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ANNOUNCEMENT

RESULTS OF THE PRIVATE PLACEMENT AND PRICING OF NEW UNITS UNDER THE PRIVATE PLACEMENT AND THE PREFERENTIAL OFFERING

Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the announcement of Keppel DC REIT dated 16 September 2019 titled “Launch of Equity Fund Raising to Raise Gross Proceeds of Approximately S\$473.8 million” (the “Launch Announcement”)

1. INTRODUCTION

Further to the Launch Announcement, Keppel DC REIT Management Pte. Ltd., in its capacity as manager of Keppel DC REIT (the “**Manager**”), wishes to announce that DBS Bank Ltd, Citigroup Global Markets Singapore Pte. Ltd., Credit Suisse (Singapore) Limited and CLSA Singapore Pte. Ltd., as the joint underwriters for the Equity Fund Raising (the “**Joint Underwriters**”), have in consultation with the Manager, closed the books of orders for the Private Placement on 16 September 2019.

The Private Placement received strong demand from investors and was fully covered within the first hour of bookbuilding at the top end of the S\$1.703 – S\$1.744 range. The Private Placement was approximately 9.3 times covered, and demand came from new and existing institutional as well as other accredited investors.

The issue price per New Unit under the Private Placement has been fixed at S\$1.744 per New Unit (the “**Private Placement Issue Price**”), as agreed between the Manager and the

Joint Underwriters, following a bookbuilding process. The issue price per New Unit under the Preferential Offering has been fixed at S\$1.71 per New Unit (the “**Preferential Offering Issue Price**”).

The Preferential Offering ratio is fixed on the basis of 105 New Units for every 1,000 New Units.

The Private Placement Issue Price represents a discount of:

- (i) 2.5% to the volume weighted average price (“**VWAP**”) of S\$1.7882 per Unit of all trades in the Units on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the preceding Market Day¹ on 13 September 2019, up to the time the Underwriting Agreement (as defined below) was signed; and
- (ii) (for illustrative purposes only) 1.5% to the adjusted VWAP (“**Adjusted VWAP**”²) of S\$1.7701 per Unit.

The Preferential Offering Issue Price represents a discount of:

- (i) 4.4% to the VWAP of S\$1.7882 per Unit; and
- (ii) (for illustrative purposes only) 3.4% to the Adjusted VWAP of S\$1.7701 per Unit.

A total of 135,000,000 New Units will be issued pursuant to the Private Placement and a total of 141,989,617 New Units will be issued pursuant to the Preferential Offering. The total gross proceeds of the Equity Fund Raising will be approximately S\$478.2 million comprising approximately S\$235.4 million from the Private Placement and approximately S\$242.8 million from the Preferential Offering.

2. STATUS OF NEW UNITS

2.1 Entitlement to Advanced Distribution

Keppel DC REIT’s policy is to distribute its distributable income on a semi-annual basis to Unitholders.

In connection with the Private Placement, the Manager intends to declare, in respect of the Existing Units, an advanced distribution for the period from 1 July 2019 to the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the “**Advanced Distribution**”). The quantum of Advanced Distribution per Existing Unit is currently estimated to be between 1.79 Singapore cents to 1.83 Singapore cents³. A further announcement on the actual quantum of the Advanced Distribution will be made by the Manager in due course.

1 “**Market Day**” means a day on which the SGX-ST is open for securities trading.

2 The “**Adjusted VWAP**” is computed based on the VWAP of all trades in the Units on the SGX-ST for the full Market Day on 13 September 2019 and subtracting the estimated Advanced Distribution of 1.81 Singapore cents per Unit, being the mid-point of the estimated distribution range for the period from 1 July 2019 to 24 September 2019. This amount is only an estimate based on information currently available to the Manager and the actual Advanced Distribution may differ and will be announced at a later date.

3 This amount is an estimate only based on information currently available to the Manager and the Manager’s estimate of Keppel DC REIT’s revenue and expenses, and the actual Advanced Distribution may differ.

