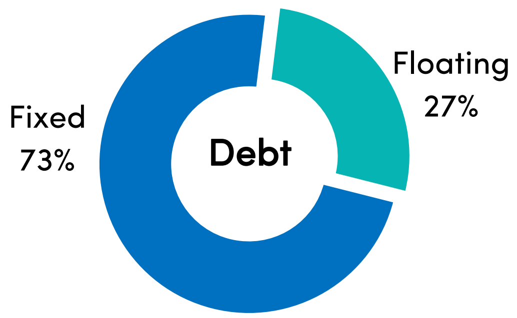


	As at 31 Mar 2023	Change from 31 Dec 2022
Aggregate Leverage[1]	36.8%	+40 bps
Average Cost of Debt	2.8% (1Q 2023)	+10 bps
Weighted Average Debt Tenor	3.8 years[3]	+0.1 years
Weighted Average Hedge Tenor	3.9 years	+0.6 years
Interest Coverage Ratio (ICR) *(trailing 12 months)*	6.8 times	-0.8
Net Asset Value (NAV) per Unit ($)	1.37	-2.1%
Premium to NAV (%)[4]	+50.4%	24.0 pp

1. 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 options and an extension offer. As at 31 Mar 2023, the deposited properties was $3,977.8m (31 Dec 2022: $4,051.7m).
2. Including amortisation of upfront debt financing costs and excluding lease charges.
3. In Apr 2023, the REIT has issued notes to refinance the remaining notes due in 2023. Including this issuance, the weighted average debt tenor would be 4.1 years as at 31 Mar 2023 on a pro forma basis.
4. Based on closing price of $2.06 as at 31 Mar 2023 and $1.77 as at 31 Dec 2022.

Prudent Management of Borrowing Costs and Impact of Currency Fluctuations

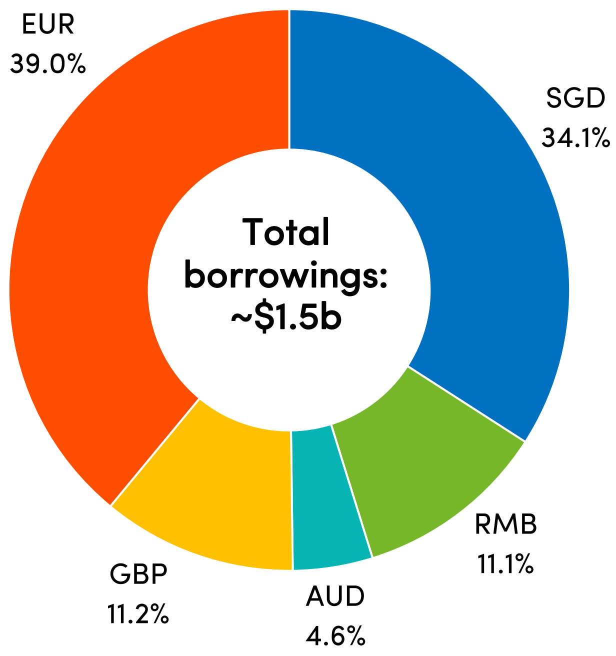
Majority of loans fixed through interest rate swaps



- With 73% of debt fixed, an increase in interest rates would only affect the remaining 27% unhedged borrowings. A 100bps increase would have a ~2.2%[1] impact to 1Q 2023's DPU on a pro forma basis
- Forecast foreign sourced distributions have been substantially hedged till end 2023. In Apr 2023, progressively hedged part of the forecast foreign sourced distributions till end Jun 2024
- Adopted natural hedging by borrowing in currencies that match the corresponding investments

