

Keppel DC REIT Management Pte Ltd

(Co Reg No. 199508930C) Tel: (65) 6803 1818
1 Harbourfront Avenue, Level 2 Fax: (65) 6803 1717
Keppel Bay Tower
Singapore 098632
www.keppeldcreit.com

MEDIA RELEASE**Keppel DC REIT acquires third data centre in the Netherlands**

6 September 2021, Singapore – Keppel DC REIT has acquired a 100% interest in a freehold property with two data centre buildings in De Hurk, which is the largest business park in Eindhoven, the Netherlands, for EUR 37.2 million (approximately S\$59.9 million¹) from a fund affiliated with MCAP Global Finance (UK) LLP, the European subsidiary of New York headquartered Marathon Asset Management LP. The purchase price was arrived at on a willing-buyer and willing-seller basis, and legal completion has taken place.

The property, which is located at Dillenburgstraat 25A-25E, 25E1, 25F, 25G and 25J-25M, 5652 AM, will be named Eindhoven Campus. It is Keppel DC REIT's third asset in the Netherlands, and further strengthens its foothold in this key data centre market in Europe.

Strategically located close to Eindhoven's city centre and international airport, the property is well connected to the Netherlands' motorway network. Comprising two shell and core data centre buildings as well as a warehouse and an ancillary office building within the site, Eindhoven Campus has a combined net lettable area of approximately 83,841 sq ft and is fully leased with a WALE of 6.8 years¹ by leasable area and 8.5 years¹ by rental income. The data centre space is leased to a global leading IT services provider.

Ms Anthea Lee, CEO of Keppel DC REIT Management Pte. Ltd., the Manager of Keppel DC REIT, said, "Being one of the top four data centre markets in Europe and the eighth largest data centre market globally, the Netherlands is a strategic market for Keppel DC REIT. We are pleased to be able to add to our portfolio a quality and green data centre located in the key technology hub of Eindhoven. With this acquisition, we also diversify our portfolio base with the addition of a well-established data centre client and we look forward to establish strong ties with this client. With this asset, we continue to leverage the strong fundamentals of the Netherlands to provide our investors with stable and sustainable returns."

The Netherlands' data centre market is expected to register a compound annual growth rate of 5.3% over the forecast period of 2021 to 2026². With various transatlantic submarine cables linked directly to the Netherlands, the country is an ideal landing point for data connectivity between the US and Europe. The Netherlands also hosts two of the top 10 largest internet exchanges in the world, namely the Amsterdam Internet Exchange (AMS-IX) and the Neutral Internet Exchange (NL-IX). The latter has connectivity presence in Eindhoven, which is a major city in the Netherlands with an eco-system of more than 235 high-technology companies³. The region continues to gain momentum as a key location for companies developing solutions for the digital economy.

¹ Based on an exchange rate of EUR1.00 to S\$1.6121 as at 30 June 2021

² www.einnews.com/pr_news/544961046/netherlands-data-center-market-size-to-reach-revenues-of-usd-4-5-billion-by-2026-arizton

³ High-tech campus - www.hightechcampus.com

Based on the valuation dated 7 July 2021 by CBRE Valuation & Advisory Services B.V, an independent valuation firm appointed by the trustee of Keppel DC REIT, the market value of the property was EUR 35.4 million⁴ (approximately S\$57.1 million¹). The acquisition is expected to be accretive to Keppel DC REIT's distribution per Unit, and is funded by the proceeds from the recent equity fund raising and by debt denominated in Euro.

Including the strategic addition of Eindhoven Campus, Keppel DC REIT's portfolio occupancy rate will improve from 98.0% as at 30 June 2021 to 98.1%, while weighted average lease expiry will remain unchanged at 6.5 years.

The acquisition constitutes a non-discloseable transaction under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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For more information, please contact:

Media Relations

Ms Lee Wan Jun
Manager
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6423
Email: wanjun.lee@kepcorp.com

Investor Relations

Ms Emmulin Wee
Senior Manager
Investor Relations
Keppel Capital
Tel: (65) 6803 1857
Email: emmulin.wee@kepcapital.com

About Keppel DC REIT (www.keppeldcreit.com)

Listed on the Singapore Exchange on 12 December 2014, Keppel DC REIT's investment strategy is to principally invest, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are used primarily for data centre purposes, as well as real estate and assets necessary to support the digital economy.

The REIT is managed by Keppel DC REIT Management. Keppel Capital has a 50% interest in the Manager, with the remaining interest held by Keppel Telecommunications & Transportation. Keppel Capital is a premier asset manager in Asia with assets under management comprising real estate, infrastructure and data centre properties in key global markets.

The Manager's key objectives are to provide Keppel DC REIT's Unitholders with regular and stable distributions, as well as achieve long-term growth while maintaining an optimal capital structure.

⁴ Based on the income capitalisation and discounted cash flow methods