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(Constituted in Republic of Singapore pursuant to a trust deed dated 17 March 2011 (as amended))

ANNOUNCEMENT

LAUNCH OF PRIVATE PLACEMENT TO RAISE GROSS PROCEEDS OF BETWEEN APPROXIMATELY S\$200.1 MILLION AND S\$204.3 MILLION

1. Introduction

Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the “**Manager**”), wishes to announce the proposed private placement of 81,000,000 new units in Keppel DC REIT (“**Units**”, and the new Units to be issued pursuant to the Private Placement, the “**New Units**”) at an issue price of between S\$2.470 (the “**Minimum Issue Price**”) and S\$2.522 per New Unit (both figures inclusive) (the “**Issue Price Range**”) to raise gross proceeds of between approximately S\$200.1 million and S\$204.3 million (the “**Private Placement**”).

2. Details of the Private Placement

The Manager has appointed Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and Credit Suisse (Singapore) Limited as the joint bookrunners and underwriters in relation to the Private Placement (the “**Joint Bookrunners and Underwriters**”).

The Manager has today entered into a subscription agreement with the Joint Bookrunners and Underwriters (the “**Subscription Agreement**”), pursuant to which the Joint Bookrunners and Underwriters have been appointed to procure subscriptions and payments for, or failing which, to subscribe and pay for, the New Units at an issue price per New Unit (the “**Issue Price**”) to be determined on the terms and subject to the conditions of the Subscription Agreement.

The Private Placement shall be subject to certain conditions precedent set out in the Subscription Agreement, including the receipt of the approval in-principle of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. The Private Placement is fully underwritten by the Joint Bookrunners and Underwriters on the terms and subject to the conditions of the

Subscription Agreement.

The Issue Price Range of between S\$2.470 and S\$2.522 per New Unit (both figures inclusive) represents a discount of between:

- (i) 2.0% and 4.0% to the volume weighted average price (“**VWAP**”) of S\$2.5742 per Unit, for trades in the Units done on the SGX-ST for the Market Day¹ on 11 August 2021 (being the preceding Market Day up to the time the Subscription Agreement was signed on 12 August 2021); and
- (ii) (for illustrative purposes only) 1.5% and 3.5% to the adjusted VWAP² of S\$2.5600 per Unit.

The Issue Price will be determined by the Manager and the Joint Bookrunners and Underwriters following a book-building process. The Manager will make an announcement via SGXNET once the Issue Price has been determined.

3. Use of Proceeds

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S\$200.1 million (based on the Minimum Issue Price) in the following manner:

- (i) approximately S\$67.9 million (which is equivalent to 33.9% of the gross proceeds of the Private Placement) to partially fund the proposed acquisition by Keppel DC REIT of a data centre property located at No. 5 Bluesea Intelligence Valley, Shaping Street, Heshan, Jiangmen, Guangdong Province, People’s Republic of China together with the facility and equipment built and installed thereon (the “**Acquisition**”) ³ and the associated costs;
- (ii) approximately S\$128.6 million (which is equivalent to 64.3% of the gross proceeds of the Private Placement) to fund future acquisitions and to repay debt (including debt previously drawn down for investments) to create debt headroom for future acquisitions⁴; and
- (iii) approximately S\$3.6 million (which is equivalent to 1.8% of the gross proceeds of the Private Placement) 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 Private Placement,

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

Notwithstanding its current intention, in the event that the Private Placement is completed but the Acquisition does not proceed for whatever reason, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness and for funding

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

2 The adjusted VWAP is computed based on the VWAP of trades in the Units done on the SGX-ST for the Market Day on 11 August 2021 (being the preceding Market Day up to the time the Subscription Agreement was signed on 12 August 2021) and subtracting the Advanced Distribution (as defined herein) of approximately 1.421 cents per Unit (being the mid-point of the estimated Advanced Distribution Range (as defined herein)). 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 on a later date.

3 The balance of the purchase consideration for the Acquisition will be funded by debt financing.

4 See paragraph 4.2 of this announcement for further details.

capital expenditures and general corporate and/or working capital purposes.

