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

ANNOUNCEMENT

(1) THE PROPOSED ACQUISITION OF INTERESTS IN TWO DATA CENTRE BUILDINGS (BEING KEPPEL DC SINGAPORE 7 AND KEPPEL DC SINGAPORE 8), AND ENTRY INTO AGREEMENTS IN CONNECTION WITH THE ACQUISITION (INCLUDING, BUT NOT LIMITED TO, THE MASTER LEASE AGREEMENT AND THE FACILITY MANAGEMENT AGREEMENT), AS AN INTERESTED PERSON TRANSACTION; AND

(2) THE PROPOSED ISSUANCE OF SPONSOR SUBSCRIPTION UNITS TO KEPPEL DC INVESTMENT HOLDINGS PTE. LTD.

1. INTRODUCTION

1.1 Proposed Acquisition of Interests in Two Data Centre Buildings

Keppel DC REIT Management Pte. Ltd., as manager of Keppel DC REIT (the "**REIT Manager**"), is pleased to announce that Keppel DC REIT is acquiring interests in two data centre buildings, being Keppel DC Singapore 7 ("**KDC SGP 7**") and Keppel DC Singapore 8 ("**KDC SGP 8**"), which are located at 82 Genting Lane, Singapore 349567 (the "**Property**").

The acquisition involves Keppel DC REIT acquiring 49.0% of the shares of Memphis 1 Pte. Ltd. ("**Memphis 1**") which holds KDC SGP 7 and KDC SGP 8 and subscribing for 100% of New Class A Notes (as defined herein) and 99.49% of New Class B Notes (as defined herein) issued by Memphis 1, which would provide Keppel DC REIT with 99.49% of the economic interest in KDC SGP 7 and KDC SGP 8 (the "**Proposed Shares and Notes Transactions**").

1.2 Sponsor Subscription

The REIT Manager had entered into a subscription agreement (the "**Unit Subscription Agreement**") with Keppel DC Investment Holdings Pte. Ltd. ("**KDCIH**"), under which KDCIH will subscribe for approximately S$85.0 million of Units and the REIT Manager will issue the same to KDCIH (the "**Sponsor Subscription**", and the Units to be issued to KDCIH under the Sponsor Subscription, the "**Sponsor Subscription Units**").

Pursuant to the terms of the Unit Subscription Agreement, the Sponsor Subscription Units will be issued at an issue price which is equal to that of the issue price of new Units issued pursuant to the placement of new Units under the equity fund raising comprising a fully underwritten private placement and preferential offering, as well as the Sponsor Subscription ("**Equity Fund Raising**", and the Units issued under the Equity Fund Raising, the "**New Units**").

(See announcement dated 19 November 2024 titled "*Launch of Equity Fund Raising to Raise Gross Proceeds of Approximately S$1 billion*" for further details of the Equity Fund Raising.)

1.3 Information on KDC SGP 7 and KDC SGP 8

The table below sets out information on KDC SGP 7 and KDC SGP 8.

	KDC SGP 7	KDC SGP 8
Location	82 Genting Lane, Singapore 349567	
Land lease title	Leasehold title expiring on 15 July 2040 (approximately 15.5[(2)] years remaining)	
Land area[(1)]	194,743 square feet ("**sq ft**")	
Agreed KDC SGP 7 and 8 Value (as defined herein)	S$1,030.0 million (without the Land Tenure Lease Extension (as defined herein))	
Purchase Consideration (as defined herein)	S$1,030.2 million[(3)] (without the Land Tenure Lease Extension)	
Receipt of TOP	6 March 2023	23 August 2024
Gross floor area ("GFA")	186,608 sq ft	290,041 sq ft
Lettable area	72,923 sq ft	77,532 sq ft
Number of customers	4	3
Type of contracts	Colocation	Colocation
Weighted average lease expiry ("WALE") by lettable area[(4)]	3.9 years	5.0 years
Contracted occupancy	100%	100%[(5)]

Notes:

(1) This is the land area for KDC SGP 7 and KDC SGP 8 (subject to survey), and excludes the land area for KDC SGP 9.

(2) As at 31 December 2024.

(3) See paragraph 3.4 of this Announcement for further details on the computation of the Purchase Consideration. This amount is an estimate and is subject to post-completion adjustments.

(4) As at 30 September 2024.

(5) KDC SGP 8 is fully contracted to customers on a colocation basis. The data centre is expected to be fully-fitted and occupied by 3Q 2025.

KDC SGP 7 is a purpose-built, carrier-neutral data centre. KDC SGP 7 received its Temporary Occupation Permit ("**TOP**") on 6 March 2023 and is fully contracted and occupied on a colocation basis. Built to Tier III-equivalent[1] specifications, KDC SGP 7 is a seven-storey data centre with a GFA of approximately 186,608 sq ft.

KDC SGP 8 is a purpose-built, carrier-neutral data centre. KDC SGP 8 received its TOP on 23 August 2024 and is fully contracted. It is currently partially fitted and occupied. The remaining data halls are undergoing fit-out which is expected to complete by 1Q 2025, with the data centre expected to be fully occupied by 3Q 2025. Built to Tier III-equivalent specifications, KDC SGP 8 is a six-storey data centre with a GFA of approximately 290,041 sq ft.

Both KDC SGP 7 and KDC SGP 8 have achieved the Building and Construction Authority's ("**BCA**") Green Mark Platinum Award for New Data Centres (NDC: 2019), which is the highest green accolade for new data centre developments.

There is also a planned third data centre ("**KDC SGP 9**") to be developed on the Property. Prior to the entry into the Master Agreement (as defined herein) and the Notes Subscription Agreement (as defined herein) in connection with the Proposed Shares and Notes Transactions, a sub-lease agreement in respect of KDC SGP 9 ("**KDC SGP 9 Sub-Lease Agreement**", and the sub-lease created pursuant to the KDC SGP 9 Sub-Lease Agreement, the "**KDC SGP 9 Sub-Lease**") was entered into between Memphis 1 (as lessor) and Memphis 2 (DC2) Pte. Ltd. (the "**KDC SGP 9 Entity**") (as lessee). The lease term of the KDC SGP 9 Sub-Lease Agreement will be from the Completion Date (as defined herein) until one day prior to the expiry of the head lease in relation to the Property. Construction for KDC SGP 9 has not commenced.

For the avoidance of doubt, Keppel DC REIT will only be acquiring interests in KDC SGP 7 and KDC SGP 8, and not KDC SGP 9. Accordingly, the valuations of KDC SGP 7 and KDC SGP 8 do not include the valuation of KDC SGP 9 and its underlying KDC SGP 9 Sub-Lease.

1.4 Memphis 1

Memphis 1 is a private company which directly holds the title to the Property. Memphis 1 is a joint venture entity which is 40.0% held by TPM Pte. Ltd. ("**CPI SPV Seller**"), 9.0% held by Geras DC Pte. Ltd. ("**KDCH SPV Seller**", and together with CPI SPV Seller, the "**Seller Shareholders**"), and 51.0% held by Keppel Griffin Pte. Ltd. ("**Keppel Griffin**", together with the Seller Shareholders, the "**Existing Memphis Shareholders**").

Memphis 1 has previously issued two classes of debt securities, being the notes which are tied to the performance of KDC SGP 7 ("**Existing Notes 1**") and the notes which are tied to the performance of KDC SGP 8 ("**Existing Notes 2**", and the holders of the Existing Notes 1 and Existing Notes 2 collectively, the "**Existing Noteholders**"[2]).

1.5 Circular to be issued

A circular shall be issued to the holders of units in Keppel DC REIT ("**Units**", and the holders of Units, "**Unitholders**") in due course (the "**Circular**"), together with a notice of an

1 A Tier III data centre is concurrently maintainable with redundant distribution paths to serve the critical environment and require no shutdowns when equipment needs maintenance or replacement.

2 The Existing Noteholders are ADCF C Private Limited ("**ADCF1**"), ADC Geras Pte. Ltd. ("**ADCF2**"), Alpha DC Fund Private Limited ("**ADCF3**"), Keppel DC Singapore 6 Pte. Ltd. ("**KDCS6**") and Times Genting Pte. Ltd. ("**Times Genting**").

extraordinary general meeting ("**EGM**"), for the purpose of seeking the approval of Unitholders for, *inter alia*, the Proposed Shares and Notes Transactions and the Sponsor Subscription.

2. RATIONALE FOR AND BENEFITS OF THE PROPOSED SHARES AND NOTES TRANSACTIONS

The REIT Manager believes that the Proposed Shares and Notes Transactions will bring the following key benefits to Unitholders:

2.1 Strategic addition of AI-ready hyperscale data centres in Asia's top data centre hub

KDC SGP 7 and KDC SGP 8 are new-generation AI-ready hyperscale data centres, capable of handling AI inference workloads. The data centres also have the flexibility to accommodate fit-out modifications, including liquid cooling, which will further enhance Keppel DC REIT's overall portfolio quality and market competitiveness.

KDC SGP 7 and KDC SGP 8 have the following competitive strengths:

2.1.1 AI-ready hyperscale data centres

KDC SGP 7 and KDC SGP 8 are fully contracted to well-established global hyperscale customers. Each of the data centres are designed to handle AI inference workloads and have the flexibility to accommodate fit-out modifications, including liquid cooling. This helps to ensure that the assets are future-ready and capable of hosting AI workloads efficiently.

The AI-ready specifications of KDC SGP 7 and KDC SGP 8 enable Keppel DC REIT to capitalise on the multiple structural tailwinds fuelling the growth of the data centre market. These include the ubiquitous adoption of technologies such as AI, 5G, and the IoT[1]. Additionally, demand from existing drivers such as cloud adoption, e-commerce and social media and streaming will continue to grow in tandem with the digital economy.

Another key demand driver stems from the widespread accessibility of AI, which continues to fuel the adoption of generative AI, predictive AI and interpretive AI. The global generative AI market is expected to reach US$1.3 trillion in 2032, expanding at a compound annual growth rate of 42% from 2023 to 2032. Bloomberg Intelligence expects growth to be driven by training infrastructure in the near-term and AI inference use in the medium to long term[2].

Strategically located in an area supported by high power connection and in proximity to nearby cable landing stations, both KDC SGP 7 and KDC SGP 8 offer ultra-low latency connectivity to its customers. To ensure uptime and continuity, the data centres are built to Tier III-equivalent specifications with dark fibre[3] connectivity.

Designed with sustainability at the core, both data centres have achieved the BCA's Green Mark Platinum Award, based on Singapore's Green Mark for New Data

1 Internet of Things.

2 Generative AI to Become a $1.3 Trillion Market by 2032, Research Finds, Bloomberg, June 2023.

3 Dark fibre refers to existing but unused connections from a network provider.

Centres. This award is the highest green accolade conferred by BCA specifically for new data centre developments.

KDC SGP 7 and KDC SGP 8 are two of the three planned complexes situated within the Keppel Data Centre Campus which will support the adoption of green data centre solutions, including advanced equipment and designs that reduce energy and water consumption.

2.1.2 Strengthen foothold in Singapore, Asia's top data centre hub

The Proposed Shares and Notes Transactions would further strengthen Keppel DC REIT's foothold as one of the largest owners of stabilised data centre assets in Asia's top data centre hub.

The proposed acquisition of KDC SGP 7 and KDC SGP 8 would increase Keppel DC REIT's Singapore exposure by approximately 67% to S$3.4 billion from S$2.1 billion as at 30 September 2024. By portfolio assets under management ("**AUM**"), the proportion of Singapore assets would increase from 53.1%[1] to 65.5%[2]. The increase in exposure to the Singapore data centre market will position Keppel DC REIT to benefit from the tight demand-supply dynamics vis-à-vis further growth in colocation rates.

Singapore has attracted multinational corporations and foreign investments as well as diverse regional data centre demand from financial institutions, e-commerce, cloud, and international enterprises. It is one of the key data centre markets in the world and Asia's top data centre hub. With extensive undersea cable networks and high-speed internet access, the country is a gateway connecting Europe, the Middle East and Africa to APAC[3].

Singapore remains a strong location for data centre deployment. It has one of the lowest colocation vacancies in APAC at approximately 1%[4]. With demand expected to exceed supply in the coming years, utilisation rates are expected to rise from 99.1% in 2024 to 99.4% in 2028, with any new capacity highly sought after.

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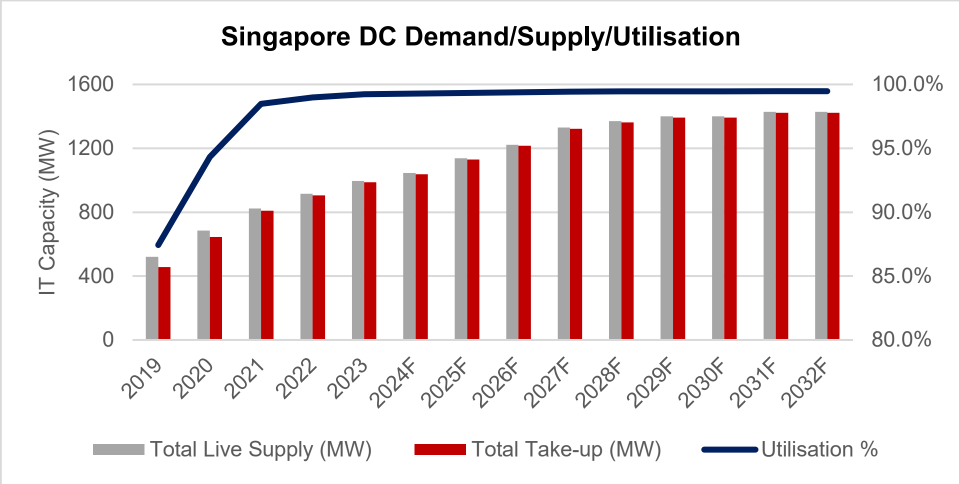
1 As at 30 September 2024.

2 As at 30 September 2024, post-completion of the acquisition of 99.49% economic interest in KDC SGP 7 and KDC SGP 8 and Land Tenure Lease Extension. Excluding the Land Tenure Lease Extension, Keppel DC REIT's exposure to Singapore assets will be S$3.1 billion and proportion of Singapore assets by AUM will be 63%.

