

The logo for Keppel DC REIT, featuring the word "Keppel" in white on a grey background and "DC REIT" in red on a dark blue background.

Keppel DC REIT

First Half 2023

Financial Results

24 July 2023



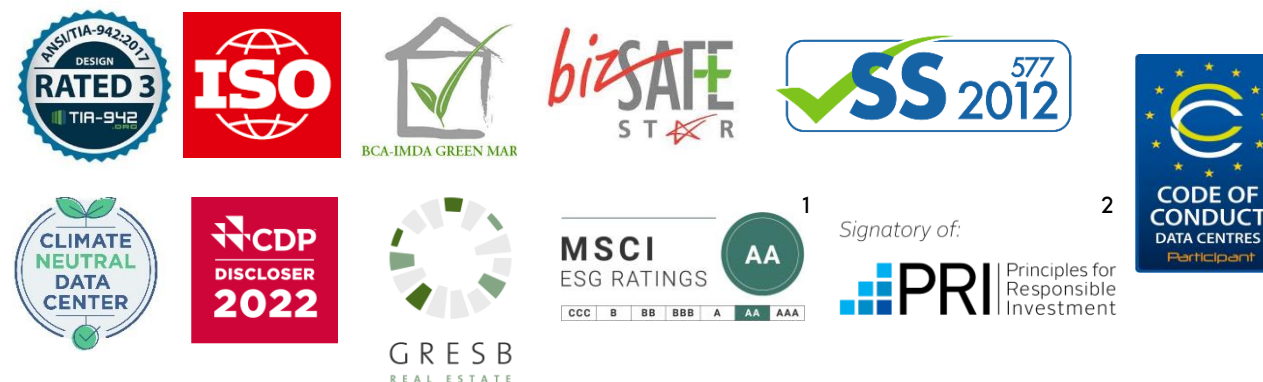
Outline

Key Highlights	3
Portfolio Updates	6
Capital Management	10
Additional Information	15

Constituent of:



Awards and Certifications:



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2. Keppel DC REIT Management Pte. Ltd. is a signatory to the United Nations-supported Principles for Responsible Investment, under the membership of Keppel Capital.

1H 2023 Key Highlights



Stable financial performance underpinned by quality portfolio

- Stable distributable income and DPU 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



Proactive management of impact of borrowing costs and currency fluctuations

- No refinancing requirements for the rest of 2023, bulk of debt expiring from 2026 and beyond
- Healthy aggregate leverage of 36.3%
- Interest rates exposures are mitigated with 73% of loans fixed
- As at Jul 2023, our forecast foreign sourced distributions have been substantially hedged till end Jun 2024

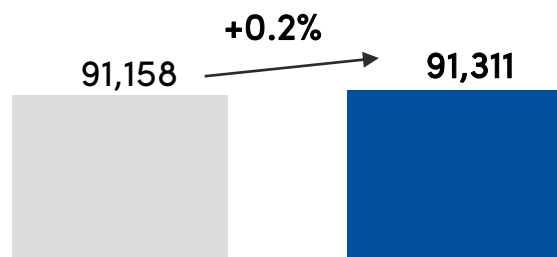


Continued pursuit of growth opportunities

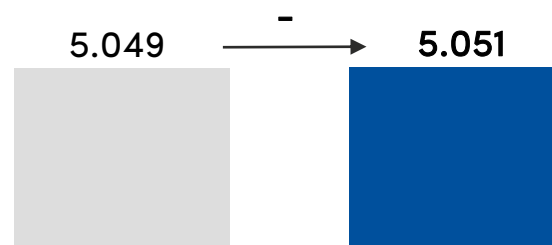
- Disciplined pursuit of data centre acquisition opportunities
- Maintain geographical diversification for growth and income resilience

Stable Distributable Income and DPU

Distributable Income (\$'000)¹



Distribution Per Unit (cents)²



1H 2023 vs 1H 2022

- Stable distributable income was mainly due to:
 - Acquisitions of Guangdong Data Centre 2 & building shell of Guangdong Data Centre 3
 - Renewals and income escalations
 - Tax savings³ from approvals obtained for the NetCo Bonds to be qualified as Qualifying Project Debt Securities

These were partially offset by :

- Higher finance costs from the refinanced loans, as well as floating interest rates loans
 - Net lower contributions from some of the Singapore colocation assets arising from higher facilities expenses including electricity costs
 - Lower government incentive sum for our investments in Guangdong
 - Less favourable forex hedges
- Higher finance income mainly due to coupon income from Guangdong Data Centre 3

(\$'000)	1H 2023	1H 2022	% Change
Gross Revenue	140,464	135,540	+3.6
Property Expenses	(13,111)	(12,305)	+6.6
Net Property Income	127,353	123,235	+3.3
Finance Income	5,549	4,120	+34.7
Distributable Income	91,311	91,158	+0.2
Distribution per Unit (DPU) ² (cents)	5.051	5.049	-

Distribution Details

Distribution
for the period from 1 Jan to 30 Jun 2023

DPU	5.051 cents ¹
Ex-distribution Date	31 Jul 2023
Record Date	1 Aug 2023
Payment Date	14 Sep 2023

1. Computed based on the distributable income to Unitholders after the deduction of Capex Reserves that has been set aside.