Pending the deployment of the net proceeds from the Private Placement, 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.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement 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. Rationale for the Private Placement

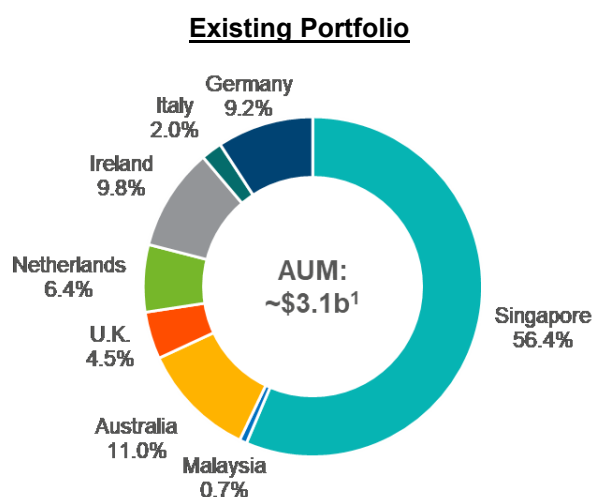
The Manager believes that the use of the net proceeds from Private Placement towards the Acquisition and debt repayment purposes will bring the following key benefits to the unitholders of Keppel DC REIT (the “Unitholders”):

4.1 Benefits of the Acquisition

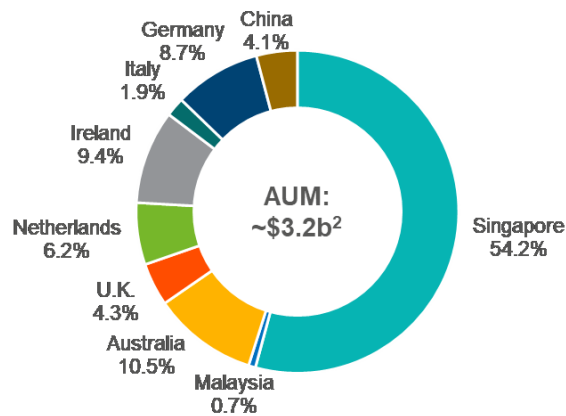
The Manager believes that the key benefits of the Acquisition are as follows:

- **First Investment in China, the largest growing data centre hub in Asia**

The Acquisition would anchor Keppel DC REIT’s entry into China, the second largest data centre market globally and the largest growing data centre hub in Asia. Further, Guangdong has the highest share of large scale data centres, commanding over 20% of the market, and is located within the Greater Bay Area, one of China’s most vibrant economic regions. The Acquisition increases geographical diversification of Keppel DC REIT’s portfolio to nine countries globally.



Enlarged Portfolio



Notes:

- (1) Based on Asset Under Management (“AUM”) as at 30 June 2021.
- (2) Based on AUM as at 30 June 2021 and post-Acquisition.

- **DPU accretive acquisition consistent with Keppel DC REIT’s investment strategy**

The Acquisition is expected to be accretive to Keppel DC REIT’s distribution per unit (“DPU”) and is in line with Keppel DC REIT’s investment strategy of acquiring stable and income-producing data centre properties that would enhance total return to Unitholders. The master lease on a triple net lease basis⁵ to the tenant mitigates any operating and capital expenditure risks for the lessor.

- **Improve portfolio occupancy and income diversification**

The Acquisition enhances portfolio resilience with the introduction of a newly completed asset, and adds to further income diversification and rebalances the portfolio with more master leases and assets in Asia. Following the Acquisition, AUM would increase from S\$3.1 billion as at 30 June 2021 to S\$3.2 billion, portfolio occupancy would improve from 98.0% as at 30 June 2021 to 98.2% and portfolio weighted average lease expiry would increase from 6.5 years as at 30 June 2021 to 7.3 years.

(See announcement titled “Acquisition of the Data Centre located at No. 5 Bluesea Intelligence Valley, Shaping Street, Heshan City, People’s Republic of China” dated 26 July 2021 for further details and benefits of the Acquisition to Keppel DC REIT and its Unitholders.)

4.2 Strengthen Keppel DC REIT’s balance sheet and capital structure and enhance its financial flexibility

It is intended that the Acquisition will be financed by a combination of debt financing and part of the net proceeds from the Private Placement, taking into account the prevailing market conditions, while maintaining an optimum level of gearing. The Manager believes that the Private Placement is an efficient and overall beneficial method of raising funds to partially finance the Acquisition and to be used for funding future acquisitions. Prior to deployment of the net proceeds of the Private Placement to fund future acquisitions, the Manager intends to

⁵ With the exception of applicable real estate tax which the lessee shall bear up to a certain threshold.

use the proceeds for debt repayment purposes (including debt previously drawn down for investments). This would enable Keppel DC REIT to reduce its Aggregate Leverage⁶.

Keppel DC REIT's Aggregate Leverage is expected to decrease from approximately 36.7% to approximately 34.7%, assuming that the Acquisition will be funded and certain borrowings will be repaid immediately after the Private Placement as illustrated in the table below.

	As of 30 June 2021	Immediately after the Private Placement and taking into account the Acquisition and debt repayment⁽¹⁾
Aggregate Leverage	36.7%	34.7%

Note:

(1) Based on Keppel DC REIT's unaudited financial statements as at 30 June 2021 and assuming the deployment of the net proceeds of the Private Placement for their intended use in relation to the Acquisition and debt repayment purposes as described in paragraph 3 of this announcement in the section "Use of Proceeds" above.