3 Source: DC Byte.

4 Cushman & Wakefield, June 2024.



Source: DC Byte Asia Pte. Ltd. ("**DC Byte**")

2.2 Immediate DPU accretion

The Proposed Shares and Notes Transactions are in line with the REIT Manager's strategy of acquiring stable and income-producing data centres which will provide Unitholders with stable distributions and enhance total returns.

Even without the Income Support (as defined herein), the Proposed Shares and Notes Transactions are expected to be DPU-accretive assuming the Proposed Shares and Notes Transactions are fully funded via the Equity Fund Raising.

Following completion of the Call Option and the Land Tenure Lease Extension, Keppel DC REIT is expected to realise multiple benefits that will enhance returns. Firstly, Keppel DC REIT would be able to generate a stable and growing stream of high-quality cash flow over a longer period. Secondly, with certainty of a longer land tenure lease, Keppel DC REIT will be better positioned to drive organic growth in its negotiations with customers which will support potential capital value uplift.

2.3 Multiple levers to drive further growth via rental uplifts and capacity expansion

2.3.1 Potential for rental uplifts

Contracts for KDC SGP 7 and KDC SGP 8 were contracted between 2020 and 2022 on a take-or-pay basis, and market rents have increased since then. The contracted rents for KDC SGP 7 and KDC SGP 8 are estimated to be at least 15% to 20% below comparable market colocation rents. According to data compiled by DC Byte, colocation rents in Singapore for data centre capacity has increased from approximately S$169 – S$452 per kW[1] per month in 2020-2022 to around S$335 – S$516 per kW per month and is expected to trend upwards over the next few years.

With a combined WALE of approximately 4.5 years[2], the proposed acquisition of KDC SGP 7 and KDC SGP 8 will provide opportunities for potential rental uplifts and further organic growth as the demand for data centre space is expected to remain strong while supply remains constrained in the short to medium term. This

1 "**kW**" refers to kilowatts.

2 By lettable area. As at 30 September 2024.

tight demand-supply dynamic is likely to continue to have an upward pressure on colocation rates.

2.3.2 Potential for capacity expansion

There are approximately 1.5 floors at KDC SGP 8 that are currently unutilised. The building has been designed to cater for a potential conversion of this unutilised space into data halls which offers potential in the mid to long term for revenue upside via capacity expansion by fitting out the unutilised space, subject to obtaining the relevant authority's approvals including that of power. Further, the REIT Manager has a proven track record of delivering positive reversions and successful asset enhancement initiatives to unlock value.

2.4 Stronger platform to drive long-term growth

2.4.1 Enhances portfolio income resilience

Post completion of the Proposed Shares and Notes Transactions ("**Completion**", and the date of Completion, the "**Completion Date**"), Keppel DC REIT's AUM will increase from S$3.9 billion across 23 data centres to S$5.2 billion[1] across 25 data centres. This enlarged portfolio will further enhance Keppel DC REIT's income resilience and exposure to hyperscale customers. The proportion of rental income from hyperscale customers will increase from 51.5% [2] to 64.2% [3]. Portfolio occupancy would improve to 97.7% from 97.6% with portfolio WALE of 6.2 years[4].

2.4.2 Well-positioned to capture future growth catalysts

Following the Proposed Shares and Notes Transactions and the Equity Fund Raising, Keppel DC REIT's Aggregate Leverage[5] is expected to improve from 39.7%[6] to 33.3%[7], with greater debt headroom of S$565.3 million, providing greater financial flexibility in Keppel DC REIT's continued pursuit of accretive opportunities and future growth.

3. DETAILS OF THE PROPOSED SHARES AND NOTES TRANSACTIONS

3.1 Structure of the Proposed Shares and Notes Transactions

The acquisition of the interest in KDC SGP 7 and KDC SGP 8 is for an agreed aggregated property value of S$1,030.0 million (if there is no Land Tenure Lease Extension) and for an

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1 This is on the basis of Keppel DC REIT having an economic interest of 99.49% in KDC SGP 7 and KDC SGP 8 and including the Land Tenure Lease Extension being obtained. Excluding the Land Tenure Lease Extension, the AUM will be S$4.9 billion.

2 For the month of September 2024. Based on agreements with customers of the portfolio and in the case of Keppel DC Singapore 1 to 5, the underlying customer contracts.

3 Includes a review and reclassification of key customer profiles to reflect their evolving business.

4 By lettable area. WALE by rental income will be 4.4 years as a higher proportion of rental income is from colocation assets, which typically have shorter contractual periods.

5 "**Aggregate Leverage**" is defined in the Property Funds Appendix 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.

6 As at 30 September 2024.

7 Aggregate leverage is expected to increase from 33.3% to 37.9% had the Lease Extension Consideration been included.

agreed aggregated property value of S$1,380.0 million (if there is Land Tenure Lease Extension)[1]. The acquisition is structured in the following manner.

Perpetual (Asia) Limited (in its capacity as trustee of KDCR Singapore Sub-Trust 1) (the "**Purchaser**"), which is a wholly owned sub-trust of Keppel DC REIT, has entered into the following agreements:

(i) a master agreement ("**Master Agreement**") together with the Existing Memphis Shareholders and the Existing Noteholders, to acquire 49.0% of the shares in Memphis 1 (the "**Memphis 1 Shares**") from the Seller Shareholders, and for a call option granted to the Purchaser to require Keppel Griffin to sell the remaining 51.0% of the Memphis 1 Shares to the Purchaser which can be exercised upon satisfaction of the Call Option Condition (as defined herein) (the "**Call Option**"); and

(ii) a conditional notes subscription agreement (the "**Notes Subscription Agreement**"), together with Memphis 1 and Keppel Griffin, with Memphis 1 as issuer and the Purchaser and Keppel Griffin as the subscribers, for the Purchaser to subscribe to two new classes of notes to be issued by Memphis 1 as follows:

 (a) 100.0% of the first class of notes (the "**New Class A Notes**"). The amount payable pursuant to the New Class A Notes is variable depending on the performance of KDC SGP 7 and KDC SGP 8; and

 (b) 99.49% of the second class of notes (the "**New Class B Notes**[2]"). The amount payable pursuant to the New Class B Notes is fixed at 4.0% per annum.

The proceeds from the New Class A Notes of S$553.8 million (the "**New Class A Notes Subscription Amount**") will be used towards redeeming Existing Notes 1 and Existing Notes 2 held by Existing Noteholders. The proceeds from the New Class B Notes of up to S$472.8 million (the "**New Class B Notes Subscription Amount**") will be used towards redeeming Existing Notes 1 and Existing Notes 2 held by Existing Noteholders, repay external bank borrowings of Memphis 1, and fund the working capital and any potential future capital expenditure of Memphis 1.

Following the Proposed Shares and Notes Transactions, Keppel DC REIT will have an economic interest of 99.49% in KDC SGP 7 and KDC SGP 8. The remaining 0.51% economic interest will be held by Keppel Griffin.

Should the Call Option be exercised, Keppel DC REIT will have 100.0% interest in KDC SGP 7 and KDC SGP 8[3].

3.2 Relevant agreements to be entered into in connection with the Proposed Shares and Notes Transactions

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1 See paragraph 3.4 of this Announcement for further details on the computation of the Purchase Consideration and the Land Tenure Lease Extension. If the Land Tenure Lease Extension is obtained, the land lease title for KDC SGP 7 and KDC SGP 8 will expire on 15 July 2050 instead of 15 July 2040.

2 Based on Keppel DC REIT's 99.49% economic interest in KDC SGP 7 and KDC SGP 8. Keppel Griffin will subscribe for 0.51% share, being the balance of the New Class B Notes.

3 When the Call Option is exercised, the New Class B Notes held by Keppel Griffin would also be acquired or redeemed at an amount equal to the outstanding principal amounts together with any accrued but unpaid interest thereon as at completion of the Call Option.

Upon Completion of the Proposed Shares and Notes Transactions, the following agreements shall be entered into (collectively, the "**Relevant Agreements**"):

(i) the Purchaser and Keppel Griffin will enter into a new shareholder's agreement as the new shareholders of Memphis 1 (the "**Shareholders' Agreement**"), and the existing shareholders' agreement dated 29 June 2020 between the Existing Memphis Shareholders, Keppel Data Centres Holding Pte. Ltd. ("**KDCH**") and Times Properties Private Limited ("**TPPL**") will be terminated;

(ii) Memphis 1 will enter into the following agreements with Keppel DCS3 Services Pte. Ltd. ("**KDCS3**"), which is directly wholly owned by KDCH, in respect of KDC SGP 7 and KDC SGP 8:

(a) a master lease agreement (the "**KDC SGP 7 and 8 MLA**"), under which KDCS3 shall be the master lessee of KDC SGP 7 and KDC SGP 8;

(b) a facility management agreement (the "**KDC SGP 7 and 8 FMA**"), under which KDCS3 will be appointed as facility manager, in respect of KDC SGP 7 and KDC SGP 8; and

(c) a business transfer agreement (the "**Business Transfer Agreement**") to transfer the business of data centre operations carried out by Memphis 1 including the assets and liabilities subsisting at Completion[1], from Memphis 1 to KDCS3, for a nominal consideration,

(the KDC SGP 7 and 8 MLA, the KDC SGP 7 and 8 FMA and the Business Transfer Agreement, collectively, the "**Property Related Agreements**").

In connection with the Property Related Agreements, the Purchaser, Keppel Griffin and KDCS3 have entered into a letter agreement which contains the agreed forms of the Property Related Agreements (the "**Letter Agreement**"), under which the parties to the Letter Agreement undertake to each other that, *inter alia*, the Property Related Agreements will be entered into by the respective parties.

3.3 Valuation and Land Tenure Lease Extension

The agreed aggregated property value of KDC SGP 7 and KDC SGP 8 (the "**Agreed KDC SGP 7 and 8 Value**") was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations of KDC SGP 7 and KDC SGP 8. The Agreed KDC SGP 7 and 8 Value is S$1,030.0 million (without the Land Tenure Lease Extension). Post Completion, the intention is for Memphis 1 to pay JTC Corporation ("**JTC**") the upfront land premium, which is estimated to be approximately S$17.8 million[2]. Keppel DC REIT will bear 99.49% of the upfront land premium with Keppel Griffin bearing the balance 0.51%.

Upon the Call Option being exercised, the Seller Shareholders, the Existing Noteholders and Keppel Griffin shall continue to engage the relevant authorities to extend the land tenure of the Property for another 10 years (until 15 July 2050) (whether comprised in one or more options to renew) ("**Land Tenure Lease Extension**").

1 These include security deposits from customers and any cash that supports such security deposits.

2 Based on the average of the two Independent Valuers' estimate. For the avoidance of doubt, the upfront land premium of approximately S$17.8 million is for KDC SGP 7 and KDC SGP 8 only.

In the event that the land tenure of the Property is extended during the five-year period from the date of submission of the application to JTC for the Land Tenure Lease Extension, the Purchaser shall pay the Seller Shareholders, the Existing Noteholders and Keppel Griffin (if the Call Option is exercised) an additional amount of S$350.0 million [1] (the "**Lease Extension Consideration**").

In the event that the Land Tenure Lease Extension is not granted within five years of the submission of the application to JTC for the Land Tenure Lease Extension, no consideration shall be paid should the land tenure be extended thereafter.

In the event that the land tenure of the Property is extended for less than 10 years, Keppel DC REIT shall seek the approval of Unitholders before paying the consideration for the extension of the land tenure.

In the event that the land tenure of the Property is extended for more than 10 years (whether comprised in one or more options to renew), the Purchaser shall pay the Seller Shareholders, the Existing Noteholders and Keppel Griffin (if the Call Option is exercised) the Lease Extension Consideration of S$350.0 million, provided that the Seller Shareholders, the Existing Noteholders and Keppel Griffin may require Keppel DC REIT to seek the approval of Unitholders to pay an amount of more than S$350.0 million (if the Call Option is exercised) if the Relevant Adjusted Extension Price[2] is more than S$350.0 million. If Unitholders do not agree to pay the higher amount, the Seller Shareholders, the Existing Noteholders and Keppel Griffin (if the Call Option is exercised), may require Keppel DC REIT to pay the Lease Extension Consideration of S$350.0 million to obtain the lease extension of more than 10 years.

If there is a Land Tenure Lease Extension, the Purchaser shall be required to pay, in aggregate and based on current estimates, approximately up to S$364.6 million comprising:

(i) the Lease Extension Consideration of S$350.0 million to the Seller Shareholders, the Existing Noteholders and Keppel Griffin (if the Call Option is exercised);

(ii) the JTC Land Premium[3], which is estimated to be approximately S$9.9 million in relation to the Land Tenure Lease Extension[4] and any stamp duty thereon which is estimated to be approximately S$1.2 million; and

(iii) up to S$3.5 million of costs imposed by JTC relating to repainting and upgrade of building façade of KDC SGP 7 and KDC SGP 8 and/or any other works required by

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1 If the Call Option is not exercised, the Purchaser shall pay the Seller Shareholders and the Existing Noteholders an additional amount of S$348.2 million.

2 "**Relevant Adjusted Extension Price**" means the average of three valuations obtained by (i) Keppel Griffin and the Existing Noteholders (ii) CPI SPV Seller and (iii) the REIT Manager, provided that if such amount is higher than the higher of the two valuations obtained by the REIT Manager and Perpetual (Asia) Limited (in its capacity as trustee of Keppel DC REIT) (the "**REIT Trustee**"), the price shall be the higher of the two valuations obtained by the REIT Manager and the REIT Trustee.

3 "**JTC Land Premium**" means upfront land premium or land premium, in both instances being a lump sum payment charged or imposed by JTC based on land rent in respect of the initial leasehold term or (as the case may be) the Land Tenure Lease Extension, and shall include upfront land premium charged or imposed by JTC arising from the conversion from the existing land rent scheme to the upfront land premium scheme.