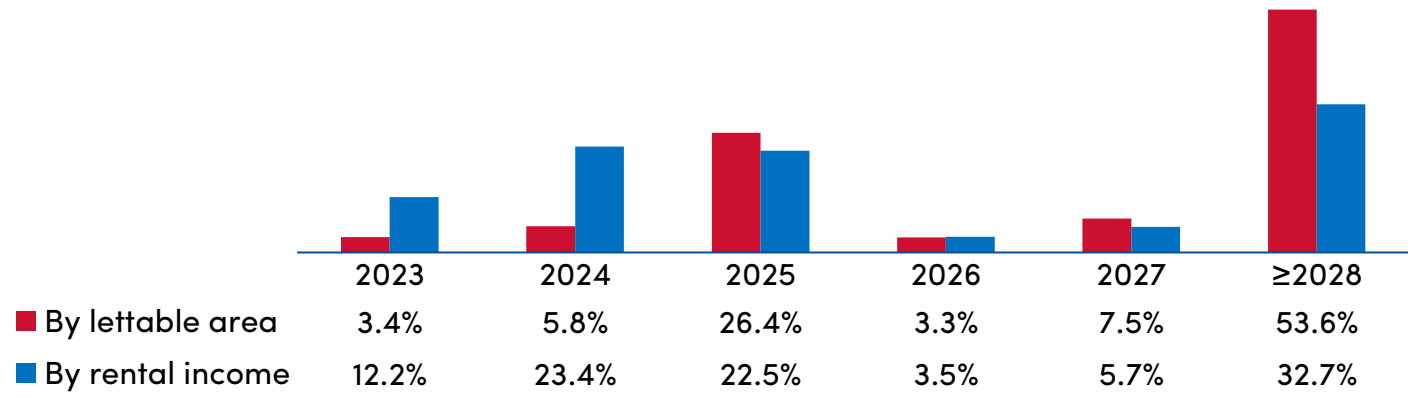
Portfolio Updates



Diversified Portfolio of Quality Data Centres

- Maintained high portfolio occupancy of 98.5% and long WALE of 8.0 years as at 30 Jun 2023
- Secured new, renewal and expansion contracts in Singapore, Ireland and the Netherlands with overall positive reversions
- More than half of portfolio have built-in income and rental escalations; WALE by rental income of contracts with no escalation at ~1.7 years

Well-Spread Expiry Profile (as at 30 Jun 2023)



Focused on optimising portfolio returns to ensure income resilience

High Portfolio Occupancy
98.5%¹
 as at 30 Jun 2023

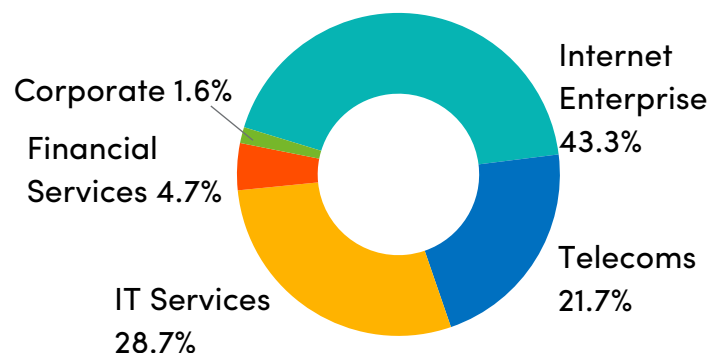
Long Portfolio WALE
8.0 years²
 By lettable area

1. Not adjusted for the ongoing litigation with DXC Technology Services Singapore Pte. Ltd.
 2. By lettable area. WALE by rental income was 4.7 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
- Our top client is present in five data centres with different expiry dates