The Private Placement will provide Keppel DC REIT with greater financial capacity to capitalise on and pursue further growth opportunities, including acquisitions of income-producing properties and built-to-suit development projects, as and when they may arise to create greater value and returns for Unitholders.

With the proceeds from the Private Placement, Keppel DC REIT will be able to act more expeditiously and be more responsive when pursuing potential growth opportunities, which are essential in a competitive environment where the timelines in making bids and making payment for acquisition of income-producing properties are important.

4.3 Possible increase in trading liquidity of Units

The New Units to be issued pursuant to the Private Placement will increase the number of Units in issue by 81,000,000 million New Units, which represents an increase of approximately 5.0% of the total number of Units currently in issue.

The increase in the total number of Units in issue and enlarged Unitholder base is expected to enhance the free float and trading liquidity of the Units and raise the profile of Keppel DC REIT among investors.

5. Authority to issue Units

The issue of the New Units under the Private Placement is being carried out pursuant to a general mandate (the "**General Mandate**") given to the Manager at the annual general meeting of Keppel DC REIT ("**AGM**") held on 21 April 2021.

Pursuant to the General Mandate, the Manager may, during the period from 21 April 2021 to (i) the conclusion of the next AGM, or (ii) the date by which the next AGM 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)

6 "Aggregate Leverage" is defined in the Property Funds Appendix (Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore) as the ratio of Keppel DC REIT's borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or Units) to the value of its deposited property.

as at 21 April 2021 (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.

The Base Figure, being the number of Units in issue as at 21 April 2021, was 1,633,461,126 Units.

The number of Units that can be issued under the General Mandate on a *pro rata* basis to existing Unitholders is 816,730,563 Units, of which no more than 326,692,225 Units may be issued on a non *pro rata* basis.

The Manager has issued 272,834 Units since 21 April 2021 under the General Mandate on a non *pro rata* basis. The 81,000,000 New Units to be issued pursuant to the Private Placement would constitute approximately 5.0% of the Base Figure which is within the 20.0% limit for issue of new Units other than on a *pro rata* basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. Eligibility to Participate in the Private Placement

The offer of New Units under the Private Placement will be made to eligible institutional, accredited and other investors.

The New Units have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable securities laws of any state or jurisdiction of the United States. Accordingly, the New Units are being offered and sold outside the United States in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.

The Manager, along with the Joint Bookrunners and Underwriters, reserves the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. Status of the New Units

7.1 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 Units in issue on the day immediately prior to the issue of the New Units (the “**Existing Units**”), an advanced distribution for the period from 1 July 2021 to the day immediately preceding the date on which the New Units will be issued under the Private Placement (the “**Advanced Distribution**”).

The New Units are expected to be issued and commence trading on the SGX-ST on or around 23 August 2021. The current expectation of the Manager is that the quantum of distribution per Existing Unit under the Advanced Distribution is estimated to be between 1.401 cents and 1.441

cents⁷ (the “**Advanced Distribution Range**”). A further announcement on the actual quantum of the Advanced Distribution will be made by the Manager in due course.

The next distribution following the Advanced Distribution will comprise Keppel DC REIT’s distributable income for the period from the date on which the New Units are issued under the Private Placement to 31 December 2021. Semi-annual distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income accrued by Keppel DC REIT up to the day immediately prior to the date of issue of the New Units (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.

For the avoidance of doubt, holders of the New Units will not be entitled to participate in the distribution of any distributable income accrued by Keppel DC REIT prior to the date of issue of the New Units (including the Advanced Distribution).

7.2 Status of the New Units issued pursuant to the Private Placement

The New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to Keppel DC REIT’s distributable income from the day of issuance of the New Units as well as all distributions thereafter, other than in respect of the Advanced Distribution.

8. Application to the SGX-ST for Approval in-Principle

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

By Order of the Board
Keppel DC REIT Management Pte. Ltd.
(Company Registration Number: 199508930C)
as manager of Keppel DC REIT

Tan Weiqiang, Marc / Chiam Yee Sheng
Joint Company Secretaries
12 August 2021

7 The Advanced Distribution Range comprises the estimated distribution for the period from 1 July 2021 to 22 August 2021 (being the date immediately prior to the date on which the New Units are issued pursuant to the Private Placement), based on the Manager’s pro-rated estimate of Keppel DC REIT’s revenue and expenses for the period from 1 July 2021 to 22 August 2021. This amount is only an estimate based on information currently available to the Manager, and the actual Advanced Distribution may differ.

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any securities of Keppel DC REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

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 the 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, Perpetual (Asia) Limited, in its capacity as trustee of Keppel DC REIT, Keppel Telecommunications & Transportation Limited., as the sponsor of Keppel DC REIT or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Unitholders have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction.

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).