4 The Lease Extension Consideration of S$350.0 million payable to the Existing Memphis Shareholders and the Existing Noteholders (if the Call Option is exercised) is separate and different from the additional upfront land premium amount payable to JTC.

JTC which are to be effected on or immediately before the commencement of the Land Tenure Lease Extension or at a future date during the period of the Land Tenure Lease Extension[1].

Save for (iii) above, any other costs and expenses incurred for the extension of the land tenure (including payment of any other amounts to JTC) of up to S$4.0 million shall be paid by the Seller Shareholders, the Existing Noteholders and Keppel Griffin, and not the Purchaser.

In valuing KDC SGP 7 and KDC SGP 8, the Independent Valuers have both adopted the discounted cash flow method and income capitalisation method. Knight Frank Pte Ltd ("**Knight Frank**") has valued KDC SGP 7 and KDC SGP 8 at S$1,033.0 million (without taking into account the Land Tenure Lease Extension) and S$1,403.0 million (taking into account the Land Tenure Lease Extension). Savills Valuation and Professional Services (S) Pte Ltd ("**Savills**") has valued KDC SGP 7 and KDC SGP 8 at S$1,054.5 million (without taking into account the Land Tenure Lease Extension) and S$1,383.5 million (taking into account the Land Tenure Lease Extension).

The valuations of KDC SGP 7 and KDC SGP 8 do **not** take into account the Income Support (as defined herein). See paragraph 3.7 of this Announcement for further details on the Income Support.

	KDC SGP 7 and KDC SGP 8			
	Without Land Tenure Lease Extension	**With Land Tenure Lease Extension**	**Without Land Tenure Lease Extension**	**With Land Tenure Lease Extension**
Valuation [(1), (2)] (S$' million) (on a 100% basis)	1,033.0	1,403.0	1,054.5	1,383.5
Independent Valuer	Knight Frank		Savills	
Independent Valuer commissioned by	REIT Manager		REIT Trustee	
Date of valuation	1 September 2024			
Method of valuation	Discounted cash flow method and income capitalisation method			
Agreed value (without Land Tenure Lease Extension) (on a 100% basis) (S$' million)	1,030.0			
Agreed value (with Land	1,380.0			

1 In the event the costs of compliance with the terms and conditions imposed by JTC exceed S$3.5 million, parties shall co-operate with each other to make all necessary appeals and applications to JTC, and discuss in good faith on how to allocate surplus costs in excess of S$3.5 million, which may include Keppel DC REIT bearing some or all of such surplus costs. If the parties do not agree to the allocation of the surplus costs, the Purchaser shall be entitled to object to the Land Tenure Lease Extension, provided that if the Existing Memphis Shareholders and the Existing Noteholders have agreed to bear such surplus costs, the Purchaser shall not be entitled to object to the Land Tenure Lease Extension. The repainting and upgrade of building façade of KDC SGP 7 and KDC SGP 8 required by JTC are the usual works required by JTC for extension of land tenure, and such works would typically be undertaken closer to the date of the extended lease (i.e. around 2040).

	KDC SGP 7 and KDC SGP 8			
	Without Land Tenure Lease Extension	**With Land Tenure Lease Extension**	**Without Land Tenure Lease Extension**	**With Land Tenure Lease Extension**
Tenure Lease Extension) (on a 100% basis) (S$' million)				

Notes:

(1) The valuations do not take into account the Income Support.

(2) The valuations take into account the estimated cost of remediation works for KDC SGP 7 and KDC SGP 8 required to satisfy certain requirements by JTC.

3.4 Certain Terms and Conditions of the Master Agreement

The principal terms of the Master Agreement include, among others, the following:

3.4.1 49.0% of the Memphis 1 Shares are to be acquired from the Seller Shareholders for the estimated share purchase consideration payable to the Seller Shareholders by the Purchaser in connection with the acquisition of 49.0% of the Memphis 1 Shares (the "**Share Purchase Consideration**").

3.4.2 The purchase consideration for the Proposed Shares and Notes Transactions (the "**Purchase Consideration**") is structured as follows:

(A) (where there is no Land Tenure Lease Extension) S$1,030.2 million which is the aggregate of:

(i) the Share Purchase Consideration which is estimated to be S$3.6 million;

(ii) the New Class A Notes Subscription Amount attributable to the amount used to redeem the Existing Notes 1 and Existing Notes 2 held by Existing Noteholders which is estimated to be S$553.8 million; and

(iii) the New Class B Notes REIT Subscription Amount[1] attributable to the amount used to redeem the Existing Notes 1 and Existing Notes 2 held by Existing Noteholders, repay the external bank borrowings of Memphis 1 (but excluding any amounts which is retained by Memphis 1 to fund the working capital and any potential future capital expenditure of Memphis 1) which is estimated to be S$472.8 million; or

(B) (where there is Land Tenure Lease Extension) S$1,380.2 million comprising the aggregate of the amount set out in (A) above and S$350.0 million (if the Call Option is exercised)[2].

The applicable Purchase Consideration payable as set out above is an estimate

1 The "**New Class B Notes REIT Subscription Amount**" is the New Class B Notes Subscription Amount which is paid for by Keppel DC REIT, and excludes the amount attributable to Keppel Griffin.

2 For the avoidance of doubt this does not include purchase consideration in relation to the Call Option. See paragraph 3.14 below for further details regarding the purchase consideration in relation to the Call Option.

and is subject to post-completion adjustments.

3.4.3 The conditions precedent for Completion shall include, among others, the following:

(i) the Proposed Shares and Notes Transactions, together with the financing arrangements relating thereto, having been approved by the Unitholders at the EGM;

(ii) Keppel DC REIT having secured sufficient financing to discharge its payment obligations under the Master Agreement and the Notes Subscription Agreement; and

(iii) documentary evidence being provided to the Purchaser that JTC has granted consent to the KDC SGP 9 Sub-Lease Agreement (such terms to be reasonably acceptable to the Purchaser and KDC SGP 9 Entity, whose acceptance shall not be unreasonably withheld, delayed or conditioned).

3.4.4 The key terms in relation to the Land Tenure Lease Extension are, among others, set out below.

(i) Upon the Call Option being exercised, the Seller Shareholders, the Existing Noteholders and Keppel Griffin shall continue to engage the relevant authorities to extend the land tenure of the Property for another 10 years (until 15 July 2050) (whether comprised in one or more options to renew).

(ii) The parties to the Master Agreement shall take all steps within their respective powers to apply for and pursue the grant of the Land Tenure Lease Extension and shall consult with each other and agree amongst each other (all acting reasonably) on all matters in relation to the application in relation to the Land Tenure Lease Extension.

(iii) In the event that the land tenure of the Property is extended during the five-year period from the date of submission of the application to JTC for the Land Tenure Lease Extension, the Purchaser shall pay the Seller Shareholders, the Existing Noteholders and Keppel Griffin (if the Call Option is exercised) an additional amount of S$350.0 million [1], being the Lease Extension Consideration.

(iv) In the event that the Land Tenure Lease Extension is not granted within five years of the submission of the application to JTC for the Land Tenure Lease Extension, no consideration shall be paid should the land tenure be extended thereafter.

(v) In the event that the land tenure of the Property is extended for less than 10 years, Keppel DC REIT shall seek the approval of Unitholders before paying the consideration for the extension of the land tenure.

(vi) In the event that the land tenure of the Property is extended for more than 10 years (whether comprised in one or more options to renew), the Purchaser shall pay the Seller Shareholders, the Existing Noteholders and

1 If the Call Option is not exercised, the Purchaser shall pay the Seller Shareholders and the Existing Noteholders an additional amount of S$348.2 million.

Keppel Griffin (if the Call Option is exercised) the Lease Extension Consideration of S$350.0 million, provided that the Seller Shareholders, the Existing Noteholders and Keppel Griffin may require Keppel DC REIT to seek the approval of Unitholders to pay an amount of more than S$350.0 million if the Relevant Adjusted Extension Price is more than S$350.0 million. If Unitholders do not agree to pay the higher amount, the Seller Shareholders, the Existing Noteholders and Keppel Griffin (if the Call Option is exercised), may require Keppel DC REIT to pay the Lease Extension Consideration of S$350.0 million to obtain the lease extension of more than 10 years.

(vii) If there is a Land Tenure Lease Extension, the Purchaser shall be required to pay, in aggregate and based on current estimates, approximately up to S$364.6 million comprising:

(a) the Lease Extension Consideration of S$350.0 million to the Seller Shareholders, the Existing Noteholders and Keppel Griffin (if the Call Option is exercised);

(b) the JTC Land Premium, which is estimated to be approximately S$9.9 million in relation to the Land Tenure Lease Extension[1] and any stamp duty thereon which is estimated to be approximately S$1.2 million; and

(c) up to S$3.5 million of costs imposed by JTC relating to repainting and upgrade of building façade of KDC SGP 7 and KDC SGP 8 and/or any other works required by JTC which are to be effected on or immediately before the commencement of the Land Tenure Lease Extension or at a future date during the period of the Land Tenure Lease Extension[2].

(viii) Save for (vii)(c) above, any other costs and expenses incurred for the extension of the land tenure (including payment of any other amounts to JTC) of up to S$4.0 million shall be paid by the Seller Shareholders, the Existing Noteholders and Keppel Griffin, and not the Purchaser.

3.4.5 The Seller Shareholders have entered into the Master Agreement in reliance and conditional upon the Purchaser having obtained a warranty and indemnity insurance policy (the "**W&I Policy**"), which provides insurance coverage in respect

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1 The Lease Extension Consideration of S$350.0 million payable to the Existing Memphis Shareholders and the Existing Noteholders (if the Call Option is exercised) is separate and different from the additional upfront land premium amount payable to JTC.

2 In the event the costs of compliance with the terms and conditions imposed by JTC exceed S$3.5 million, parties shall co-operate with each other to make all necessary appeals and applications to JTC, and discuss in good faith on how to allocate surplus costs in excess of S$3.5 million, which may include Keppel DC REIT bearing some or all of such surplus costs. If the parties do not agree to the allocation of the surplus costs, the Purchaser shall be entitled to object to the Land Tenure Lease Extension, provided that if the Existing Memphis Shareholders and the Existing Noteholders have agreed to bear such surplus costs, the Purchaser shall not be entitled to object to the Land Tenure Lease Extension. The repainting and upgrade of building façade of KDC SGP 7 and KDC SGP 8 required by JTC are the usual works required by JTC for extension of land tenure, and such works would typically be undertaken closer to the date of the extended lease (i.e. around 2040).

of any and all claims made by the Purchaser against (a) the Seller Shareholders under the Master Agreement for breach of any of the Seller Shareholders' warranties or any claims under the Seller Shareholders' indemnities and (b) Memphis 1 under the Notes Subscription Agreement for breach of any of Memphis 1's warranties or any claims under Memphis 1's indemnities (each, a "**W&I Claim**")[1].

3.4.6 All costs, fees and expenses in relation to obtaining and maintaining in force the W&I Policy (including all premiums payable, the insurer's legal fees, broker's fees and tax) subject to a maximum amount of S$0.75 million, shall be borne by the Existing Noteholders and the Seller Shareholders.

3.4.7 Save in the case of fraud, fraudulent concealment or wilful misconduct by the Seller Shareholders under the Master Agreement (or by Memphis 1 under the Notes Subscription Agreement), the sole and exclusive remedy of the Purchaser in respect of any W&I Claim will be under the W&I Policy. The Purchaser shall not be entitled to make, shall not make and waives any right it may have to make, any and all W&I Claims except only to the extent required to permit a claim against the insurer under the W&I Policy.

3.5 Certain Terms and Conditions of the Call Option

The Call Option is granted to the Purchaser to require Keppel Griffin to sell the remaining 51.0% of the Memphis 1 Shares to the Purchaser[2], which may not be exercised unless and until the written consent of JTC to the sale and transfer of the Memphis 1 Shares subject to the Call Option by Keppel Griffin to the Purchaser, on terms and conditions which are satisfactory to Keppel Griffin and the Purchaser (each acting reasonably and in good faith) is obtained (the "**Call Option Condition**").

The purchase consideration for the Call Option is computed based on 51.0% of the adjusted NAV of Memphis 1 (which is based on the Call Option Property Price Without Lease Extension).

The "**Call Option Property Price Without Lease Extension**" means the lower of:

(i) A + B; and

(ii) C;

where:

"**A**" is the Agreed KDC SGP 7 and 8 Value;

"**B**" is any JTC Land Premium paid by Memphis 1 in respect of KDC SGP 7 and KDC SGP 8 (pro-rated based on the remaining leasehold tenure compared to the leasehold tenure at the time of payment of such JTC Land Premium); and

"**C**" is, subject to prevailing laws and regulations that the REIT Manager and the REIT Trustee obtain two independent valuations of KDC SGP 7 and KDC SGP 8, the average of

1 The value of the claim under the W&I Policy must be above a minimum sum of S$0.26 million before there is any payout from the W&I Policy.

2 When the Call Option is exercised, the New Class B Notes held by Keppel Griffin would be acquired or redeemed at an amount equal to the outstanding principal amounts together with any accrued but unpaid interest thereon as at completion of the Call Option.

two independent valuations of KDC SGP 7 and KDC SGP 8 obtained by the REIT Manager and the REIT Trustee (which takes into account any JTC Land Premium paid in respect of KDC SGP 7 and KDC SGP 8) with a valuation date not earlier than six months prior to the exercise of the Call Option.

Subject to the Call Option Condition being satisfied, the Call Option shall be exercisable at any time during the period commencing on the date falling one calendar day after 17 July 2025 and ending on (i) 17 October 2025 or (ii) (if written consent of JTC to the sale and transfer of the Call Option Shares has not been issued by 17 October 2025) 17 January 2026.

Should the Call Option be exercised, Keppel DC REIT will have 100.0% interest in KDC SGP 7 and KDC SGP 8[1]. The REIT Manager expects that the Call Option may be exercised sometime in 2H 2025. Following that, Memphis 1 would be converted into a limited liability partnership for tax transparency purposes[2], and in connection thereto the New Class A Notes and the New Class B Notes may be restructured and/or redeemed.