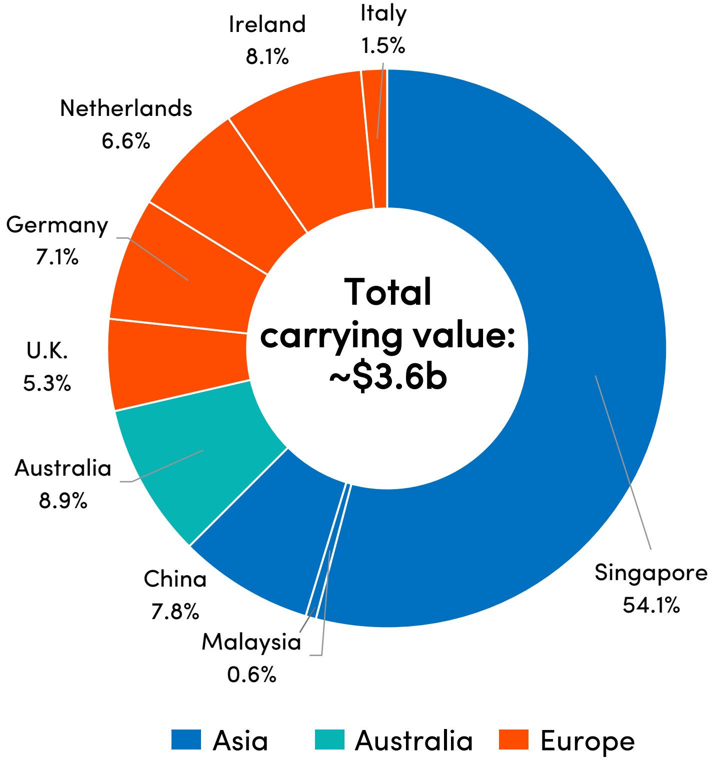
Debt currency breakdown

(as at 31 Mar 2023)



Investment properties breakdown[2]

(as at 31 Mar 2023)



1. This impact does not include any new or refinanced borrowings which the REIT may have.
2. Based on 100% carrying value as at 31 Mar 2023 without taking into consideration the lease liabilities pertaining to the land rent options.

Focused on optimising portfolio returns to ensure income resilience

High Portfolio Occupancy

98.5%[1]

as at 31 Mar 2023

Long Portfolio WALE

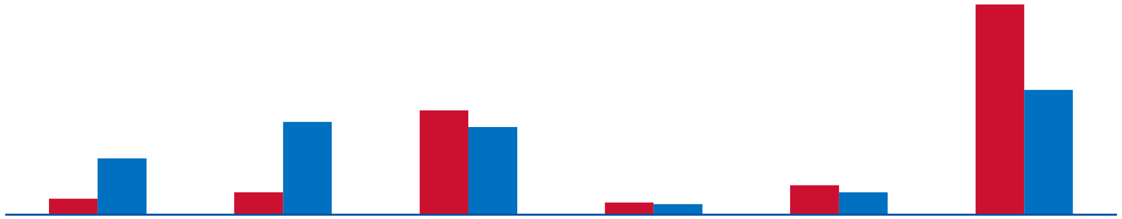
8.2 years[2]

By area

Diversified Portfolio of Quality Data Centres

- Maintained high portfolio occupancy of 98.5% as at 31 Mar 2023
- Healthy WALE of 8.2 years as at 31 Mar 2023
- Built-in income and rental escalations based on Consumer Price Index or similar indexation, or fixed rate mechanisms embedded in more than half of the portfolio, with the WALE by rental income of contracts with no escalation at approximately 2.0 years

Well-Spread Expiry Profile (as at 31 Mar 2023)



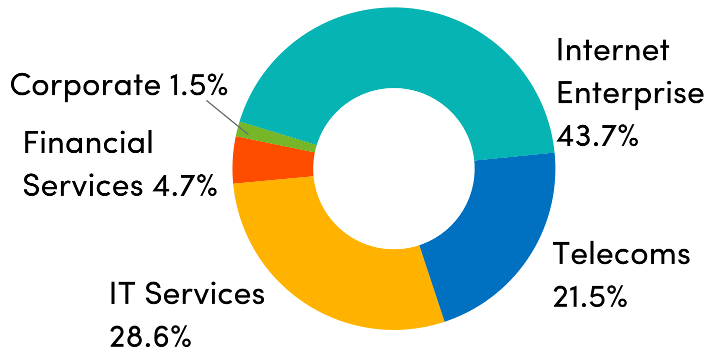
	2023	2024	2025	2026	2027	≥2028
By lettable area	4.1%	5.7%	26.4%	3.1%	7.5%	53.2%
By rental income	14.3%	23.5%	22.2%	2.7%	5.7%	31.6%

1. Not adjusted for the ongoing litigation with DXC Technology Services Singapore Pte. Ltd.
2. By area. WALE by rental income was 4.8 years as a higher proportion of rental income is from colocation assets, which typically have shorter contractual periods.