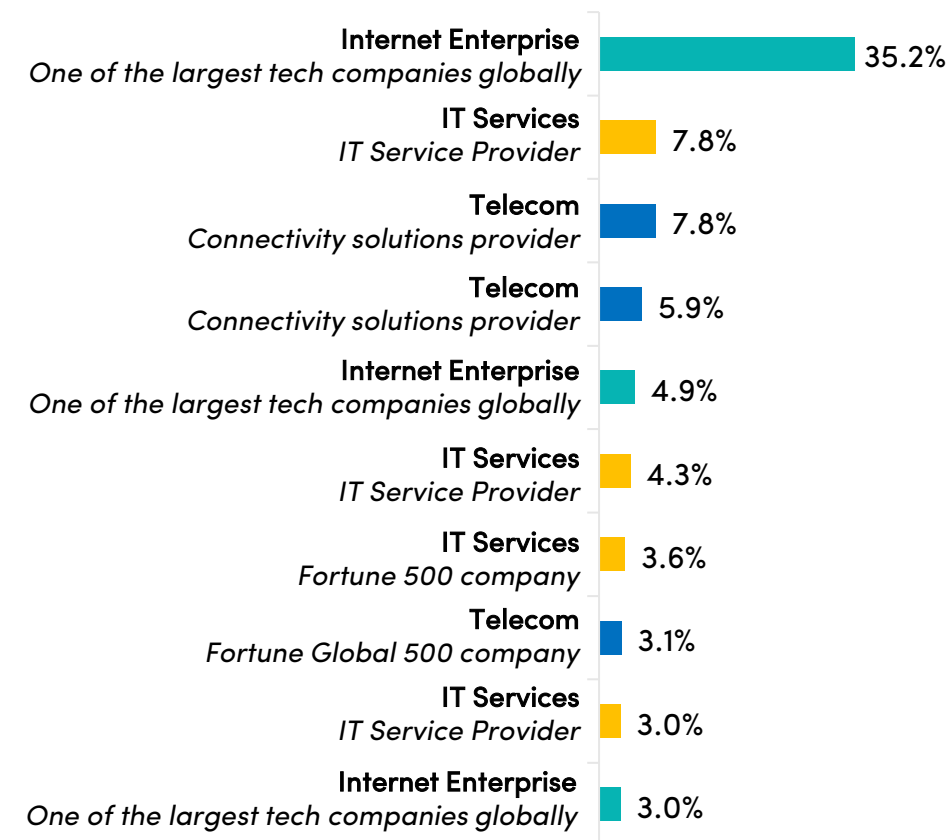
Rental Income by Trade Sector
(for the month of Jun 2023)¹



Rental Income by Type of Contracts
(for the month of Jun 2023)¹



Top 10 Clients by Rental Income
(for the month of Jun 2023)¹



Contract Type	Client Count	WALE ² (years)	Ownership of Data Centre Components		
			M&E Equipment	Facility Management	Servers & Racks
Colocation	Multi	2.1	✓	✓	-
Fully-fitted	Single	11.7	✓	-	-
Shell & core	Single	7.7	-	-	-

Demand Underpinned by Strong Market Fundamentals



- Data centre demand continues to be driven by hyperscale expansion, growth in both consumer and enterprise activities and adoption of new technologies^{1,2,3}



- Structure Research forecasts a 12% growth year-on-year in the global data centre colocation and interconnection market to US\$72.7b in 2023, supported by global expansion, hyperscale consumption, uptake in interconnection and development of edge location⁴



- Growth of generative AI applications such as ChatGPT and Bard will accelerate demand for data centres, and help push for facilities with higher power density⁵



- Higher cost of capital and labour, power shortages, and supply chain demands continue to weigh on data centre development^{2,5}