For the avoidance of doubt, the value of the purchase consideration payable for the exercise of the Call Option will be aggregated with the other interested person transactions in the financial year in which it is exercised, and Keppel DC REIT shall comply with the requirements of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**", and the listing manual, the "**Listing Manual**") relating to interested person transactions and Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**") issued by the Monetary Authority of Singapore ("**MAS**") relating to interested party transactions, in relation to the exercise of the Call Option.

3.6 Outstanding Fit-out Works

KDC SGP 8 fully contracted. It is currently partially fitted and occupied. The remaining data halls are undergoing fit-out which is expected to complete by 1Q 2025 (the "**Outstanding Fit-out Works**").

As part of the terms of the Master Agreement:

(i) the Seller Shareholders will be required to bear 0.49% of the costs to complete the Outstanding Fit-out Works;

(ii) Keppel Griffin shall separately fund its own 0.51% share of the costs to complete the Outstanding Fit-out Works; and

(iii) the Existing Noteholders will be required to bear 99% of the costs to complete the Outstanding Fit-out Works.

There is no cap to the amount payable by the Seller Shareholders, Keppel Griffin and the Existing Noteholders in relation to the costs to complete the Outstanding Fit-out Works.

1 When the Call Option is exercised, the New Class B Notes held by Keppel Griffin would be acquired or redeemed at an amount equal to the outstanding principal amounts together with any accrued but unpaid interest thereon as at completion of the Call Option.

2 To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from IRAS for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

3.7 Income Support for KDC SGP 7 and KDC SGP 8

3.7.1 Terms of the Income Support

As part of the terms for the Master Agreement, the Seller Shareholders and the Existing Noteholders will provide an income support arrangement ("**Lump-Sum Income Support**") for the period commencing from the 1 January 2025 and ending on 30 September 2025. This is because while KDC SGP 8 has received its TOP on 23 August 2024 and is fully contracted, the remaining data halls are undergoing fit-out which is expected to complete by 1Q 2025 and to be fully occupied by 3Q 2025.

Under the Lump-Sum Income Support arrangement, the Seller Shareholders and the Existing Noteholders are to provide a one-off lump sum income support amount capped at (i) (if Completion occurs prior to 1 January 2025) S$8.7 million or (ii) (if Completion occurs between 1 January 2025 to 30 September 2025) S$8.7 million pro-rated from the date of Completion to 30 September 2025.

In addition, a contingency income support is payable if any remaining data halls which are undergoing fit-out is not "ready for service" in accordance with the deadline as set out with the customers and such delay is due solely to fault by the main contractor and/or Memphis 1 (the "**Contingency Income Support**"). There is no cap for the Contingency Income Support.

The Lump-Sum Income Support was negotiated to provide a stabilised net property income for the Property during the initial period post-acquisition prior to the commencement of customer contracts and the Contingency Income Support was negotiated to cover the situations where there is a delay in completing the fit-out works.

The valuations of KDC SGP 7 and KDC SGP 8 do **<u>not</u>** take into account the Lump-Sum Income Support and the Contingency Income Support (together, the "**Income Support**").

3.7.2 Safeguards

On Completion, the Purchaser shall be entitled to withhold from the completion payments to the Seller Shareholders and the Existing Noteholders an amount equivalent to S$8.7 million in relation to the Lump-Sum Income Support and approximately S$4.5 million in relation to the Contingency Income Support.

3.7.3 Directors' Opinion

The Independent Directors will provide their views as to whether the Income Support is on normal commercial terms and is not prejudicial to the interests of Keppel DC REIT and its minority Unitholders after the independent financial adviser provides its opinion on the Proposed Shares and Notes Transactions.

3.8 Certain Terms and Conditions of the Notes Subscription Agreement

The principal terms of the Notes Subscription Agreement include, among others, the following:

3.8.1 The Purchaser shall subscribe for two new classes of notes to be issued by Memphis 1, as follows:

(i) 100.0% of the New Class A Notes; and

(ii) 99.49% of the New Class B Notes.

3.8.2 The proceeds from the New Class A Notes shall be used towards redeeming Existing Notes 1 and Existing Notes 2 held by the Existing Noteholders. The proceeds from the New Class B Notes shall be used towards redeeming Existing Notes 1 and Existing Notes 2 held by Existing Noteholders, repay external bank borrowings of Memphis 1, and fund the working capital and any potential future capital expenditure of Memphis 1.

3.8.3 In relation to the New Class A Notes:

(i) the amount payable is at 99.0% of the Available Cash Flow[1]; and

(ii) the New Class A Notes may be redeemed under the following circumstances: (a) where there is an event of default; (b) upon maturity or sale of KDC SGP 7 and KDC SGP 8; or (c) where Memphis 1 decides to redeem the New Class A Notes.

3.8.4 In relation to the New Class B Notes, the amount payable is fixed at 4.0% per annum and the tenure of the New Class B Notes is five years.

3.8.5 Memphis 1 has entered into the Notes Subscription Agreement in reliance and conditional upon the Purchaser having obtained the W&I Policy, which provides insurance coverage in respect of any W&I Claims (see paragraphs 3.4.5 to 3.4.7 for details relating to the W&I Policy).

3.9 Certain Terms and Conditions of the Shareholders' Agreement

Upon Completion of the Proposed Shares and Notes Transactions, the Purchaser and Keppel Griffin will enter into the Shareholder's Agreement as the new shareholders of Memphis 1, and the existing shareholders' agreement dated 29 June 2020 between the Existing Memphis Shareholders, KDCH and TPPL will be terminated.

The principal terms of the Shareholder's Agreement include, among others, the following:

3.9.1 The board of Memphis 1 shall consist of three directors, with one director to be appointed by the Purchaser, one director to be appointed by Keppel Griffin, and so

1 "**Available Cash Flow**" means, in respect of a financial quarter, the lower of:

(i) Memphis 1's bank cash balance at the end of that financial quarter excluding those sums set aside as restricted cash or reserve requirements under the terms of any financing provided by banks and financial institutions to Memphis 1 ("**External Financing**"), if any, and New Class B Notes; and such bank balance must be net of outgoings for that financial quarter, including but not limited to, construction-related costs, KDC SGP 7 and KDC SGP 8-related expenses, corporate expenses, corporate taxes, fees payable pursuant to any project development management agreement, operating agreement master lease agreement or facility management agreement entered into by Memphis 1 in respect of the Property (other than in relation to KDC SGP 9), any amount set aside for interest or amortising principal payable in respect of External Financing, capital expenditure and/or working capital reserves; and

(ii) an amount equivalent to:

(a) Memphis 1's net profit after tax (which excludes the amount payable on the New Class A Notes and for avoidance of doubt, includes the amount payable on the New Class B Notes) for that financial quarter; **less**

(b) any amount set aside for amortising principal payments payable in respect of External Financing, capital expenditure and/or working capital reserves and; **after making**

(c) adjustment for certain non-cash items.

long as there are any New Class A Notes outstanding, one director to be appointed by the holder(s) of the New Class A Notes (which is currently the Purchaser).

3.9.2 Subject to the reserved matters as set out below, all resolutions of the directors of Memphis 1 at a meeting or adjourned meeting of the directors shall be adopted by a simple majority vote of the directors present and voting, provided that such resolution shall not be passed without the approval of the director appointed by the Purchaser and the director appointed by the holder of the New Class A Notes (which is currently the Purchaser).

3.9.3 Subject to any additional requirements specified by the Companies Act 1967 of Singapore and the Shareholder's Agreement Reserved Matters (as defined herein), all resolutions of the shareholders of Memphis 1 shall be adopted by a simple majority vote of the shareholders of Memphis 1 present and voting on a show of hands or on a poll (if a poll is demanded), provided that such resolution shall not be passed without the approval of the Purchaser.

3.9.4 The following matters, among others, shall be considered a reserved matter which would require the prior written approval of all shareholders under the Shareholder's Agreement ("**Shareholder's Agreement Reserved Matters**"):

(i) any proposed amendment, variation or modification to the constitution of Memphis 1;

(ii) any issuance, repurchase, cancellation or redemption of Memphis 1's share capital or the issue or grant of any warrant or option over the share capital of Memphis 1 or any increase, reduction, consolidation, sub-division, reclassification or other alteration of Memphis 1's capital structure (but excluding any redemption or issuance of the New Class A Notes and the New Class B Notes by Memphis 1);

(iii) any modification of the rights or benefits attaching to the shares in Memphis 1;

(iv) any other change to the equity capital structure of Memphis 1; and

(v) the acquisition of or investment in any undertaking, real estate assets or property by Memphis 1 other than the Property.

Each shareholder of Memphis 1 undertakes to exercise its voting rights in Memphis 1 to ensure that Memphis 1 shall comply with, and to be bound by, the decisions made by the board of directors of Memphis 1, and undertake to exercise its voting rights in Memphis 1 to ensure that Memphis 1 shall take all necessary actions that would be needed in order to implement all decisions of the board of directors of Memphis 1, provided that if such matter relates to a Shareholder's Agreement Reserved Matter, and is reasonably determined by such shareholder not to be in the interests of such shareholder, such shareholder need not pass such relevant resolution of shareholders in relation to such matter.

3.10 Certain Terms and Conditions of the KDC SGP 7 and 8 MLA

Upon Completion of the Proposed Shares and Notes Transactions, Memphis 1 will enter into the KDC SGP 7 and 8 MLA with KDCS3 in respect of KDC SGP 7 and KDC SGP 8.

The agreed form of the KDC SGP 7 and 8 MLA is contained in the Letter Agreement, under which the parties to the Letter Agreement undertake to each other that, *inter alia*, the Property Related Agreements will be entered into by the respective parties.

The principal terms of the KDC SGP 7 and 8 MLA include, among others, the following:

3.10.1 The term of the KDC SGP 7 and 8 MLA is ten (10) years commencing from the Completion Date.

3.10.2 KDCS3 is required to pay rent on a quarterly basis and such rent shall comprise the following:

(i) a total fixed rent per annum for each year as follows (the "**KDC SGP 7 and 8 Fixed Rent**"); and

Year	Fixed Rent (S$) per annum	
	KDC SGP 7	KDC SGP 8
First year	11,000,000	9,200,000(1)
Second year	11,330,000	11,330,000
Third year	11,669,900	11,669,900
Fourth year	12,019,997	12,019,997
Fifth year	12,380,597	12,380,597
Sixth Year	12,752,015	12,752,015
Seventh Year	13,134,575	13,134,575
Eighth Year	13,528,613	13,528,613
Ninth Year	13,934,471	13,934,471
Tenth Year	14,352,505	14,352,505

Note:

(1) The fixed rent for KDC SGP 8 is lower in the first year as Outstanding Fit-out Works are ongoing.

(ii) a total variable rent computed in respect of each financial year (the "**KDC SGP 7 and 8 Variable Rent**"), based on an amount equivalent to 99.0% of the KDC SGP 7 and 8 EBITDA Amount (as defined herein) (or such larger amount as the parties may agree in writing).

3.10.3 The "**KDC SGP 7 and 8 EBITDA Amount**" for each financial year will be computed based on the following:

(i) the aggregate of the following payable by customers and received by KDCS3 but excluding certain taxes and governmental charges:

(a) all income, including colocation revenues and work space revenues (whether in the form of recurring or non-recurring/one time charges or otherwise);

(b) ad hoc revenues (being revenues derived from ad hoc services provided to the customers in relation to KDC SGP 7 and KDC SGP 8);

(c) the power service charges; and

(d) the charges for the provision by KDCS3 of additional services; less

(ii) all the operating expenses incurred by KDCS3 in the maintenance, management, operation and marketing of KDC SGP 7 and KDC SGP 8 as well as the provision of total turnkey facility management services in respect of KDC SGP 7 and KDC SGP 8; less

(iii) the KDC SGP 7 and 8 Fixed Rent.

3.10.4 The quantum of the KDC SGP 7 and 8 Variable Rent will be adjusted after the end of each financial year based on the agreed computation of the KDC SGP 7 and 8 Variable Rent based on the KDC SGP 7 and 8 EBITDA Amount for that financial year or (in the event that KDCS3 does not agree with Memphis 1's computation of the KDC SGP 7 and 8 Variable Rent based on the KDC SGP 7 and 8 EBITDA Amount for that financial year and such dispute fails to be resolved) a jointly-appointed expert's determination on the KDC SGP 7 and 8 EBITDA Amount for that financial year.

3.10.5 In the event the KDC SGP 7 and 8 EBITDA Amount (before deducting the KDC SGP 7 and 8 Fixed Rent) in respect of that financial year is a negative amount, Memphis 1 will refund all quarterly KDC SGP 7 and 8 Variable Rent received from KDCS3 for that financial year (if any) and pay KDCS3 an amount equivalent to such negative amount.

3.10.6 Memphis 1 will provide to KDCS3 certain services, including:

(i) the provision of data centre infrastructure to support KDC SGP 7 and KDC SGP 8 for the permitted use;

(ii) facility management, maintenance services and routine preventive maintenance in respect of such KDC SGP 7 and KDC SGP 8 as agreed between the parties;

(iii) the maintenance of equipment owned by KDCS3 to keep it in good working order and condition and be responsible for all repair, maintenance, replacements or overhauls thereof;

(iv) the quality of service at service levels to be achieved according to certain service level requirements; and

(v) the provisions of certain reports.

3.10.7 Memphis 1 shall pay the property tax and land rent, including all increases thereof, imposed by the relevant authority on KDC SGP 7 and KDC SGP 8 in respect of any period during the term of the KDC SGP 7 and 8 MLA.

3.10.8 Memphis 1 shall indemnify KDCS3 and hold KDCS3 harmless from and against all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties suffered or incurred by KDCS3 in respect of any of the KDC SGP 7 and 8 Contracts[1], except to the extent that such losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties resulted from or is caused by the wilful default or gross negligence of KDCS3, its employees or agents in complying with the provisions of the KDC SGP 7 and 8 MLA.