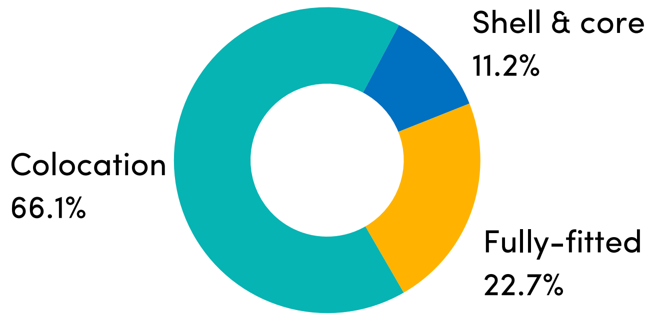
High-quality Global Client Base

- Majority of rental income is derived from clients with investment grade or equivalent credit profiles

Rental Income by Trade Sector (for the month of Mar 2023)[1]

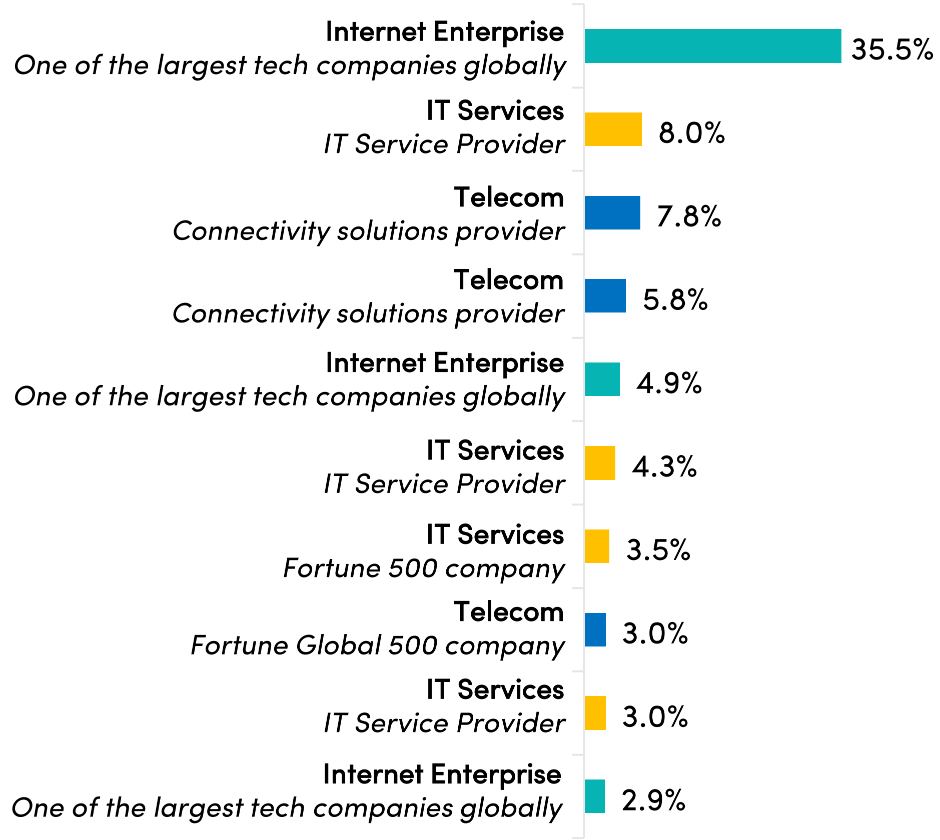


Rental Income by Type of Contracts (for the month of Mar 2023)[1]



Contract Type	Client Count	WALE[2] (years)	Ownership of Data Centre Components		
			M&E Equipment	Facility Management	Servers & Racks
Colocation	Multi	2.2	✓	✓	-
Fully-fitted	Single	11.9	✓	-	-
Shell & core	Single	8.0	-	-	-

Top 10 Clients by Rental Income (for the month of Mar 2023)[1]



1. Based on agreements with clients of the properties, treating the Keppel leases on a pass-through basis to the underlying clients.
2. By area as at 31 Mar 2023.

