Joint Media Release

Keppel signs binding term sheet with Converge to take capacity on Trans-Pacific Bifrost Cable System
The Bifrost Cable System will branch into and land in Davao, the Philippines

21 April 2021, Singapore - Keppel Telecommunications & Transportation's (Keppel T&T) wholly-owned subsidiary, Keppel Midgard Holdings Pte. Ltd. (KMH), has signed a binding term sheet with leading Philippine fibre broadband provider Converge Information & Communications Technology Solutions, Inc. (Converge) to grant Converge an Indefeasible Right of Use (IRU) for one fibre pair on the main trunk of Bifrost Cable System, which directly connects Singapore to the west coast of North America.

In addition, KMH and Converge will jointly develop a branch on the Bifrost Cable System that will land in Davao, Philippines, with Converge also being granted an IRU on the entire Davao branch. Converge will be engaged as the landing party for the Davao branch segment. The additional branch will significantly increase internet speeds and network diversity for businesses and consumers in the Philippines. Converge will invest over US$100 million (around PhP5 billion) for the whole project.

Mr Thomas Pang, CEO of Keppel T&T, said, "We are pleased to partner Converge through Bifrost, which is a significant transnational infrastructure project, enhancing the inter-connectivity between ASEAN countries. Through this partnership, we will be able to accelerate the growth of our connectivity platform, which is in line with Keppel's Vision 2030, as well as explore synergies with not only Keppel's data centres, but also Converge's data centre business."

Mr Dennis Anthony Uy, CEO of Converge, said, "This is an important milestone not just for Converge but also for the Philippines as we expect to experience faster internet speeds and greater resiliency within our fast-growing fibre network with the completion of this project. Our investment into one full fibre pair, connecting us to Singapore and the west coast of North America, will allow us to independently activate at will up to 15Tbps of capacity to either country using the latest technology. Furthermore, our ongoing construction of our National backbone spanning the whole country will allow Converge to distribute this capacity from Davao to any point in the Philippines. We look forward to a continued strong collaboration with Keppel to bring our countries closer together and further enhance the connection of the region to the rest of the world."

Southeast Asia is one of the world's fastest growing internet markets. According to a report from Google, Temasek and Bain & Company, as many as 40 million people in six countries across ASEAN, including the Philippines, came online for the first time in 2020, increasing the total number of internet users in those Southeast Asian countries to 400 million — or nearly 70% of the population.

To be jointly owned and developed with Keppel T&T's partners, the Bifrost Cable System, which will be the largest capacity high-speed transmission cable across the Pacific Ocean when completed, will bolster Singapore's role as a digital hub for the region.

Expected to be completed in 2024 and spanning over 15,000 km, the Bifrost Cable System is the world's first subsea cable system that directly connects Singapore to the west coast of

North America via Indonesia through the Java Sea and Celebes Sea. It will connect Singapore, Indonesia, the Philippines, Guam, and the west coast of North America.

The Bifrost cable system will boost the connectivity of the region's governments and businesses, including cloud operators, telecommunications operators, network providers, over-the-top (OTT) providers, data centres, governments, enterprises, and consumers by offering them competitive pricing and capacity resilience.

Completion of the proposed transaction with Converge is subject to negotiation and execution of definitive agreements, and relevant regulatory approvals. As the transaction proceeds, Keppel T&T will make the necessary announcements when there are material developments.

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About Keppel Telecommunications & Transportation

Keppel Telecommunications & Transportation (Keppel T&T) is a leading service provider in the Asia-Pacific region and Europe with businesses in logistics, data centres and subsea cable systems. In Singapore, Keppel T&T's logistics division has more than 40 years of experience in offering customised integrated logistics solutions, and has expanded its urban logistics offerings to include omnichannel logistics and multi-channel commerce capabilities. It currently also operates logistics facilities in China, Malaysia, Indonesia, Vietnam and Australia.

Keppel T&T's Data Centre division 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. 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. Together with assets owned through Keppel DC REIT, Keppel T&T has a global portfolio of more than 20 data centres located in key data centre hubs across the Asia Pacific and Europe.

Keppel T&T has also expanded into the subsea cable industry. Together with other partners, it will jointly own and develop the Bifrost Cable System, the world's first subsea cable system that directly connects Singapore to the west coast of North America via Indonesia through the Java Sea and Celebes Sea.

About Converge ICT Solutions, Inc.

Converge Information and Communications Technology Solutions, Inc. (PSE:CNVRG) is the leading pure fiber data network and internet service provider in the country. It is the first to run a pure end-to-end fiber internet network, providing Filipinos simple, fast, and reliable internet connection. Converge is ISO 9001 and CE2.0 Certified. Dennis Anthony H. Uy is the Founder, CEO, and Executive Director of Converge ICT Solutions. Connect with him on LinkedIn (@DennisUyFiberMaster) or follow him on Facebook (@DennisUyFiberMaster) and Twitter (@TheFiberMaster).

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