3.10.9 KDCS3 shall indemnify Memphis 1 against all claims, demands, actions, proceedings, judgements, damages, losses, costs and expenses of any nature which Memphis 1 may suffer or incur for death, injury, loss and/or damage caused by, and all penalties or fines imposed by any competent authority resulting from, any wilful default or gross negligence by KDCS3, its employees or agents, in complying with the provisions of the KDC SGP 7 and 8 MLA, subject to certain limitations.

It should be noted that the colocation contracts with the underlying end-users are independent of the arrangements in the KDC SGP 7 and 8 MLA. As there is no cap to the negative amount, if the existing underlying end-users were to not renew their contracts and there is a prolonged period of vacancy, there is a risk that Memphis 1 may receive no rental income and may have to incur expenses in relation to the reimbursement to KDCS3 of the negative amount.

Nevertheless, in such an unlikely event, Keppel DC REIT will work together with KDCS3 to identify new prospective end-users. Based on an annualised 12 months ended 31 December 2024 assuming that all KDC SGP 7 and 8 Contracts have commenced, the gross revenue received by Memphis 1 is significantly more than the KDC SGP 7 and 8 Fixed Rent of S$20.2 million per annum. Further, given KDCS3's track record, and that the facility management fee is computed as a percentage of the KDC SGP 7 and 8 EBITDA Amount, KDCS3's interest is aligned with Keppel DC REIT to improve the KDC SGP 7 and 8 EBITDA Amount position.

3.11 Certain Terms and Conditions of the KDC SGP 7 and 8 FMA

Upon Completion of the Proposed Shares and Notes Transactions, the existing facility management agreement dated 19 January 2021 entered into between Memphis 1 as owner and KDCS3 as facility manager in respect of KDC SGP 7 and KDC SGP 8 will be terminated. Memphis 1 will enter into the KDC SGP 7 and 8 FMA with KDCS3 in respect of KDC SGP 7 and KDC SGP 8, under which KDCS3 will be appointed as facility manager to provide facility management services to cover the scope of services relating to facility management services under the existing facility management agreement dated 19 January 2021 entered into between Memphis 1 as owner and KDCS3 as facility manager in respect of KDC SGP 7 and KDC SGP 8, which will be terminated.

The agreed form of the KDC SGP 7 and 8 FMA is contained in the Letter Agreement, under which the parties to the Letter Agreement undertake to each other that, *inter alia*, the Property Related Agreements will be entered into by the respective parties.

The principal terms of the KDC SGP 7 and 8 FMA include, among others, the following:

1 "**KDC SGP 7 and 8 Contracts**" refer to any tenancies, leases, licences, colocation agreements or occupation agreements with the customers in respect of KDC SGP 7 and KDC SGP 8.

3.11.1 KDCS3 will be entitled to a facility management fee on a quarterly basis of an amount equivalent to the sum of 4.0% of the KDC SGP 7 and 8 EBITDA Amount for each monthly period in such quarterly period. If the KDC SGP 7 and 8 EBITDA Amount is zero or negative in such financial year due to KDC 7 and KDC SGP 8 undergoing approved works, all of facility management fee paid to KDCS3 for that financial year shall be refunded to Memphis 1.

3.11.2 The term of the KDC SGP 7 and 8 FMA shall commence on and from the commencement date of the KDC SGP 7 and 8 FMA and shall be for a period of 10 years or until terminated in accordance with the terms of the KDC SGP 7 and 8 FMA.

3.11.3 KDCS3 will be entitled to the following project management fees (if not prohibited by the Property Funds Appendix or if otherwise permitted by the MAS) for the refurbishment, retrofitting and/or renovation works on KDC SGP 7 and 8:

(i) where the construction costs are S$2.0 million or less, a fee of 3.0% of the construction costs;

(ii) where the construction costs exceed S$2.0 million but do not exceed S$20.0 million, a fee of 2.0% of the construction costs or S$60,000, whichever is the higher;

(iii) where the construction costs exceed S$20.0 million but do not exceed S$50.0 million, a fee of 1.5% of the construction costs or S$400,000, whichever is the higher; and

(iv) where the construction costs exceed S$50.0 million, a fee of not more than 1.5% of the construction costs.

3.11.4 The KDC SGP 7 and 8 FMA will be terminated on the termination of the KDC SGP 7 and 8 MLA.

3.11.5 KDCS3 shall, *inter alia*,

(i) keep KDC SGP 7 and KDC SGP 8 clean and tidy;

(ii) keep KDC SGP 7 and KDC SGP 8 and all fixtures, fittings and installations in it and all conducting media[1] in and serving KDC SGP 7 and KDC SGP 8, in good and tenantable repair and condition (except for fair wear and tear);

(iii) immediately make good, to the reasonable satisfaction of Memphis 1, any damage caused to KDC SGP 7 and KDC SGP 8 or any part of KDC SGP 7 and KDC SGP 8 by KDCS3 (as tenant), its employees, agents, independent contractors or any permitted occupier;

(iv) maintain all equipment owned by KDCS3 (as tenant) or KDCS3's customers which are installed or operated and/or to be installed or operated at KDC SGP 7 and KDC SGP 8 in good working order and condition and to be responsible for all repair, maintenance, replacements or overhauls

1 Drains, sewers, conduits, flues, risers, gutters, gullies, channels, ducts, shafts, watercourses, pipes, cables, wires and mains.

thereof;

(v) be responsible for the maintenance and management of KDC SGP 7 and KDC SGP 8;

(vi) ensure that the buildings on KDC SGP 7 and KDC SGP 8 are secured whether or not it is occupied;

(vii) ensure that all debris, sewerage, waste and garbage in KDC SGP 7 and KDC SGP 8 are disposed of at KDCS3's cost and expense;

(viii) ensure that any electrical installations, machines or equipment at KDC SGP 7 and KDC SGP 8 do not cause heavy power surge, high frequency voltage and current, air-borne noise, vibration or any electrical or mechanical interference or disturbance whatsoever which prevents the service or use of any communication system or affects the operation of other equipment, installations, machinery or plants of the neighbouring premises;

(ix) be responsible for all landscaping for KDC SGP 7 and KDC SGP 8;

(x) keep all pipes, drains, sinks and water-closets in KDC SGP 7 and KDC SGP 8 clean and unblocked; and

(xi) employ a cleaning contract for cleaning KDC SGP 7 and KDC SGP 8.

3.11.6 KDCS3 shall indemnify Memphis 1 and hold Memphis 1 harmless from and against all losses, damages, claims, demands, proceedings, actions, costs, expenses, interest, liabilities and penalties which Memphis 1 may suffer or incur resulting from or to the extent caused by, any wilful default or gross negligence by KDCS3, its employees or agents, in complying with the provisions of the KDC SGP 7 and 8 FMA.

3.11.7 Under the KDC SGP 7 and 8 FMA, in the event that the KDC SGP 7 and 8 MLA is renewed for a further term of five (5) years in accordance with the provisions of the KDC SGP 7 and 8 MLA, the KDC SGP 7 and 8 FMA will be renewed for a further term of five (5) years on such terms as Memphis 1 and KDCS3 may mutually agree.

3.11.8 Without prejudice to the general indemnity that KDCS3 has provided (as set out in paragraph 3.11.6 of this Announcement), in the event of a breach or non-compliance by KDCS3 of its obligations under the KDC SGP 7 and 8 FMA, which results in Memphis 1 suffering a loss arising out of or in connection with the payment of customer service credits by KDCS3 (as tenant) to customers under or in respect of the KDC SGP 7 and 8 Contracts in a financial year, KDCS3 shall pay to Memphis 1 on demand an amount equivalent to the total aggregate value of all such customer service credits paid to the customers in that financial year, subject to a cap equivalent to 1.0% in that financial year. Such indemnity does not cover for any losses arising out of a breach of the terms of the electricity contract which covers the Property (including losses which the KDC SGP 9 Entity may suffer arising from any breach of the electricity contract or gross negligence or wilful misconduct by Memphis 1 or its users and authorised persons (who will include KDCS3) pursuant to the indemnities under the KDC SGP 9 Sub-Lease Agreement as further described in paragraph 3.13(iii) below).

3.12 Certain Terms and Conditions of the Business Transfer Agreement

Upon Completion of the Proposed Shares and Notes Transactions, Memphis 1 will enter into the Business Transfer Agreement with KDCS3 in respect of KDC SGP 7 and 8, to transfer the business of data centre operations carried out by Memphis 1 including the assets and liabilities subsisting at Completion[1], from Memphis 1 to KDCS3, for a nominal consideration.

The agreed form of the Business Transfer Agreement is contained in the Letter Agreement, under which the parties to the Letter Agreement undertake to each other that, *inter alia*, the Property Related Agreements will be entered into by the respective parties.

The rationale for the entry into the Business Transfer Agreement is because as a REIT, Keppel DC REIT should be a passive vehicle and should not be actively running a business. The current proposed structure where KDCS3 contracts with the customers is the same as that for KDC SGP 1 to 5 that Keppel DC REIT holds.

3.13 Certain Terms and Conditions of the KDC SGP 9 Sub-Lease Agreement

A sub-lease agreement in respect of KDC SGP 9 was entered into between Memphis 1 (as lessor) and the KDC SGP 9 Entity (as lessee). The lease term of the KDC SGP 9 Sub-Lease Agreement will be from the Completion Date until one day prior to the expiry of the head lease in relation to the Property.

The key terms of the KDC SGP 9 Sub-Lease Agreement are as follows:

(i) the KDC SGP 9 Entity shall reimburse Memphis 1 for all rates, taxes (including property tax), charges, assessments, outgoings and impositions charged, assessed or imposed by any government authority, upon or otherwise attributable (as parties may mutually agree (taking into account applicable interested person transaction rules)) attributable to the portion of the land which forms the KDC SGP 9 Sub-Lease (the "**Sub-Lease Premises**");

(ii) the reimbursement by the KDC SGP 9 Entity to Memphis 1 of the periodic land rent payable to JTC. In the event Memphis 1 elects to pay an upfront land premium to JTC in lieu of the periodic land rent, the KDC SGP 9 Entity shall reimburse Memphis 1 for the upfront land premium payable to JTC attributable to the Sub-Lease Premises. Such amount shall be calculated by multiplying the total upfront land premium for the entire Property by the ratio in which the land area of the Sub-Lease Premises bears to the total land area of the Property (pro-rated for the lease term of the KDC SGP 9 Sub-Lease Agreement, if applicable);

(iii) each of KDC SGP 9 Entity and Memphis 1 shall comply with the terms as set out in the KDC SGP 9 Sub-Lease Agreement (including, but not limited to, observing the obligations contained in the head lease and/or imposed by any relevant authorities not do anything which would cause Memphis 1 to be in breach of such obligations, and in the case of Memphis 1, ensuring that certain services and utilities are provided to KDC SGP 9 Entity), and in this regard, each of KDC SGP 9 Entity and Memphis 1 shall fully indemnify each other party and hold such other party harmless from any loss, damage, claims, demands, proceedings, actions, costs, expenses,

1 These include security deposits from customers and any cash that supports such security deposits.

interest or penalties suffered or incurred arising from or as a result of any of their breach, and in the case of breach of the electricity contract, gross negligence or wilful misconduct by it or its users and authorised persons resulting in disruption of supply of electricity at the Property;

(iv) the KDC SGP 9 Entity shall bear all cost and expense for the maintenance and management of the Sub-Lease Premises;

(v) the cost sharing arrangements in relation to the costs of maintenance of the common facilities, the shared costs items, and the electricity costs incurred in respect of the common parts, which are shared between Memphis 1 and the KDC SGP 9 Entity in the proportion of two-thirds and one-third respectively and on the terms set out in the KDC SGP 9 Sub-Lease;

(vi) the payment by the KDC SGP 9 Entity of (a) the electricity and water cost based on actual metered consumption and actual rate/unit charged (with no mark-up), provided that if the Sub-Lease Premises are not separately metered for electricity, a proportionate part of the electricity charges (including any taxes on it) which are determined by Memphis 1 and the KDC SGP 9 Entity (each acting reasonably and taking into account applicable interested person transaction rules) to be attributable to the Sub-Lease Premises shall be paid by the KDC SGP 9 Entity, and (b) contracted capacity charges based on the apportionment as set out in the KDC SGP 9 Sub-Lease; and

(vii) Memphis 1 and KDC SGP 9 Entity shall, at or about six months prior to the commencement of operations of KDC SGP 9, discuss the potential sale of the KDC SGP 9 Entity's interest in KDC SGP 9 to Memphis 1. For the avoidance of doubt, neither party shall be obliged proceed with the transaction. Where no such sale has taken place, Memphis 1 and KDC SGP 9 Entity shall convene a meeting every six months from the commencement of operations of KDC SGP 9 to discuss a potential sale.

As the KDC SGP 9 Entity is a fund managed by a subsidiary of the Sponsor, future payments arising from the above arrangements would constitute an "interested person transaction" under Chapter 9 of the Listing Manual.

3.14 Total Acquisition Cost

Total Acquisition Cost of Proposed Shares and Notes Transactions (excluding Lease Extension Consideration and Call Option)

The acquisition cost for the Proposed Shares and Notes Transactions ("**Total Acquisition Cost**") is estimated to be approximately S$1,066.8 million (excluding the Lease Extension Consideration of S$350.0 million (if the Call Option is exercised)), comprising:

(i) the Purchase Consideration of approximately S$1,030.2 million (without the Land Tenure Lease Extension) subject to post-completion adjustments;

(ii) the acquisition fee (the "**Acquisition Fee**") payable in Units[1] to the REIT Manager

1 As the Proposed Shares and Notes Transactions constitute an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee will be in the form of Acquisition Fee Units which shall not be sold within one year from

pursuant to the Trust Deed for the Proposed Shares and Notes Transactions (the "**Acquisition Fee Units**") of approximately S$10.2 million; and

(iii) the estimated stamp duty, professional and other fees and expenses of approximately S$26.4 million incurred or to be incurred by Keppel DC REIT in connection with the Proposed Shares and Notes Transactions.

The Acquisition Fee of S$10.2 million (excluding acquisition fee in connection with the Lease Extension Consideration of S$350.0 million (if the Call Option is exercised)) is computed based on the aggregate of:

(i) S$5.0 million, being 1.0% of 49.0% of the Agreed KDC SGP 7 and 8 Value (as Keppel DC REIT holds 49% of the shares of Memphis 1, the value used is the underlying real estate value, being the Agreed KDC SGP 7 and 8 Value); and

(ii) S$5.2 million, being 1.0% of 51.0% of the New Class A Notes Subscription Amount and 1.0% of 50.49% of the New Class B Notes REIT Subscription Amount (as Keppel DC REIT does not hold the balance 51% of Memphis 1, the value used is the investment amount of the New Class A Notes Subscription Amount and the New Class B Notes REIT Subscription Amount).

<u>Total Acquisition Cost of Lease Extension Consideration and the Call Option purchase consideration</u>

In addition to the Total Acquisition Cost, in the event that the Land Tenure Lease Extension is granted (if the Call Option is exercised) [1]:

(i) S$350.0 million, being the Lease Extension Consideration, will be payable to the Seller Shareholders, the Existing Noteholders and Keppel Griffin [2], and will be funded by debt;

(ii) the JTC Land Premium, which is estimated to be approximately S$9.9 million in relation to the Land Tenure Lease Extension [3] and any estimated stamp duty, professional and other fees and expenses thereon which is estimated to be approximately S$1.2 million;

(iii) S$3.5 million, being the acquisition fee of 1.0% of the Lease Extension Consideration of S$350.0 million[4] is payable in Units;

(iv) S$6.1 million, being the purchase consideration for the Call Option, will be payable

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the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix. Based on the Trust Deed, the REIT Manager shall be entitled to receive such number of Acquisition Fee Units as may be purchased for the relevant amount of the Acquisition Fee issued at the prevailing market price.

1 The acquisition cost set out above in relation to the Call Option is based on an estimate and the Agreed KDC SGP 7 and 8 Value. See paragraph 3.5 for further details regarding the potential adjustment to the adjusted NAV of Memphis 1.

2 If the Call Option is not exercised, the Purchaser shall pay the Seller Shareholders and the Existing Noteholders an additional amount of S$348.2 million.

3 The Lease Extension Consideration of S$350.0 million payable to the Existing Memphis Shareholders and the Existing Noteholders (if the Call Option is exercised) is separate and different from the additional upfront land premium amount payable to JTC.

4 If the Call Option is not exercised, the Purchaser shall be required to pay S$3.5 million, being 99.49% of the acquisition fee relating to the Lease Extension Consideration.

to Keppel Griffin;

(v) (in relation to the Call Option) the JTC Land Premium, which is estimated to be approximately S$0.1 million in relation to the Land Tenure Lease Extension and any estimated stamp duty, professional and other fees and expenses thereon which is estimated to be approximately S$0.2 million; and

(vi) (in relation to the Call Option) S$0.1 million, being the acquisition fee of 1.0% of the purchase consideration for the Call Option.

Total Acquisition Cost of Proposed Shares and Notes Transactions, Lease Extension Consideration and the Call Option purchase consideration

The total acquisition cost for the Proposed Shares and Notes Transactions together with the Land Tenure Lease Extension and the Call Option[1] is estimated to be approximately S$1,437.9 million, comprising:

(i) approximately S$1,386.3 million, being the sum of the Purchase Consideration, the Lease Extension Consideration and the purchase consideration for the Call Option;

(ii) approximately S$37.8 million, being the estimated stamp duty, professional and other fees and expenses incurred or to be incurred by Keppel DC REIT in connection with the Proposed Shares and Notes Transactions, the Land Tenure Lease Extension and the Call Option; and

(iii) approximately S$13.8 million, being the acquisition fee payable in Units to the REIT Manager pursuant to the Trust Deed for the Proposed Shares and Notes Transactions, the Land Tenure Lease Extension and the Call Option.

If there are any other costs to be incurred arising from the Land Tenure Lease Extension, these will be funded by debt.

3.15 Method of Financing

The REIT Manager intends to finance the Total Acquisition Cost with:

(i) approximately S$973.2 million from the net proceeds raised from the issuance of New Units pursuant to the Equity Fund Raising[2];

(ii) approximately S$83.4 million, from the drawdown from debt facilities; and

(iii) the issue of the Acquisition Fee Units[3] amounting to approximately S$10.2 million

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1 The acquisition cost set out above in relation to the Call Option is based on an estimate and the Agreed KDC SGP 7 and 8 Value. See paragraph 3.5 for further details regarding the potential adjustment to the adjusted NAV of Memphis 1.

2 Prior to the receipt of the full net proceeds from the Equity Fund Raising, Keppel DC REIT may utilise debt financing to pay for part of the Proposed Shares and Notes Transactions and for such debt to be repaid with the proceeds from the Equity Fund Raising subsequently.

3 If the Call Option is exercised to acquire the balance 51.0% of the Memphis 1 Shares, a separate acquisition fee will be paid based on 51.0% of the agreed value of KDC SGP 7 and KDC SGP 8 as set out in the Call Option less S$10.2 million, being 1.0% of 51.0% (being 100.0% less 49.0%) of the New Class A Notes Subscription Amount and 1.0% of 50.49% (being 99.49% less 49.0%) of the New Class B Notes REIT Subscription Amount. The reason for taking 51.0% of the value of the New Class A Notes Subscription Amount and 50.49% of the New Class B Notes REIT Subscription Amount is to prevent double counting as the balance 49% of such value is already taken into account in the 49.0% of the Agreed KDC SGP 7 and 8 Value.

to the REIT Manager.

The Equity Fund Raising was launched on 19 November 2024, and was undertaken through an issuance of New Units by way of a private placement and a non-renounceable preferential offering, relying on the general mandate given to the REIT Manager at the annual general meeting of Keppel DC REIT held on 17 April 2024, and the Sponsor Subscription.

(See announcement dated 19 November 2024 titled "*Launch of Equity Fund Raising to Raise Gross Proceeds of Approximately S$1 billion*" for further details of the Equity Fund Raising.)

The REIT Manager intends to set aside the KDC SGP 7 and 8 Capex Reserves for each of KDC SGP 7 and KDC SGP 8 from the distributable income each year. As KDC SGP 7 and KDC SGP 8 are relatively new data centres, the KDC SGP 7 and 8 Capex Reserves set aside for the first year will be utilised to partially pay for the upfront land premium.

Prior to the Land Tenure Lease Extension being granted by JTC, the REIT Manager will also set aside an additional amount equivalent to the first year KDC SGP 7 and 8 Capex Reserves to be utilised to partially pay for the additional upfront land premium. Keppel DC REIT has sufficient credit facilities to fund the Lease Extension Consideration.

4. THE SPONSOR SUBSCRIPTION

The REIT Manager had entered into the Unit Subscription Agreement with KDCIH, under which KDCIH will subscribe for approximately S$85.0 million of Sponsor Subscription Units at an issue price which is equal to that of the issue price of New Units issued pursuant to the placement of New Units under the Equity Fund Raising, and the REIT Manager will issue the same to KDCIH.

KDCIH is subscribing for the Sponsor Subscription Units to demonstrate its continuing support and for alignment of interests with Unitholders.

The REIT Manager intends to deploy 100% of the gross proceeds of approximately S$85.0 million from the Sponsor Subscription to fund part of the Total Acquisition Cost (save for the Acquisition Fee)[1].

The Sponsor Subscription Units are expected to be issued to KDCIH in early 2025, around the time after Keppel DC REIT releases its 2024 full year results, which is after the expected date of Completion of the Proposed Shares and Notes Transactions.

The Sponsor Subscription Units will, upon issue and allotment, rank *pari passu* in all respects with the Units on the day immediately prior to the date on which the Sponsor Subscription Units are issued pursuant to the Unit Subscription Agreement, including the right to any distributable income from the day the Sponsor Subscription Units are issued as well as distributions thereafter.

The REIT Manager will make a formal application to the SGX-ST for the listing of, dealing

[1] The proceeds from the Sponsor Subscription will be used to repay debt which was taken up to finance the Proposed Shares and Notes Transactions.

in, and quotation of, the Sponsor Subscription 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.

(See announcement dated 19 November 2024 titled "*Launch of Equity Fund Raising to Raise Gross Proceeds of Approximately S$1 billion*" for further details of the Equity Fund Raising.)

5. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED SHARES AND NOTES TRANSACTIONS

5.1 Assumptions

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Shares and Notes Transactions on the DPU, the NAV[1] per Unit and capitalisation presented below are strictly for illustrative purposes only and are prepared based on the audited financial statements of Keppel DC REIT for the financial year ended 31 December 2023 ("**FY2023**", and the audited financial statements, the "**Keppel DC REIT Audited Financial Statements**") as well as under the following assumptions:

(i) approximately S$973.2 million from the net proceeds from the fully underwritten private placement and preferential offering under the Equity Fund Raising will be used to part finance the Total Acquisition Cost[2];

(ii) approximately S$83.4 million are to be drawn down from debt facilities to part finance the Total Acquisition Cost; and

(iii) approximately S$10.2 million of the Acquisition Fee is payable to the REIT Manager via the issuance of the Acquisition Fee Units.

1 The NAV per Unit is the same as the NTA per Unit.

2 Pending the deployment of the net proceeds from the private placement and preferential offering for the Proposed Shares and Notes Transactions, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the REIT Manager may, in its absolute discretion, deem fit.

5.2 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Shares and Notes Transactions on Keppel DC REIT's DPU for FY2023, as if the Proposed Shares and Notes Transactions were completed on 1 January 2023 and as if the Equity Fund Raising was completed on 1 January 2023, are as follows:

FY2023	Actual Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension[(1)], assuming no tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension[(1)], assuming tax transparency *(based on 100% economic interest)*
Net Profit before Tax[(2)] (S$'000)	137,778	212,720	210,925	195,710	195,710
Distributable Income[(3)] (S$'000)	167,718	233,036	235,348	224,298	227,259
Issued Units ('000)	1,721,430[(4)]	2,193,843[5)]	2,194,246[(5)]	2,196,287 [(5)]	2,196,287[(5)]
DPU (cents)	9.383	10.346	10.450	9.938	10.073
Accretion (%)	-	10.2[(6)]	11.3[(6)]	5.9	7.3

Notes:

To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from Inland Revenue Authority of Singapore ("**IRAS**") for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

(1) The Land Tenure Lease Extension is assumed to be financed fully by debt. Together with that, there is a 1.0% Acquisition Fee on the Land Tenure Lease Extension amount which is assumed to be financed by issuance of Acquisition Fee in Units.
(2) Assuming 100% occupancy for the full year for KDC SGP 7 and KDC SGP 8.
(3) Distributable income includes capital expenditure set aside for certain properties ("**Capex Reserves**").
(4) Number of Units issued as at 31 December 2023.
(5) Includes (i) approximately 282.0 million new Units (at an illustrative issue price of S$2.128 per Unit) issued pursuant to the private placement; (ii) approximately 144.2 million new Units (at an illustrative issue price of S$2.08 per Unit) issued pursuant to the preferential offering; (iii) approximately 39.9 million new Units (at an illustrative issue price of S$2.128 per Unit) issued pursuant to the Sponsor Subscription; and (iv) approximately 4.7 million new Units issued to the REIT Manager in satisfaction of the Acquisition Fee and 50% management fees paid in Units for KDC SGP 7 and KDC SGP 8 for the financial year ended 31 December 2023.
(6) After setting aside S$6.3 million for the estimated additional upfront land premium for the additional 10 years to be paid to JTC.

The pro forma financial effects of the Proposed Shares and Notes Transactions on Keppel DC REIT's DPU for the six-month period ended 30 June 2024 ("**1H2024**"), as if the Proposed Shares and Notes Transactions were completed on 1 January 2024 and as if the Equity Fund Raising was completed on 1 January 2024, are as follows.

1H2024	Actual Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming no tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency *(based on 100% economic interest)*
Net Profit before Tax(2) (S$'000)	129,591	166,960	166,064	158,478	158,478
Distributable Income(3) (S$'000)	80,878	133,448	114,600	109,091	110,567
Issued Units ('000)	1,723,191(4)	2,195,604(5)	2,196,007(5)	2,198,048(5)	2,198,048(5)
DPU (cents)	4.549	5.055	5.107	4.852	4.920
Accretion (%)	-	11.1(6)	12.3(6)	6.7	8.1

Notes:

To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from IRAS for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

(1) The Land Tenure Lease Extension is assumed to be financed fully by debt. Together with that, there is a 1.0% Acquisition Fee on the Land Tenure Lease Extension amount which is assumed to be financed by issuance of Acquisition Fee in Units.

(2) Assuming 100% occupancy for the full year for KDC SGP 7 and KDC SGP 8.

(3) Distributable income includes Capex Reserves.

(4) Number of Units issued as at 30 June 2024.

(5) Includes (i) approximately 282.0 million new Units (at an illustrative issue price of S$2.128 per Unit) issued pursuant to the private placement; (ii) approximately 144.2 million new Units (at an illustrative issue price of S$2.08 per Unit) issued pursuant to the preferential offering; (iii) approximately 39.9 million new Units (at an illustrative issue price of S$2.128 per Unit) issued pursuant to the Sponsor Subscription; and (iv) approximately 4.7 million new Units issued to the REIT Manager in satisfaction of the Acquisition Fee and management fees for the financial period ended 30 June 2024.

(6) After setting aside S$3.2 million for the estimated additional upfront land premium for the additional 10 years to be paid to JTC.

5.3 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Shares and Notes Transactions on Keppel DC REIT's NAV per Unit as at 31 December 2023, as if the Proposed Shares and Notes Transactions were completed on 31 December 2023, are as follows:

FY2023	Actual Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency *(based on 100% economic interest)*
NAV (S$'000)	2,310,980	3,301,004	3,302,593	3,304,393
Issued Units ('000)	1,721,430(2)	2,193,843	2,194,246	2,196,287

FY2023	Actual Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency *(based on 100% economic interest)*
NAV per Unit (S$)	1.34	1.50	1.51	1.51

Notes:
To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from IRAS for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

(1) The Land Tenure Lease Extension is assumed to be financed fully by debt. Together with that, there is a 1.0% Acquisition Fee on the Land Tenure Lease Extension amount which is assumed to be financed by issuance of Acquisition Fee in Units.

(2) Number of Units issued as at 31 December 2023.

There is no impact on the NAV per Unit as at 31 December 2023 if tax transparency is not granted by IRAS.

The pro forma financial effects of the Proposed Shares and Notes Transactions on Keppel DC REIT's NAV per Unit as at 30 June 2024, as if the Proposed Shares and Notes Transactions were completed on 30 June 2024, are as follows:

1H2024	Actual Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency *(based on 100% economic interest)*
NAV (S$'000)	2,369,306	3,359,330	3,360,919	3,362,719
Issued Units ('000)	1,723,191(2)	2,195,604	2,196,007	2,198,048
NAV per Unit (S$)	1.37	1.53	1.53	1.53

Notes:
To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from IRAS for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

(1) The Land Tenure Lease Extension is assumed to be financed fully by debt. Together with that, there is a 1.0% Acquisition Fee on the Land Tenure Lease Extension amount which is assumed to be financed by issuance of Acquisition Fee in Units.

(2) Number of Units issued as at 30 June 2024.

There is no impact on the NAV per Unit as at 30 June 2024 if tax transparency is not granted by IRAS.

5.4 Pro Forma Capitalisation

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma capitalisation of Keppel DC REIT as at 31 December 2023, as if Proposed Shares and Notes Transactions were completed on 31 December 2023, is as follows:

FY2023	Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency *(based on 100% economic interest)*
	(S$'000)	**(S$'000)**	**(S$'000)**	**(S$'000)**
Short-term debt:				
Unsecured debt	72,477	72,477	72,477	72,477
Total short-term debt	**72,477**	**72,477**	**72,477**	**72,477**
Long-term debt:				
Unsecured debt	1,398,147	1,481,556	1,487,940	1,849,058
Total long-term debt	**1,398,147**	**1,481,556**	**1,487,940**	**1,849,058**
Total debt	**1,470,624**	**1,554,033**	**1,560,417**	**1,921,535**
Unitholders' funds(2)	2,353,961	3,343,985	3,345,574	3,347,374
Total Capitalisation	**3,824,585**	**4,898,018**	**4,905,991**	**5,268,909**

Notes:

To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from IRAS for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

(1) The Land Tenure Lease Extension is assumed to be financed fully by debt. Together with that, there is a 1.0% Acquisition Fee on the Land Tenure Lease Extension amount which is assumed to be financed by issuance of Acquisition Fee in Units.

(2) This includes non-controlling interests.

There is no impact on the capitalisation as at 31 December 2023 if tax transparency is not granted by IRAS.

The pro forma capitalisation of Keppel DC REIT as at 30 June 2024, as if Proposed Shares and Notes Transactions were completed on 30 June 2024, is as follows:

1H2024	Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency *(based on 100% economic interest)*
	(S$'000)	**(S$'000)**	**(S$'000)**	**(S$'000)**
Short-term debt:				
Unsecured debt	116,238	116,238	116,238	116,238

1H2024	Before the Proposed Shares and Notes Transactions	After the Proposed Shares and Notes Transactions, assuming no tax transparency *(based on 99.49% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, assuming tax transparency *(based on 100% economic interest)*	After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency *(based on 100% economic interest)*
Total short-term debt	**116,238**	**116,238**	**116,238**	**116,238**
Long-term debt:				
Unsecured debt	1,292,198	1,375,607	1,381,991	1,743,109
Total long-term debt	**1,292,198**	**1,375,607**	**1,381,991**	**1,743,109**
Total debt	**1,408,436**	**1,491,845**	**1,498,229**	**1,859,347**
Unitholders' funds(2)	2,412,724	3,402,748	3,404,337	3,406,137
Total Capitalisation	**3,821,160**	**4,894,593**	**4,902,566**	**5,265,484**

Notes:
To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from IRAS for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

(1) The Land Tenure Lease Extension is assumed to be financed fully by debt. Together with that, there is a 1.0% Acquisition Fee on the Land Tenure Lease Extension amount which is assumed to be financed by issuance of Acquisition Fee in Units.

(2) This includes non-controlling interests.

There is no impact on the capitalisation as at 30 June 2024 if tax transparency is not granted by IRAS.

5.5 Pro Forma Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Proposed Shares and Notes Transactions on Keppel DC REIT's Aggregate Leverage as at 30 September 2024, as if the Proposed Shares and Notes Transactions were completed on 30 September 2024, are as follows:

	Actual (Before the Proposed Shares and Notes Transactions)	**After the Proposed Shares and Notes Transactions, assuming no tax transparency** ***(based on 99.49% economic interest)***	**After (I) the Proposed Shares and Notes Transactions, (II) the exercise of the Call Option, and (III) Land Tenure Lease Extension(1), assuming tax transparency** ***(based on 100% economic interest)***
Aggregate Leverage	39.7%	33.3%	37.9%

Notes:
To obtain tax transparency, certain relevant restructuring and requisite regulatory, tax and other consents and approvals must be obtained. These may include but not limited to (i) consent from JTC for the conversion of Memphis 1 into a limited liability partnership and (ii) the approval from IRAS for tax transparency. There is no assurance that the requisite consents and approvals would be obtained.

(1) The Land Tenure Lease Extension is assumed to be financed fully by debt. Together with that, there is a 1.0%

Acquisition Fee on the Land Tenure Lease Extension amount which is assumed to be financed by issuance of Acquisition Fee in Units.

There is no impact on Aggregate Leverage as at 30 September 2024 if tax transparency is not granted by IRAS.

6. MAJOR TRANSACTION

Chapter 10 of the Listing Manual sets out the rules for significant transactions by Keppel DC REIT such as the acquisition or divestment of assets, including options to acquire or dispose of assets, by Keppel DC REIT. Such transactions are classified into the following categories, as set out in Rule 1004 of the Listing Manual:

(a) non-discloseable transactions;

(b) discloseable transactions;

(c) major transactions; and

(d) very substantial acquisitions or reverse takeovers.

A transaction by Keppel DC REIT may fall into any of the categories set out above depending on the size of the relative figures computed on, *inter alia*, the following bases of comparison which have been set out in Rule 1006(b), Rule 1006(c) and Rule 1006(d) of the Listing Manual respectively:

(i) the net profits attributable to the assets acquired, compared with the net profits of Keppel DC REIT and its subsidiaries (the "**Keppel DC REIT Group**");

(ii) the aggregate value of the consideration given, compared with Keppel DC REIT's market capitalisation; and

(iii) the number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.

Where any of the relative figures computed on the bases set out above exceeds 20.0%, the transaction is classified as a major transaction. The Listing Manual requires that a major transaction involving Keppel DC REIT be made conditional upon approval by Unitholders in a general meeting. However, the approval of Unitholders in a general meeting is not required in the case of an acquisition of profitable assets if only paragraph 6(i) above (i.e. Rule 1006(b) of the Listing Manual) exceeds the relevant 20.0% threshold.

The relative figures for the Proposed Shares and Notes Transactions using the applicable bases of comparison described above are set out in the tables below.

Comparison of	Keppel DC REIT	Proposed Shares and Notes Transactions	Relative figure (%)
Rule 1006(b) of the Listing Manual Net profits, compared with the Keppel DC REIT Group's net profits (S$'000)	129,591(1)	25,295	19.5%

Comparison of	Keppel DC REIT	Proposed Shares and Notes Transactions	Relative figure (%)
Rule 1006(c) of the Listing Manual Consideration, compared with market capitalisation (S$'000)	3,799,547(2)	1,030,153 (without the Land Tenure Lease Extension) 1,380,153 (including the Land Tenure Lease Extension)	27.1% (without the Land Tenure Lease Extension) 36.3% (including the Land Tenure Lease Extension)
Comparison of	**Number of Units previously in issue**	**Number of Sponsor Subscription Units issued to KDCIH pursuant to the Unit Subscription Agreement**	**Relative figure (%)**
Rule 1006(d) of the Listing Manual Number of Sponsor Subscription Units issued to KDCIH pursuant to the Unit Subscription Agreement, compared with the number of Units previously in issue(3)	1,725,733,299	39,943,609 (at an illustrative issue price of S$2.128 per Unit)	2.3%

Notes:

(1) The figure is based on the unaudited net profit before tax of Keppel DC REIT for the six-month period ended 30 June 2024.

(2) The figure is based on the volume weighted average price of S$2.2017 per Unit on the SGX-ST as at 18 November 2024, being the market day preceding the date of the Master Agreement and the Notes Subscription Agreement.

(3) It should be noted that the Sponsor Subscription Units issued to KDCIH pursuant to the Unit Subscription Agreement are not consideration units as the entity subscribing for the Sponsor Subscription Units is not the Seller Shareholders and the Existing Noteholders. Accordingly, this is disclosed for reference purposes only. This is the number of units in issue as at the date of this Announcement.

As seen in the table above, the Proposed Shares and Notes Transactions constitute a "major transaction" under Rule 1014(1) of the Listing Manual. Notwithstanding that, the REIT Manager is of the view that the Proposed Shares and Notes Transactions are in the ordinary course of Keppel DC REIT's business as KDC SGP 7 and KDC SGP 8 are within the investment mandate of Keppel DC REIT and are in the same asset classes and countries as existing properties in Keppel DC REIT's portfolio and accordingly, the Proposed Shares and Notes Transactions do not change the risk profile of Keppel DC REIT. As such, the Proposed Shares and Notes Transactions are not subject to Chapter 10 of the Listing Manual.

However, the Proposed Shares and Notes Transactions constitute an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party transaction" under Paragraph 5 of the Property Funds Appendix.

7. INTERESTED PERSON TRANSACTION AND INTERESTED PARTY TRANSACTION

As at the date of this Announcement, the Sponsor has an aggregate deemed interest in 352,540,111 Units, which is equivalent to approximately 20.43% of the total number of Units in issue as at the date of this Announcement[1]. The Sponsor's deemed interest arises from its shareholdings in (i) KDCIH, a wholly owned subsidiary of Keppel Telecommunications & Transportation Ltd. ("**Keppel T&T**"), which is in turn a wholly owned subsidiary of the Sponsor and (ii) Keppel DC REIT Management Pte. Ltd., a wholly owned subsidiary of Keppel Capital Holdings Pte. Ltd., which is in turn a wholly owned subsidiary of the Sponsor. Therefore, the Sponsor is regarded as a controlling Unitholder ("**Controlling Unitholder**")[2] of Keppel DC REIT within the meaning of the Listing Manual and the Property Funds Appendix.

In addition, the REIT Manager is an indirect wholly owned subsidiary of the Sponsor. Therefore, the Sponsor is regarded as a controlling shareholder (a "**Controlling Shareholder**")[3] of the REIT Manager under both the Listing Manual and the Property Funds Appendix.

Further, Temasek Holdings (Private) Limited ("**Temasek**") has an aggregate deemed interest in 368,192,456 Units, which is equivalent to approximately 21.33% of the total number of Units in issue as at the date of this Announcement[4]. Temasek's deemed interest arises from the deemed interest held by the Sponsor and other subsidiaries and associated companies of Temasek. Therefore, Temasek is deemed as a Controlling Unitholder of Keppel DC REIT within the meaning of the Listing Manual and the Property Funds Appendix.

In addition, Temasek has an aggregate deemed interest in 379,303,692 shares in the Sponsor (the "**Sponsor Shares**"), which is equivalent to approximately 21.00% of the total number of Sponsor Shares in issue as at the date of this Announcement[5]. The REIT Manager is an indirect wholly owned subsidiary of the Sponsor. Therefore, Temasek is regarded as a Controlling Shareholder of the REIT Manager under both the Listing Manual and the Property Funds Appendix.

7.1 Proposed Shares and Notes Transactions as an interested person transaction and an interested party transaction, and proposed entry into the Shareholders' Agreement as an interested person transaction

The parties to the various agreements are as follows:

(i) The Master Agreement was entered into between the Purchaser, CPI SPV Seller, KDCH SPV Seller, Keppel Griffin, ADCF1, ADCF2, ADCF3, KDCS6, and Times

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1 Based on a total number of 1,725,733,299 Units in issue as at the date of this Announcement.

2 For the purposes of the Property Funds Appendix, a "**Controlling Unitholder**" is a person who:
(a) holds directly or indirectly, 15.0% or more of the nominal amount of all voting units in Keppel DC REIT. The SGX-ST or the MAS may determine that such a person is not a controlling Unitholder; or
(b) in fact exercises control over Keppel DC REIT.

3 For the purposes of the Listing Manual, a "**Controlling Shareholder**" is a person who:
(a) holds directly or indirectly 15% or more of the total voting rights in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or
(b) in fact exercises control over a company.

4 Based on a total number of 1,725,733,299 Units in issue as at the date of this Announcement.

5 Based on a total number of 1,806,085,836 Sponsor Shares (excluding treasury shares) in issue as at the date of this Announcement.

Genting.

(ii) The Notes Subscription Agreement was entered into between the Purchaser, Keppel Griffin and Memphis 1.

(iii) The Shareholders' Agreement will be entered into between the Purchaser and Keppel Griffin upon Completion.

The Purchaser, being KDCR Singapore Sub-Trust 1, is a wholly owned sub-trust of Keppel DC REIT, and is an entity at risk[1] pursuant to Chapter 9 of the Listing Manual.

Upon Completion, the balance 51.0% of Memphis 1 will continue to be held by Keppel Griffin, which is indirectly wholly owned by the Sponsor.

KDCH SPV Seller, Keppel Griffin and KDCS6 are subsidiaries of the Sponsor.

ADCF1, ADCF2 and ADCF3 are funds managed by a subsidiary of the Sponsor.

Each of CPI SPV Seller and Times Genting is directly wholly owned by TPPL, which is directly wholly owned by Cuscaden Peak Investments Private Limited ("**CPIPL**"). CPIPL is an indirect subsidiary of Temasek.