ESG Highlights

Environmental Stewardship

- Progressive implementation of Taskforce on Climate-related Financial Disclosures (TCFD) recommendations
- Renewable electricity procured for both Dublin assets; Supportive of initiatives to introduce renewable energy for all assets
- Attained Green Star for inaugural **GRESB** submission
- Achieved LEED v4.1 Operations + Maintenance (O+M) Gold certification for Keppel DC Dublin 2

People & Community

- Dedicated **>1,000 community hours** in 2022, in conjunction with Keppel Capital
- **Female** directors represent **25% of the Board**
- Achieved a **zero-fatality workplace** in 2022
- Achieved **38.3 training hours** per employee and **employee engagement score** of ≥ **75%** in 2022

Responsible Business

- Dedicated **Board ESG Committee**
- Singapore colocation assets maintained green certifications in 2022
- Achieved **'AA' rating in the MSCI ESG Ratings** Assessment 2022, an improvement from the 'A' rating in 2021
- Achieved **above satisfactory score** for all categories in the 2022 **annual customer satisfaction survey**
- **> 850** engagements with analysts and institutional investors in 2022
- Upheld **strong corporate governance** as well as **high standards of ethical business conduct**
- Refinanced borrowings with **green loan** in Mar 2023

Demand Underpinned by Strong Market Fundamentals

- Data centre demand continues to be driven by long-term trends including adoption of cloud computing, digital transformation initiatives; and artificial intelligence (AI) & machine learning (e.g. generative AI including ChatGPT)
- Worldwide cloud market grew by US$47b in 2022 (2021: grew by US$49b); Synergy Research forecasts continued strong growth of worldwide cloud market in the coming years[1]
- Hyperscalers continued to see growth in their cloud businesses, with US hyperscalers reporting ~20% to 32% growth rates in 2022
- Key markets are facing power constraints, and ready-for-service timelines may be slowed by supply chain issues and community resistance; emergence of submarkets around existing data centre corridors[2,3]

Sources: 1. Synergy Research (Feb 2023), 2. Colliers (Mar 2023), 3. Data Center Frontier (Jan 2023)

Focused on Growing Data Centre Portfolio

Keppel DC REIT
Assets under Management

$3.7b[1]