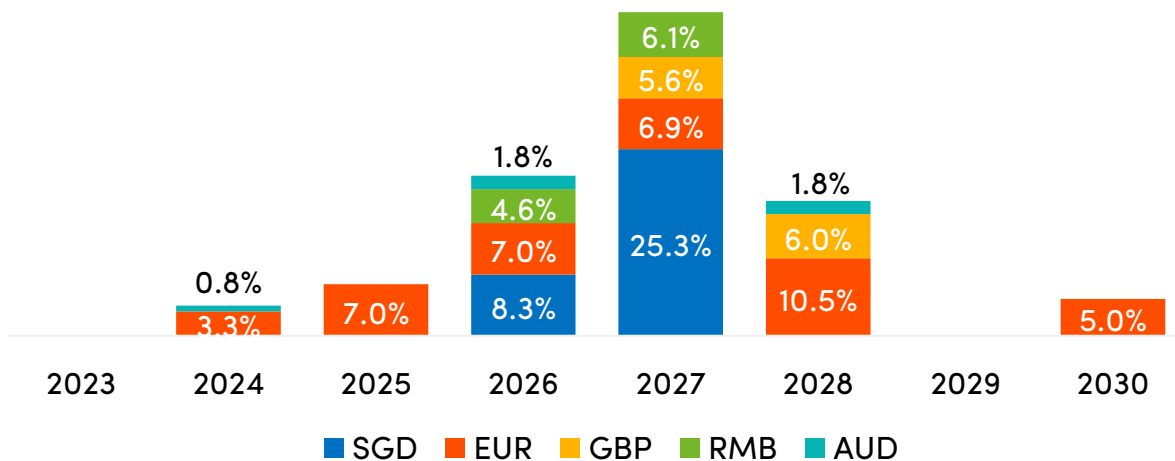


Capital Management

Favourable Debt Profile

- Completed refinancing of all loans due in 2023 in Apr 2023, bulk of debt expiring from 2026 and beyond
- Healthy aggregate leverage provides debt headroom for growth opportunities

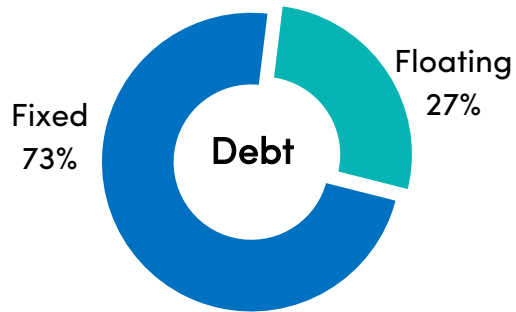
Debt Maturity Profile
as at 30 Jun 2023



	As at 30 Jun 2023	Change from 31 Mar 2023
Aggregate Leverage ¹	36.3%	-50 bps
Average Cost of Debt ²	3.3% (2Q 2023) 3.1% (YTD)	+50 bps +30 bps
Weighted Average Debt Tenor	3.9 years	+0.1 years
Weighted Average Hedge Tenor	3.7 years	-0.2 years
Interest Coverage Ratio (ICR) (trailing 12 months)	6.0 times	-0.8 times

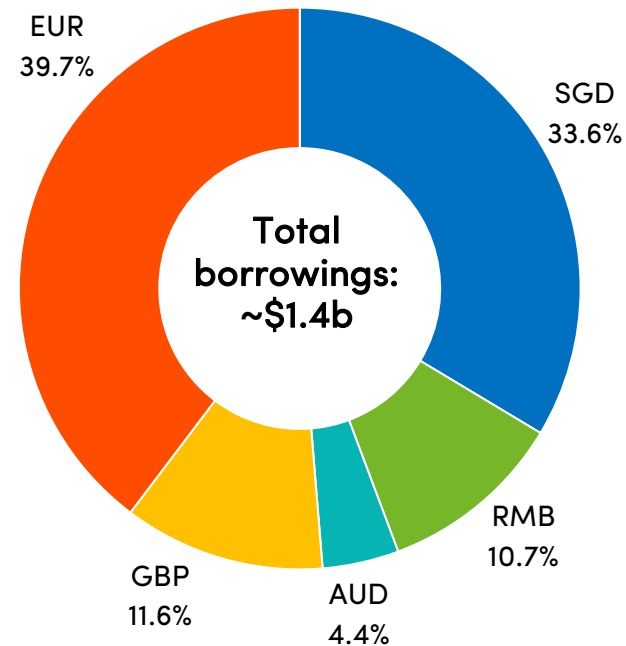
Prudent Management of Borrowing Costs and Impact of Currency Fluctuations

Majority of loans fixed through interest rate swaps

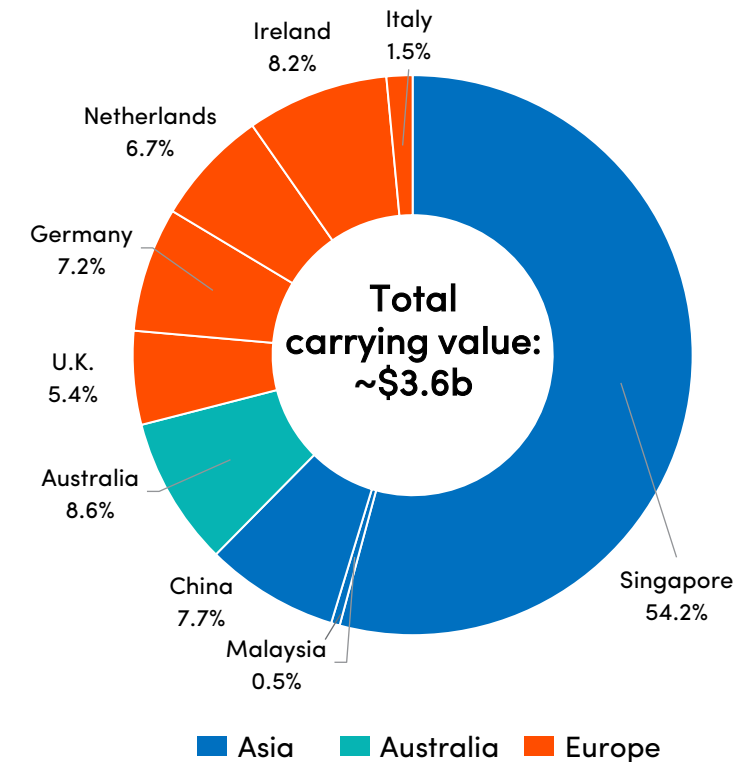


- With 73% of debt fixed, an increase in interest rates would only affect the remaining 27% unhedged borrowings. A 100bps increase would have a ~2.2%¹ impact to 2Q 2023's DPU on a pro forma basis
- As at Jul 2023, our forecast foreign sourced distributions have been substantially hedged till end Jun 2024
- Adopted natural hedging by borrowing in currencies that match the corresponding investments

Debt currency breakdown (as at 30 Jun 2023)



Investment properties breakdown² (as at 30 Jun 2023)



Healthy Balance Sheet

	As at 30 Jun 2023 (\$'000)	As at 31 Dec 2022 (\$'000)	+ / (-) %
Investment Properties	3,655,528	3,639,453	+0.4
Deposited Properties	4,004,538	4,051,734	(1.2)
Gross Borrowings ¹ and Deferred Payments	1,453,113	1,472,898	(1.3)
Unitholders' Funds	2,396,868	2,414,118	(0.7)
Units in Issue ('000)	1,720,507	1,718,650	+0.1
Net Asset Value (NAV) per Unit (\$)	1.39 ²	1.40	(0.7)
Unit Price (Closing price of last trading day) (\$)	2.16	1.77	+22.0
Premium to NAV (%)	+55.4	+26.4	29pp

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.

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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

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Additional Information

Focused on Growing Data Centre Portfolio

Keppel DC REIT Assets under Management

\$3.7b^{1,2}

23 data centres across 9 countries
as at 30 Jun 2023

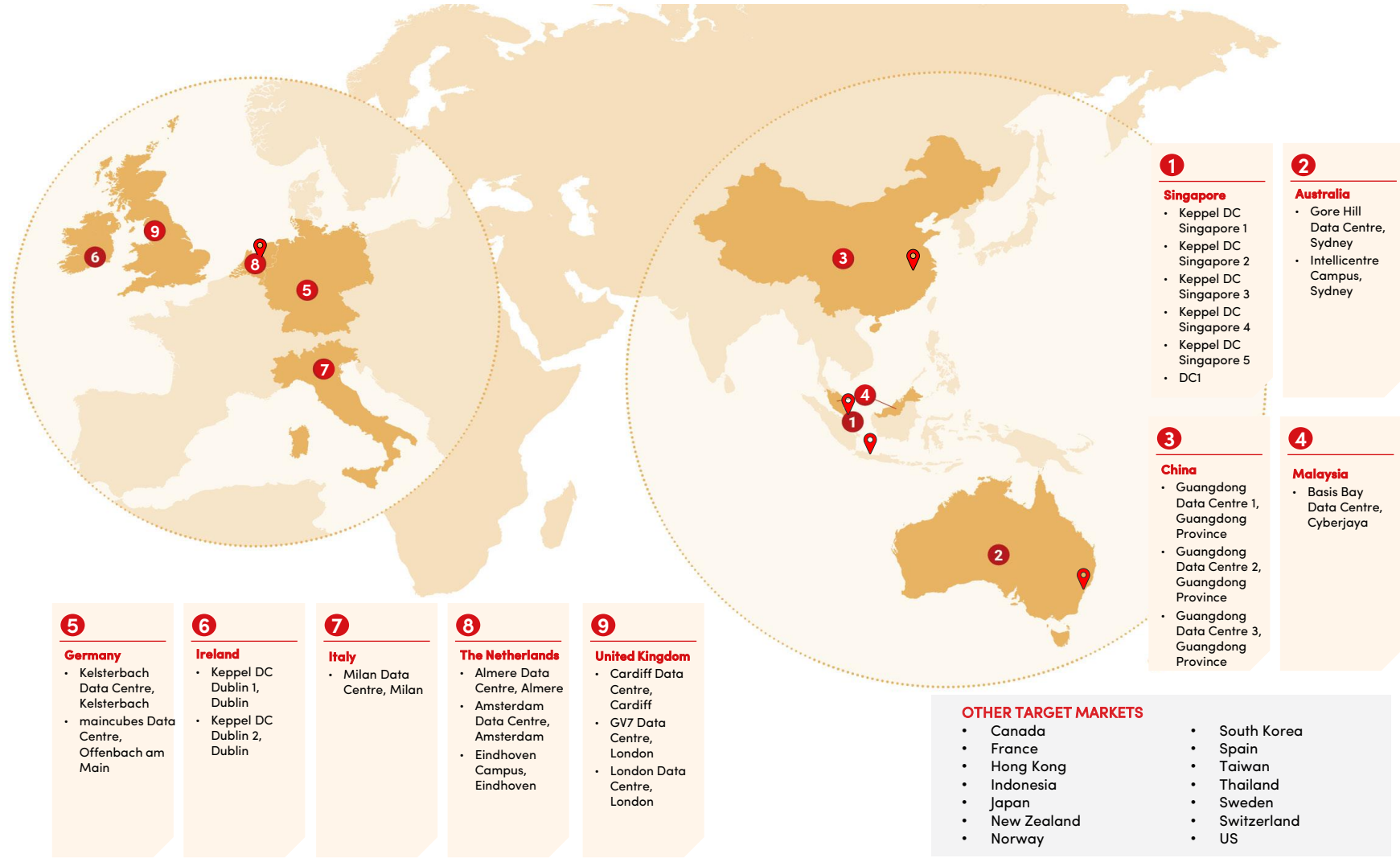
AUM Breakdown (as at 30 Jun 2023) ²			
Asia Pacific	71.3%	Europe	28.7%
Singapore	54.8%	Germany	7.1%
Australia	8.4%	Ireland	8.1%
China	7.6%	Italy	1.5%
Malaysia	0.5%	The Netherlands	6.6%
		United Kingdom	5.4%

Potential Data Centre Assets for Acquisitions

>\$2b

Data centre assets under development and management through Keppel T&T³, and Keppel's private data centre funds

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



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.

Portfolio Overview (as at 30 Jun 2023)

	Interest	Attributable lettable area (sq ft)	No. of Clients ¹	Occupancy rate (%)	Valuation ²	Lease type	WALE (years) ³	Land lease title	Land lease remaining (years)
Asia Pacific									
Keppel DC Singapore 1, Singapore	100%	109,721	24	89.2 ⁴	S\$339.3m	Keppel lease / Colocation	1.9	Leasehold (Expiring 30 Sep 2025, with option to extend by 30 years)	32.3 ⁵
Keppel DC Singapore 2, Singapore	100%	38,480	5	98.2	S\$183.0m	Keppel lease / Colocation	1.6	Leasehold (Expiring 31 Jul 2051)	28.1
Keppel DC Singapore 3, Singapore	90%	49,433	2	100.0	S\$287.1m	Keppel lease / Colocation	1.3	Leasehold (Expiring 31 Jan 2052)	28.6
Keppel DC Singapore 4, Singapore	99%	83,698	6	95.7	S\$441.5m	Keppel lease / Colocation	1.9	Leasehold (Expiring 30 Jun 2050)	27.0
Keppel DC Singapore 5, Singapore	99%	92,889	3	100.0	S\$386.7m	Keppel lease / Colocation	1.1	Leasehold (Expiring 31 Aug 2050)	27.2 ⁶
DC1, Singapore	100%	213,815	1	100.0	S\$286.3m	Triple-net (Fully-fitted)	12.8	Leasehold (Expiring 31 Jul 2044)	21.1
Gore Hill Data Centre, Sydney, Australia	100%	90,955	3	100.0	A\$230.0m (S\$211.5m)	Triple-net (Shell & core) / Colocation	2.6	Freehold	-
Intellicentre Campus, Sydney, Australia	100%	235,527	1	100.0	A\$123.0m (S\$113.1m)	Triple-net (Shell & core)	18.0	Freehold	-
Guangdong Data Centre 1, Guangdong Province, China	100%	221,689	1	100.0	RMB700.0m (S\$135.1m)	Triple-net (Fully-fitted)	13.5	Leasehold (Expiring 17 Jan 2067)	43.5
Guangdong Data Centre 2, Guangdong Province, China	100%	218,615	1	100.0	RMB700.0m (S\$135.1m)	Triple-net (Fully-fitted)	14.1	Leasehold (Expiring 17 Jan 2067)	43.5
Guangdong Data Centre 3, Guangdong Province, China	100%	221,847	1	100.0	RMB64.4m (S\$12.4m)	Triple-net (Shell & core)	14.1	Leasehold (Expiring 17 Jan 2067)	43.5
Basis Bay Data Centre, Cyberjaya, Malaysia	99%	48,193	1	40.2	MYR 64.4m (S\$19.8m)	Colocation	3.5	Freehold	-