For the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the following parties are (for the purpose of the Listing Manual) "interested persons" and (for the purpose of the Property Funds Appendix) "interested parties" of Keppel DC REIT:

(i) Memphis 1, KDCH SPV Seller, Keppel Griffin, ADCF1, ADCF2, ADCF3, and KDCS6 (being associates[2] of the Sponsor, which is a Controlling Unitholder of Keppel DC REIT and a Controlling Shareholder of the REIT Manager); and

(ii) CPI SPV Seller and Times Genting (being an associate of Temasek, which is a Controlling Unitholder of Keppel DC REIT and a Controlling Shareholder of the REIT Manager).

Therefore, the Proposed Shares and Notes Transactions will constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix, in respect of which the approval of Unitholders will be required.

Further, the entry into the Shareholders' Agreement will constitute an "interested person transaction" under Chapter 9 of the Listing Manual, in respect of which the approval of Unitholders will be required.

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1 According to Rule 904(2)(a) of the Listing Manual, an "**entity at risk**" includes the issuer. According to Rule 904(2)(b) of the Listing Manual, an "**entity at risk**" includes a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange.

2 For the purposes of the Listing Manual, in the case of a company and in relation to a controlling shareholder (being a company), an "**associate**" means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more. For the purposes of the Property Funds Appendix, in relation to the controlling unitholder of the REIT, an "**associate**" means any other company which is its subsidiary or holding company, or is a subsidiary of such holding company, or one in the equity of which it or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

7.2 Proposed entry into the Property Related Agreements as an interested person transaction

The Property Related Agreements will be entered into between Memphis 1 and KDCS3 upon Completion.

Upon Completion, Memphis 1 will be 51.0% held by Keppel Griffin (which is indirectly wholly owned by the Sponsor) and 49.0% indirectly held by Keppel DC REIT, and is an entity at risk pursuant to Chapter 9 of the Listing Manual.

As KDCS3 is indirectly wholly owned by the Sponsor, KDCS3 (being an associate of the Sponsor, which is a Controlling Unitholder of Keppel DC REIT and a Controlling Shareholder of the REIT Manager) is (for the purpose of the Listing Manual) an "interested person" of Keppel DC REIT.

Therefore, the entry into the Property Related Agreements will constitute an "interested person transaction" under Chapter 9 of the Listing Manual, in respect of which the approval of Unitholders will be required.

7.3 Arrangements under the KDC SGP 9 Sub-Lease Agreement (including cost sharing arrangements)

The KDC SGP 9 Sub-Lease Agreement was entered into between Memphis 1 (as lessor) and the KDC SGP 9 Entity (as lessee).

Upon Completion, Memphis 1 will be 51.0% held by Keppel Griffin (which is indirectly wholly owned by the Sponsor) and 49.0% indirectly held by Keppel DC REIT, and is an entity at risk pursuant to Chapter 9 of the Listing Manual.

As the KDC SGP 9 Entity is a fund managed by a subsidiary of the Sponsor, the KDC SGP 9 Entity (being an associate of the Sponsor, which is a Controlling Unitholder of Keppel DC REIT and a Controlling Shareholder of the REIT Manager) is (for the purpose of the Listing Manual) an "interested person" of Keppel DC REIT.

Therefore, the future payments arising from the cost sharing arrangements under the KDC SGP 9 Sub-Lease Agreement will constitute an "interested person transaction" under Chapter 9 of the Listing Manual, in respect of which the approval of Unitholders will be required.

7.4 Sponsor Subscription as an interested person transaction

As the Sponsor Subscription will involve the issuance of Sponsor Subscription Units to KDCIH, the Sponsor Subscription will constitute an "interested person transaction" under Chapter 9 of the Listing Manual, in respect of which the approval of Unitholders will be required.

7.5 Requirement for Unitholders' Approval under the Chapter 9 of the Listing Manual

Under Chapter 9 of the Listing Manual, where Keppel DC REIT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000, entered into with the same interested person during the same financial year) is equal to or exceeds 5.0% of the Keppel DC REIT Group's latest audited net tangible assets ("**NTA**"), Unitholders' approval is required in respect of the transaction.

Based on the Keppel DC REIT Audited Financial Statements, the NTA of the Keppel DC REIT Group was S$2,354.0 million as at 31 December 2023. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by Keppel DC REIT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same interested person during the current financial year, equal to or exceeds of S$117.7 million, such a transaction would be subject to Unitholders' approval.

Given that:

(i) the aggregate Purchase Consideration is S$1,030.2 million (without the Land Tenure Lease Extension);

(ii) the Lease Extension Consideration is S$350.0 million (if the Call Option is exercised);

(iii) the aggregate value of the Relevant Agreements is S$1,355.1 million; and

(iv) the Sponsor Subscription Units issued by Keppel DC REIT to KDCIH amounts to approximately S$85.0 million based on the subscription price as stated in the Unit Subscription Agreement,

the value of the above-mentioned transactions is approximately S$2,820.3 million, representing approximately 119.8% of the Keppel DC REIT Group's latest audited NTA[1].

As this value exceeds 5.0% of the Keppel DC REIT Group's latest audited NTA, the Proposed Shares and Notes Transactions, the Sponsor Subscription and the entry into the Relevant Agreements and the KDC SGP 9 Sub-Lease (the "**Proposed Transactions**") are subject to Unitholders' approval under Chapter 9 of the Listing Manual and such approval will be obtained from Unitholders at the EGM.

7.6 Other interested person transactions

As at the date of this Announcement, Keppel DC REIT had entered into interested person transactions with the Sponsor group and its associates during the current financial year, amounting to approximately S$19.8 million (excluding the transactions which are the subject of this Announcement) which is equivalent to approximately 0.8% of the latest audited NTA of Keppel DC REIT as at 31 December 2023.

The total interested person transactions which Keppel DC REIT has entered into during the current financial year (including with the Sponsor group) is S$19.8 million (excluding the transactions which are the subject of this Announcement).

7.7 Requirement for Unitholders' Approval under Paragraph 5 of the Property Funds Appendix for the Proposed Shares and Notes Transactions

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by Keppel DC REIT whose value exceeds 5.0%

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1 It is not meaningful to provide an estimate as to the aggregate value of the payments made pursuant to the KDC SGP 9 Sub-Lease Agreement as such amount is based on the actual costs, including, among others, electricity usage and electricity rates. In any event, the value of the other transactions already exceeds 5% of the Keppel DC REIT Group's latest audited NTA.

of Keppel DC REIT's latest audited NAV.

Based on the Keppel DC REIT Audited Financial Statements, the NAV of Keppel DC REIT was S$2,354.0 million as at 31 December 2023. Accordingly, if the value of a transaction which is proposed to be entered into by Keppel DC REIT with an interested party is equal to or greater than S$117.7 million, such a transaction would be subject to Unitholders' approval.

The aggregate Purchase Consideration is S$1,030.2 million (without the Land Tenure Lease Extension) and S$1,380.2 million (with the Land Tenure Lease Extension), representing approximately 43.7% (without the Land Tenure Lease Extension) and 58.6% (with the Land Tenure Lease Extension) of Keppel DC REIT's latest audited NAV. As this value exceeds 5.0% of Keppel DC REIT's latest audited NAV, the Proposed Shares and Notes Transactions are subject to Unitholders' approval under the Property Funds Appendix.

8. REQUIREMENT FOR UNITHOLDERS' APPROVAL FOR THE PROPOSED ISSUANCE OF THE SUBSCRIPTION UNITS PURSUANT TO RULES 805(1), 811(3) AND 812(2) OF THE LISTING MANUAL

The REIT Manager is seeking Unitholders' approval for a specific mandate to be given to the REIT Manager to issue such amount of Sponsor Subscription Units to raise gross proceeds of approximately S$85.0 million, at an issue price which is equal to that of the issue price of New Units issued pursuant to the placement of New Units under the Equity Fund Raising, pursuant to Rule 805(1) and Rule 811(3) of the Listing Manual.

As at the date of this Announcement, KDCIH is regarded as a Substantial Unitholder of Keppel DC REIT and a Substantial Shareholder of the REIT Manager.

As such, pursuant to Rule 812(2) of the Listing Manual, Unitholders' approval by way of an Ordinary Resolution is required for the issuance of Sponsor Subscription Units to KDCIH under the Unit Subscription Agreement.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the date of this Announcement, certain Directors hold Units. Further details of the interests in Units of Directors and Substantial Unitholders are set below.

Based on the Register of Directors' Unitholdings maintained by the REIT Manager and save as disclosed in the table below, none of the Directors holds a direct or deemed interest in the Units as at the date of this Announcement:

Name of Directors	Direct Interest		Deemed Interest		Total No. of Units held	%[1]
	No. of Units	%	No. of Units	%		
Christina Tan	55,250	0.0032	-	-	55,250	0.0032
Kenny Kwan	41,300	0.0024	-	-	41,300	0.0024
Yeo Siew Eng	14,500	0.0008	-	-	14,500	0.0008

Name of Directors	Direct Interest No. of Units	Direct Interest %	Deemed Interest No. of Units	Deemed Interest %	Total No. of Units held	%(1)
Low Huan Ping	42,800	0.0025	-	-	42,800	0.0025
Chua Soon Ghee	14,200	0.0008	-	-	14,200	0.0008
Andrew Tan	4,300	0.0002	-	-	4,300	0.0002
Thomas Pang	164,188	0.0095	-	-	164,188	0.0095

Note:

(1) The percentage is based on 1,725,733,299 Units in issue as at the date of this Announcement.

The table below sets out the interest in Sponsor Shares which are held by the Directors.

Name of Directors	Direct Interest No. of Sponsor Shares	Direct Interest %(1)	Deemed Interest No. of Sponsor Shares	Deemed Interest %(1)	Total No. of Sponsor Shares held	%(1)	No. of Outstanding Sponsor Share Options	Contingent Award of Sponsor Shares: Sponsor Performance Share Plan	Contingent Award of Sponsor Shares: Sponsor Restricted Share Plan
Christina Tan	1,990,372	0.1102	Nil	-	1,990,372	0.1102	Nil	1,106,450	240,462
Kenny Kwan	10,000	-	Nil	-	10,000	-	Nil	Nil	Nil
Yeo Siew Eng	Nil	-	Nil	-	Nil	-	Nil	Nil	Nil
Low Huan Ping	27,000	-	Nil	-	27,000	-	Nil	Nil	Nil
Chua Soon Ghee	Nil	-	Nil	-	Nil	-	Nil	Nil	Nil
Andrew Tan	Nil	-	Nil	-	Nil	-	Nil	Nil	Nil
Thomas Pang	974,579	0.0540	Nil	-	974,579	0.0540	Nil	580,400	104,965

Note:

(1) The percentage is based on 1,806,085,836 Sponsor Shares (excluding treasury shares of 14,471,931 of the Sponsor) as at the date of this Announcement.

Based on information available to the REIT Manager, the Substantial Unitholders of Keppel DC REIT and their interests in the Units as at the date of this Announcement are as follows:

Name of Substantial Unitholders	Direct Interest No. of Units	Direct Interest %(1)	Deemed Interest No. of Units	Deemed Interest %(1)	Total No. of Units held	%(1)
Temasek(2)	-	-	368,192,456	21.33	368,192,456	21.33
The Sponsor(3)	-	-	352,540,111	20.428	352,540,111	20.428
Keppel T&T(4)	-	-	336,131,978	19.478	336,131,978	19.478
KDCIH	336,131,978	19.478	-	-	336,131,978	19.478

Notes:

(1) The percentage is based on 1,725,733,299 Units in issue as at the date of this Announcement.

(2) Temasek's deemed interest arises from the deemed interest held by the Sponsor and other subsidiaries and associated companies of Temasek.

(3) The Sponsor's deemed interest arises from its shareholdings in (i) KDCIH, a wholly-owned subsidiary of Keppel T&T, which is in turn a wholly owned subsidiary of the Sponsor and (ii) Keppel DC REIT Management

Pte. Ltd., a wholly-owned subsidiary of Keppel Capital Holdings Pte. Ltd., which is in turn a subsidiary of the Sponsor.

(4) Keppel T&T's deemed interest arises from its shareholding in KDCIH, a wholly owned subsidiary of Keppel T&T.

Save as disclosed in this Announcement and based on information available to the REIT Manager as at the date of this Announcement, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the Proposed Transactions.

10. AUDIT AND RISK COMMITTEE STATEMENT

CLSA Singapore Pte Ltd has been appointed as the independent financial adviser, on the Proposed Transactions. The Audit and Risk Committee of the REIT Manager will obtain an opinion from the independent financial adviser, on the Proposed Transactions before forming its view, which will be disclosed in the Circular, as to whether the Proposed Transactions are on normal commercial terms and are not prejudicial to the interests of Keppel DC REIT and its minority Unitholders.

11. OTHER INFORMATION

11.1 Directors' service contracts

No person is proposed to be appointed as a director of the REIT Manager in connection with the Proposed Transactions or any other transactions contemplated in relation to the Proposed Transactions.

11.2 Documents on display

Copies of the following documents are available for inspection by appointment during normal business hours at the registered office of the REIT Manager[1] at 1 HarbourFront Avenue, #18-01 Keppel Bay Tower, Singapore 098632 from the date of this Announcement up to and including the date falling three months after the date of this Announcement:

(i) the Master Agreement;

(ii) the Notes Subscription Agreement;

(iii) the Letter Agreement (which includes the forms of the Property Related Agreements);

(iv) the KDC SGP 9 Sub-Lease Agreement;

(v) the Unit Subscription Agreement;

(vi) the independent valuation reports on KDC SGP 7 and KDC SGP 8 issued by each of Knight Frank and Savills;

(vii) the independent market research report issued by DC Byte; and

(viii) the Keppel DC REIT Audited Financial Statements.

1 Prior appointment with the REIT Manager (telephone: +65 6803 1818) will be appreciated.

The Trust Deed will also be available for inspection at the registered office of the REIT Manager for so long as Keppel DC REIT is in existence.

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

Chiam Yee Sheng / Darren Tan
Company Secretaries
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