23 data centres across 9 countries
as at 31 Mar 2023

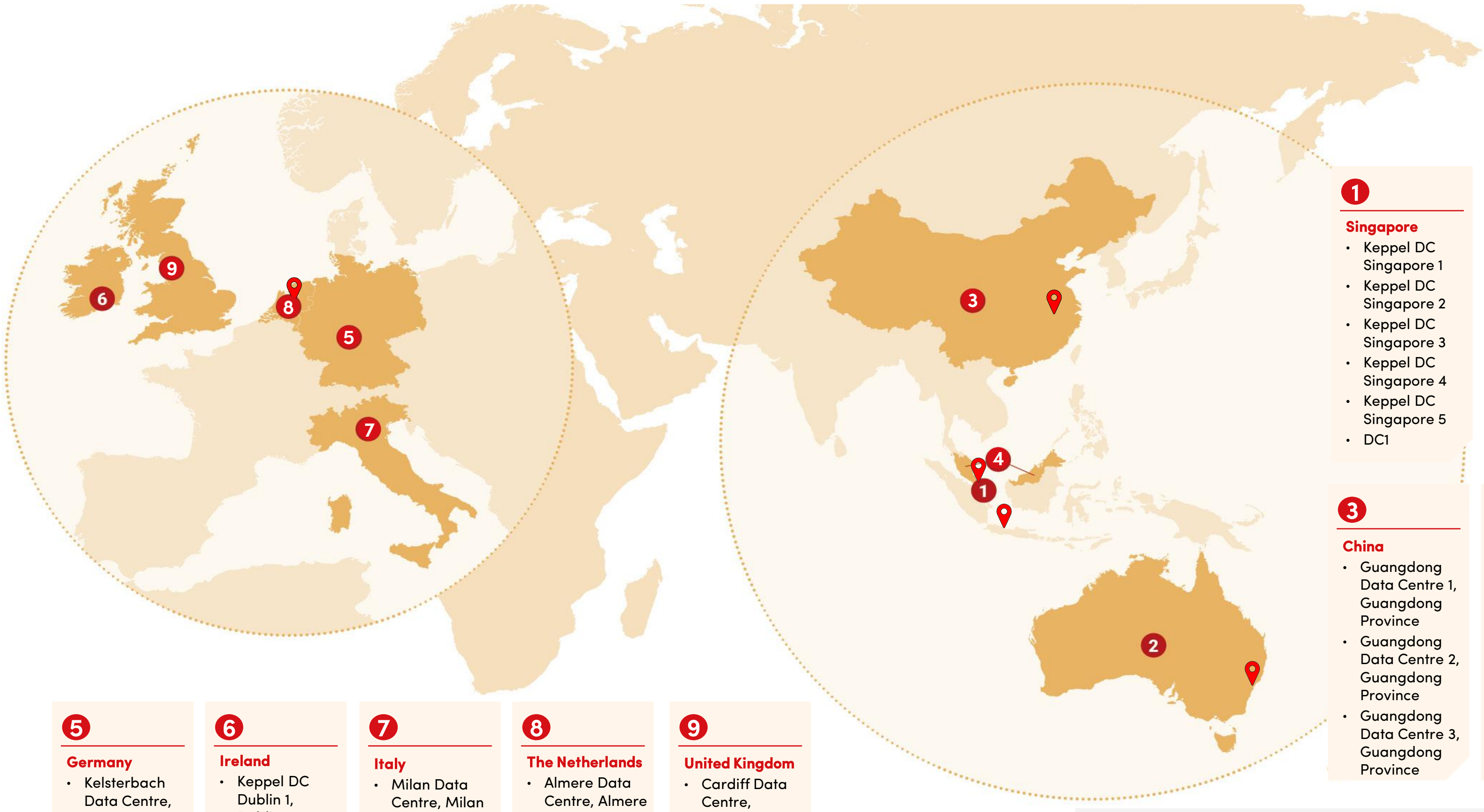
AUM Breakdown (as at 31 Mar 2023)[2]			
Asia Pacific	**71.6%**	**Europe**	**28.4%**
Singapore	54.7%	Germany	7.0%
Australia	8.7%	Ireland	8.0%
China	7.7%	Italy	1.5%
Malaysia	0.5%	The Netherlands	6.6%
		United Kingdom	5.3%

Potential Data Centre
Assets for Acquisitions

>$2b

Data centre assets under development and management through Keppel T&T[3], and Keppel's private data centre funds

KEPPEL'S ASSETS
- AUSTRALIA
- CHINA
- INDONESIA
- SINGAPORE
- THE NETHERLANDS



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

2 Australia
- Gore Hill Data Centre, Sydney
- Intellicentre Campus, Sydney

3 China
- Guangdong Data Centre 1, Guangdong Province
- Guangdong Data Centre 2, Guangdong Province
- Guangdong Data Centre 3, Guangdong Province

4 Malaysia
- Basis Bay Data Centre, Cyberjaya

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

6 Ireland
- Keppel DC Dublin 1, Dublin
- Keppel DC Dublin 2, Dublin

7 Italy
- Milan Data Centre, Milan

8 The Netherlands
- Almere Data Centre, Almere
- Amsterdam Data Centre, Amsterdam
- Eindhoven Campus, Eindhoven

9 United Kingdom
- Cardiff Data Centre, Cardiff
- GV7 Data Centre, London
- London Data Centre, London

OTHER TARGET MARKETS
- Canada
- France
- Hong Kong
- Indonesia
- Japan
- New Zealand
- Norway
- South Korea
- Spain
- Taiwan
- Thailand
- Sweden
- Switzerland
- US

1. The acquisition of the building shell of Guangdong Data Centre 3 was completed in Aug 2022 and is expected to be fully-fitted by the third quarter of 2023.
2. Includes investment in debt securities issued by NetCo.
3. Keppel T&T has granted the Rights of First Refusal (ROFR) to Keppel DC REIT for future acquisition opportunities of its data centre assets.

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.

For more information, please visit: www.keppeldcreit.com

Connect with us on: