Keppel Corporation Limited
(Co Reg No. 196800351N)
1 HarbourFront Avenue
#18-01 Keppel Bay Tower
Singapore 098632
www.kepcorp.com

Tel: (65) 62706666
Fax: (65) 64136452

MEDIA RELEASE

Keppel Capital achieves first closing of US$295 million for its follow-on Alpha Asia Macro Trends Fund IV

Singapore, 21 October 2020 - Keppel Capital Holdings Pte. Ltd. (Keppel Capital) is pleased to announce that it has, through its private fund management arm, Alpha Investment Partners Limited (Alpha), launched the Alpha Asia Macro Trends Fund IV (AAMTF IV) with a target fund size of US$1 billion and has achieved its first closing of US$295 million, including co-investment.

AAMTF IV has seen strong support from investors from the insurance, endowment and pension segments, the majority of whom are from Alpha's existing investor base. Based on the target fund size of US$1 billion, when fully leveraged and invested, AAMTF IV is expected to have assets under management of up to US$2.5 billion.

AAMTF IV is the fourth value-add pan-Asian fund in Alpha's flagship Alpha Asia Macro Trends series. The series, launched in 2007, focuses on mega trends underpinning long-term growth, which include urbanisation, growing middle class and connected cities.

Similar to its predecessor funds, AAMTF IV seeks to invest in multi-asset classes across key gateway cities in the Asia-Pacific region, including Singapore, Beijing, Shanghai, Tokyo, Seoul, Hong Kong, Sydney, Melbourne and Brisbane. The target asset classes comprise offices, business parks, logistic facilities, retail and accommodation assets.

Mr Alvin Mah, CEO of Alpha, said, "At Alpha, we are focused on rigorous value creation through the entire investment chain, which includes sourcing, structuring, asset management, financing and divestments. We have experienced teams on the ground, which make us well-placed to create value for our investors.

"In the current market conditions, we are monitoring developments for potential dislocations where stress is being observed, which create opportunities for investments with good growth potential. We thank our investors for their strong vote of confidence, leading to the successful completion of the fund's first close amidst the COVID-19 pandemic. This is testament to the viability of the fund strategy as well as our capabilities in generating returns for our investors."

Since 2004, Alpha has executed over 180 transactions with gross acquisition value of more than US$24 billion for its managed funds across the strategy spectrum from core, core-plus, value-add to opportunistic. This includes the June 2019 divestment of Meguro Villa Garden, an office property in Tokyo, for AAMTF III, the predecessor fund of AAMTF IV. Through a well-executed asset enhancement plan, the property was able to achieve 100% occupancy within two years at 20% above the underwritten rents, delivering an internal rate of return of about 70% and equity multiple of 2.5x.

The abovementioned first closing of AAMTF IV is not expected to have any material impact on the earnings per share and net tangible asset per share of Keppel Corporation Limited for the current financial year.

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For further information, please contact:

Media Relations
Fiona Aw
Senior Executive
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6435 / (65) 9835 6469
Email: fiona.aw@kepcorp.com

Investor Relations
Ivana Chua
Deputy General Manager
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6436
Email: ivana.chua@kepcorp.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$33 billion as at end-2019, 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.

About Alpha Investment Partners

Alpha Investment Partners (Alpha) is a wholly-owned subsidiary of Keppel Capital, a premier asset manager in Asia and the asset management arm of Keppel Corporation Limited.

Alpha has been adding value for investors by constantly seeking innovative solutions throughout its investment process since 2004.

Alpha has an institutional investor base comprising renowned pension plans, financial institutions, fund of funds, insurance companies, endowments and family offices spanning Europe, North America, Asia and the Middle East.

Its private funds are invested in different asset classes including real estate and data centres, and across the risk spectrum in the core, core-plus, value-add and opportunistic space. Each fund has a specific strategy to leverage prevailing opportunities, as well as seek a blend of income and capital returns according to its risk profile. Alpha also manages the Alpha Real Estate Securities Fund, an open-ended fund that invests in listed REITs and real estate securities predominantly in Asia.