1. Certain clients have signed more than one colocation arrangement using multiple entities

2. Based on latest respective independent valuations and respective ownership interests as at 31 Dec 2022, unless otherwise stated

3. By lettable area

4. Not adjusted for the ongoing litigation with DXC Technology Services Singapore Pte. Ltd.

5. Including 30 years option term

6. Including a further term of nine years

Portfolio Overview (as at 30 Jun 2023)

	Interest	Attributable lettable area (sq ft)	No. of clients ¹	Occupancy rate (%)	Valuation ²	Lease type	WALE (years) ³	Land lease title	Land lease remaining (years)
Europe									
Kelsterbach Data Centre, Kelsterbach, Germany	100%	540,869	1	100.0	€75.1m (S\$106.4m)	Triple-net (Shell & core)	2.5	Freehold	-
maincubes Data Centre, Offenbach am Main, Germany	100%	97,043	1	100.0	€105.0m (S\$148.7m)	Triple-net (Fully-fitted)	9.8	Freehold	-
Keppel DC Dublin 1, Dublin, Ireland	100%	66,124	22	97.3	€108.0m (S\$152.9m)	Colocation	3.6	Leasehold (Expiring 31 Dec 2998)	975.5
Keppel DC Dublin 2, Dublin, Ireland	100%	28,484	4	100.0	€98.8m (S\$139.8m)	Colocation	6.4	Leasehold (Expiring 31 Dec 2997)	974.5
Milan Data Centre, Milan, Italy	100%	165,389	1	100.0	€39.0m (S\$55.2m)	Double-net (Shell & core)	4.5	Freehold	-
Almere Data Centre, Almere, The Netherlands	100%	118,403	1	100.0	€102.1m (S\$144.6m)	Double-net (Fully-fitted)	5.2	Freehold	-
Amsterdam Data Centre, Amsterdam, The Netherlands	100%	141,698	10	99.7	€29.2m (S\$41.4m)	Double-net (Shell & core)	2.2	Freehold	-
Eindhoven Campus, Eindhoven, The Netherlands	100%	83,841	3	100.0	€37.2m (S\$52.6m)	Double-net (Shell & core)	5.2	Freehold	-
Cardiff Data Centre, Cardiff, United Kingdom	100%	79,439	1	100.0	£25.4m (S\$41.7m)	Triple-net (Shell & core)	8.0	Freehold	-
GV7 Data Centre, London, United Kingdom	100%	24,972	1	100.0	£36.0m (S\$59.0m)	Triple-net (Fully-fitted)	3.6	Leasehold (Expiring 28 Sep 2183)	160.2
London Data Centre, London, United Kingdom	100%	94,867	1	100.0	£57.0m (S\$93.5m)	Triple-net (Shell & core)	16.0	Freehold	-

Overview of Contractual Arrangements

Asia Pacific	Contractual Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Keppel DC Singapore 1	Keppel lease ¹ / Colocation ²	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 2	Keppel lease ¹ / Colocation ²	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 3	Keppel lease ¹ / Colocation ²	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 4	Keppel lease ¹ / Colocation ²	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Keppel DC Singapore 5	Keppel lease ¹ / Colocation ²	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
DC1	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent, responsible for facilities management and all outgoings except insurance for the shell of the building 	-	✓	-	-
Gore Hill Data Centre (for one client)	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings; responsible for facilities management in their space 	-	-	-	-
Gore Hill Data Centre (for two clients)	Colocation ²	<ul style="list-style-type: none"> Client: Pays rent Owner: Bears all expenses; responsible for facilities management 	✓	✓	✓	✓
Intellicentre Campus	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings; responsible for facilities management 	-	-	-	-
Guangdong Data Centre 1	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except real estate tax where the lessee shall bear up to a certain threshold; responsible for facilities management 	✓	-	-	-
Guangdong Data Centre 2	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except real estate tax where the lessee shall bear up to a certain threshold; responsible for facilities management 	✓	-	-	-
Guangdong Data Centre 3	Triple-net lease	<ul style="list-style-type: none"> Client: Pays rent and all outgoings except real estate tax where the lessee shall bear up to a certain threshold; responsible for facilities management 	✓	-	-	-
Basis Bay Data Centre	Colocation ²	<ul style="list-style-type: none"> Client: Pays rent; responsible for facilities management Owner: Bears pre-agreed facilities management amount, insurance and property tax 	✓	✓	✓	✓