The New Units pursuant to the Private Placement are expected to be issued on or around 25 September 2019. The Advanced Distribution is intended to ensure that the distribution accrued by Keppel DC REIT up to the day immediately preceding the date of issue of the New Units pursuant to the Private Placement (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The next distribution following the Advanced Distribution will comprise Keppel DC REIT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 31 December 2019 (the "**Relevant Period Distribution**"). Semi-annual distributions will resume thereafter.

2.2 Status of New Units issued pursuant to the Private Placement

Other than in respect of the Advanced Distribution and the eligibility to participate in the Preferential Offering, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Units in issue on the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement, including the right to Keppel DC REIT's distributable income from the day of issuance of the New Units pursuant to the Private Placement as well as all distributions thereafter.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Advanced Distribution and will not be eligible to participate in the Preferential Offering.

2.3 Status of New Units issued pursuant to the Preferential Offering

Other than in respect of the Advanced Distribution, the New Units issued pursuant to the Preferential Offering will, upon issue, rank *pari passu* in all respects with the Units in issue on the day immediately prior to the date on which the New Units are issued pursuant to the Preferential Offering including the right to the Relevant Period Distribution as well as distributions thereafter.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Preferential Offering will not be entitled to the Advanced Distribution.

3. USE OF PROCEEDS

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S\$478.2 million from the Equity Fund Raising in the following manner:

- (i) approximately S\$438.6 million (which is equivalent to 91.7% of the gross proceeds of the Private Placement) to partially fund the proposed acquisitions of 99.0% interest in Keppel DC Singapore 4 and 100.0% interest in 1-Net North Data Centre (collectively, the "**Proposed Acquisitions**");
- (ii) approximately S\$31.0 million (which is equivalent to 6.5% of the gross proceeds of the Equity Fund Raising) to fund capital expenditure; and
- (iii) approximately S\$8.6 million (which is equivalent to 1.8% of the gross proceeds of the Equity Fund Raising) to pay the estimated fees and expenses, including

professional fees and expenses, incurred or to be incurred by Keppel DC REIT in connection with the Equity Fund Raising,

with the balance of the gross proceeds of the Equity Fund Raising, if any, to be used for general corporate purposes and/or working capital purposes.

Pending the deployment of the net proceeds from the Equity Fund Raising, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

Notwithstanding its current intention, in the event that the Equity Fund Raising is completed but any of the Proposed Acquisitions do not proceed for whatever reason, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Equity Fund Raising at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditure.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Equity Fund Raising via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

4. **AUTHORITY TO ISSUE NEW UNITS**

The New Units will be issued pursuant to the general mandate (the “**General Mandate**”) given to the Manager at the annual general meeting (“**AGM**”) held on 16 April 2019, pursuant to which the Manager may, during the period from 16 April 2019 to (i) the conclusion of the next AGM of Keppel DC REIT or (ii) the date by which the next AGM of Keppel DC REIT is required by applicable regulations to be held, whichever is earlier, issue new Units and/or securities, warrants, debentures or other instruments convertible into Units (“**Convertible Securities**”) such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the total number of Units in issue (excluding treasury Units, if any) as at 16 April 2019 (the “**Base Figure**”), of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a *pro rata* basis to existing Unitholders, shall not be more than 20.0% of the Base Figure.

As at 16 April 2019, the number of Units in issue was 1,351,941,999.

The amount of Units that can be issued under the General Mandate on a *pro rata* basis to existing Unitholders is 675,970,999 Units, of which no more than 270,388,399 Units may be issued for a non *pro rata* placement. The Manager has issued 340,074 Units under the General Mandate since 16 April 2019 on a non *pro rata* basis (the “**Issued Units**”).

135,000,000 New Units to be issued pursuant to the Private Placement would constitute approximately 10.0% of the Base Figure, which is within the 20.0% limit for issue of new Units other than on a *pro rata* basis.

