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Media Release

Keppel deepens inroads into China's data centre market with its 6th asset

- Keppel Data Centre Fund II in strategic partnership to develop new greenfield data centre in Greater Beijing, expanding the Group's mainland China portfolio to 1.5 million sq ft in GFA with ~140MW of power capacity

- Huizhou Data Centre in Tonghu Smart City officially opens, while Greater Shanghai Data Centre to be ready for service by Q1 2023

Singapore, 18 July 2022 – Keppel Data Centre Fund II LP (KDCF II) has entered into a strategic partnership with Heying, a wholly-owned subsidiary of Tianjin Zhengxin Group Co., Ltd to jointly develop a greenfield data centre in Greater Beijing, China. This latest development marks Keppel's sixth project since entering mainland China's data centre market in 2020.

KDCF II, managed by Alpha Investment Partners Limited (Alpha), which is the private fund management arm of Keppel Capital, will acquire a majority stake in Huailai Data Centre and jointly develop the property with Heying. The total development cost of the project is approximately RMB 1.4 billion (S$292.0 million). In addition, Keppel Data Centres will collaborate with Heying to implement global best practices for data centre operations at Huailai Data Centre.

Located in Huailai County, Hebei Province, Huailai Data Centre is situated on a 3.3ha land plot that forms part of a larger data centre campus spanning 29.7ha. The campus is 65km from Beijing Central and 70km from Beijing Capital International Airport. Greater Beijing's data centre market reached RMB 30 billion in 2020, implying a 26% CAGR from 2016 to 2020, and making it China's largest data centre market[1].

Development of Huailai Data Centre is taking place in phases. When fully developed by the end of Q1 2023, Huailai Data Centre will have an expected gross floor area (GFA) of 678,807 sq ft, which can fit more than 5,700 high-density racks and will hold the China Data Centre Class A GB-standard equivalent specifications. Huailai Data Centre has received strong indication of interest from a major cloud service provider in China.

[1] According to a 2019-2020 Beijing and surrounding areas IDC market research report by Kezhi Consulting.

In line with Keppel's Vision 2030, which puts sustainability at the heart of its strategy, Huailai Data Centre will be fitted with indirect evaporative cooling (IDEC) systems, which work by using evaporating water to cool airstreams and maintain humidity. This method consumes 50% less energy compared to traditional chilled water systems.

Mr Alvin Mah, CEO of Alpha, said, "We are pleased to partner with Heying to enter into one of China's largest data centre hubs. Demand for data centres in China has been resilient, attracting strong investor interest. Keppel Data Centre Fund II LP is well-positioned to seize investment opportunities in this growing sector as we are able to collaborate with the wider Keppel Group to provide robust and reliable data centre solutions. We will continue to add more quality assets in key global markets to the Fund's portfolio that will deliver optimal risk adjusted returns to our investors."

Mr Wong Wai Meng, CEO of Keppel Data Centres, said, "Keppel Data Centres' strategy to work with strong experienced partners and in collaboration with Keppel Capital, enables us to harness synergies and scale up swiftly in developing and operating high quality data centres in our key growth markets. This has helped place Keppel Data Centres in pole position to meet the requirements of cloud service providers, hyperscalers and technology firms in one of the world's fastest growing markets, building on our strong data centre development and operational track record."

The above-mentioned transaction is not expected to have any material impact on the earnings per share and net tangible asset per share of Keppel Corporation for the financial year ending 31 December 2022.

In April 2022, Keppel also celebrated another milestone in China, with the official opening of Huizhou Data Centre, a greenfield data centre located in the Tonghu Smart City in Huizhou, Guangdong Province.

With a total GFA of 486,700 sq ft, the facility offers more than 6,000 high-density racks and has the potential to build up another 538,200 sq ft to its GFA, which would bring the total GFA to approximately 1,024,900 sq ft for further upside development. Huizhou Data Centre has already engaged a major telecommunications company as an anchor customer and has been receiving strong capacity demand from customers comprising major cloud operators, telecommunication firms and technology companies.

Separately, Keppel also expects its Greater Shanghai Data Centre under KDCF II to be ready for service by Q1 2023. The Greater Shanghai Data Centre holds up to 3,000 racks with a total GFA of 323,684 sq ft and is fitted with liquid cooling technologies catering mainly to financial and banking customers.

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About Keppel Data Centres

Keppel Data Centres Holding (Keppel Data Centres) is a 70-30 joint venture between Keppel Telecommunications & Transportation (Keppel T&T) and Keppel Land, both subsidiaries of Keppel Corporation, one of Singapore's flagship multinational companies with a global footprint in more than 20 countries. Keppel provides solutions for sustainable urbanisation, focusing on four key areas comprising Energy & Environment, Urban Development, Connectivity and Asset Management.

Keppel Data Centres has a track record of more than a decade in owning, developing and managing high-quality carrier-neutral data centre facilities that support mission-critical computer systems. Strongly committed to environmentally sustainable business practices, Keppel Data Centres offers a comprehensive range of wholesale, build-to-suit and co-location solutions built to the highest industry standards.

Keppel T&T is also the sponsor of Keppel DC REIT, the first data centre Real Estate Investment Trust (REIT) listed in Asia and on the SGX-ST. Keppel Data Centres, together with other members of Keppel Group, owns and operates a global portfolio of 30 data centres located in key data centre hubs across Asia Pacific and Europe.

For more information, please visit www.keppeldatacentres.com

About Keppel Capital

Keppel Capital is a premier asset manager in Asia. It is the asset management arm of Keppel Corporation, one of Singapore's flagship multinational companies with a global footprint in more than 20 countries. Keppel Corporation provides solutions for sustainable urbanisation, focusing on energy & environment, urban development, connectivity and asset management.

With assets under management of approximately S$42 billion as at end-2021, Keppel Capital has a diversified portfolio that includes real estate, infrastructure and data centre assets in key global markets.

Keppel Capital aims to create value and deliver sustainable returns for institutional and retail investors through a range of products including listed REITs, business trusts, private funds, separate accounts and pooled investment vehicles.