Overview of Contractual Arrangements

Europe	Contractual Arrangement	Description	Responsibilities of Owner			
			Property Tax	Building Insurance	Maintenance Opex	Refresh Capex
Kelsterbach Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
maincubes Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
Keppel DC Dublin 1	Colocation ^{1,2}	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Keppel DC Dublin 2	Colocation ^{1,2}	■ Client: Pays rent ■ Owner: Bears all expenses; responsible for facilities management	✓	✓	✓	✓
Milan Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and owner's property tax; responsible for facilities management	✓	✓	-	-
Almere Data Centre	Double-net lease	■ Client: Pays rent and all outgoings except building insurance and owner's property tax; responsible for facilities management	✓	✓	-	-
Amsterdam Data Centre	Double-net lease	■ DC Client: Pays rent and all outgoings except building insurance and owner's property tax; responsible for facilities management in their space	✓	✓	-	-
Eindhoven Campus	Double-net lease	■ DC Client: Pays rent and all outgoings except building insurance and owner's property tax; responsible for facilities management in their space	✓	✓	-	-
Cardiff Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
GV7 Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-
London Data Centre	Triple-net lease	■ Client: Pays rent and all outgoings; responsible for facilities management	-	-	-	-

ESG Targets and Commitments

Environmental Stewardship



Align reporting with the recommendations of the **Taskforce on Climate-related Financial Disclosures (TCFD)**



Achieve a **50% reduction for Scope 1 and Scope 2 emissions** by 2030, from 2019



Introduce **renewable energy (RE)** to **≥ 50% of colocation assets** by 2030



Achieve **≥ 10% reduction in effective Power Usage Effectiveness (PUE)** for colocation assets that undergo major asset enhancement works, by 2025 from 2019



Responsible Business



Obtain and maintain green certification for all Singapore colocation assets by 2025 and obtain **green certification for all colocation assets** by 2030



Achieve an **above satisfactory score for Annual Customer Satisfaction Survey**



Zero client dissatisfaction over physical security of all colocation properties in the Annual Customer Satisfaction Survey



Uphold **strong corporate governance, robust risk management**, as well as **timely and transparent stakeholder communications**



Zero incidents of data breaches and non-compliance with data privacy laws



Zero incidents of fraud, corruption, bribery and non-compliance with laws and regulations



People & Community



Engage with local communities and contribute to Keppel Capital's target of **>500 hours of staff volunteerism** in 2023



≥ 25% female representation on the Board by 2025



Provide a safe and healthy environment for all stakeholders, adopting the **Keppel Zero Fatality Strategy**



Achieve on average of **20 training hours per employee** in 2023



Conduct **employee engagement surveys** to track and enhance employee engagement

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 Real Estate Assessment** submission and 'A' Rating for GRESB Public Disclosure Assessment in 2022
- Achieved LEED v4.1 Operations + Maintenance (O+M) Gold certification for Keppel DC Dublin 1 & 2



People & Community



- Female directors represent **25% of the Board**
- Dedicated **270 community hours** in 1H 2023, in conjunction with Keppel Capital
- Achieved a **zero-fatality workplace** in 1H 2023
- Achieved **17.3 training hours** per employee in 1H 2023



Responsible Business

- Dedicated **Board ESG Committee**
- Singapore colocation assets maintained green certifications
- Achieved '**AA**' rating in the **MSCI ESG Ratings Assessment 2022**, an improvement from the 'A' rating in 2021
- **> 280** engagements with analysts and institutional investors & **> 1,000** engagements with retail investors in 1H 2023
- Upheld **strong corporate governance** as well as **high standards of ethical business conduct**
- Refinanced borrowings with **green loan** in Mar 2023

Diversified global portfolio
with strong Asia Pacific
presence

Well-Positioned for Growth

The Manager will continue to capitalise on growth opportunities in the data centre industry, and strengthen Keppel DC REIT's global presence.

Creating Long-term Stakeholder Value



Diversified global portfolio with a strong Asia Pacific presence

- Strong operational expertise and proven growth track record
- Proactive asset management to optimise portfolio returns
- Well-diversified client base



Focused and disciplined investment strategy

- Global mandate to invest in data centres, and real estate and assets necessary to support the digital economy
- Over \$2b worth of data centre assets under development and management through our sponsor, Keppel T&T¹, and Keppel's private data centre funds



Ongoing commitment to sustainability

- Align reporting with TCFD recommendations
- Progressively reduce carbon emissions and utilise renewable energy, where available
- Ensure strong corporate governance
- Nurture our people and the local communities

1. Keppel T&T has granted the Rights of First Refusal (ROFR) to Keppel DC REIT for future acquisition opportunities of its data centre assets.

Keppel DC REIT Structure (as at 30 Jun 2023)