141,989,617 New Units to be issued pursuant to the Preferential Offering (together with the New Units to be issued pursuant to the Private Placement) will be within the 50.0%

limit for issue of new Units. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Equity Fund Raising.

5. **PLACEMENT OF NEW UNITS TO DBS BANK LTD.'S TREASURY INVESTMENTS UNIT ("DBS TI")**

DBS TI has been allocated 570,000 New Units under the Private Placement. As at the date of this announcement, Keppel Telecommunications & Transportation Ltd (the "**Sponsor**") is deemed a substantial unitholder of Keppel DC REIT through its shareholdings in (i) Keppel DC Investment Holdings Pte. Ltd. ("**KDCIH**") and (ii) Keppel DC REIT Management Pte. Ltd., which are wholly-owned subsidiaries of Keppel Corporation Limited ("**KCL**"). As disclosed in Keppel DC REIT's announcement dated 16 September 2019 titled "Proposed Transactions Comprising: (1) The Proposed Acquisition of 99.0% Interest in Keppel DC Singapore 4 ("**KDC SGP 4**") and the Entry into the Keppel Lease Agreement, the Facility Management Agreement and the LLP Agreement ("**Proposed KDC SGP 4 Transaction**"; and (2) the Proposed Acquisition of 100.0% Interest in the 1-Net North Data Centre ("**1-Net North DC**")", Temasek Holdings (Private) Limited ("**Temasek**"), has a total interest of 20.44% in the issued share capital of KCL and KCL in turn holds 100% of the total issued share capital in the Sponsor. Accordingly, Temasek, through the deemed interest held by KCL and other associated companies of Temasek, is deemed a substantial unitholder of Keppel DC REIT. DBS Bank Ltd. ("**DBS**") is a wholly-owned subsidiary of DBS Group Holdings Ltd ("**DBSH**") and based on the latest annual report of DBSH for the financial year ended 31 December 2018, Temasek has a direct and deemed interest of 29.93% in DBSH as at 1 March 2019.

In response to an application by DBS, which is one of the Joint Bookrunners and Underwriters, the SGX-ST has stated that it has no objections to the placement of New Units to DBS TI pursuant to Rule 812(4) of the Listing Manual of the SGX-ST, subject to the following conditions that: (a) DBS operates independently from and is not involved in the management of Keppel DC REIT and the Sponsor, and the Manager and the Sponsor do not share any common directors with DBS; (b) the Private Placement is for the purpose of acquisitions in the ordinary course of business; (c) Temasek's charter provides that it will only provide strategic directions to Keppel DC REIT and the Sponsor, and it does not involve itself in their day-to-day commercial decisions; (d) Temasek does not have board representation in the Manager nor the Sponsor; (e) the Private Placement is effected through an independent process of book building and the allocation of and pricing of the Private Placement will be done in consultation and with the approval of Keppel DC REIT; (f) any amount placed to DBS should not be more than 25.0% of the total New Units under the Private Placement; (g) DBSH does not increase its interest in Keppel DC REIT above 5.0%; and (h) disclosure via SGXNET by Keppel DC REIT of the placement to DBS TI and disclosure of the above conditions.

Keppel DC REIT Management Pte. Ltd.
(Company Registration No. 199508930C)
as manager of Keppel DC REIT

Winnie Mak / Kelvin Chua
Company Secretaries
16 September 2019

Important Notice:

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of 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 other companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events. The past performance of Keppel DC REIT and the Manager are not necessarily indicative of the future performance of any of them.

The value of 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 and quoted on the Main Board of the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on. Listing and quotation of the Units on the SGX-ST does not guarantee that a trading market for the New Units will develop or, if a market does develop, the liquidity of that market for the New and existing Units.

The New Units have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, or under the securities law of any other jurisdiction, and may not be offered, sold, resold, granted, delivered, allotted, taken up or transferred, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with applicable laws.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The New Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).