AJBU SI gideon lens

Keppel DC REIT (AJBU.SI) - Gideon-Lens Equity Research

Date: 2026-07-02. Analyst: Codex. Current price: SGD2.23 from live FMP AJBU.SI quote during this run. Market cap anchor: about SGD5.45b. Fiscal year end: December 31. Reporting currency: SGD.

VERDICT BLOCK

Verdict: PASS

Scorecard:

Gate	Result	Notes
Management	YELLOW	Credible execution, but external-manager and sponsor economics remain unresolved
Moat	YELLOW	Real data-centre scarcity; 2046 minority-unitholder compounding still unproven
P/E <= 15 on confident EPS at TTM + 5 calendar years	FAIL	REIT-adapted P/DPU 15 cushion is -11.8%
Compounder Score	Audited 61 / 100	Watchlist / buy only at materially lower price; diagnostic only
Business Quality Score	Audited 56 / 80	Good asset quality, capped by per-unit and governance proof gaps
20% Return UW Score	Audited 5 / 20	Current price does not support the 20% return hurdle

One-line thesis (or reason to pass): Keppel DC REIT owns scarce, useful data-centre assets, but at SGD2.23 the base case does not produce enough DPU per unit, and the Management/Moat gates remain YELLOW rather than PASS.

Kill / trigger criteria:

- BUY trigger: below roughly SGD1.38 for a 30% margin of safety to the base P/DPU 15 value of SGD1.97, or with new evidence that base horizon DPU can exceed 14.9 cents without higher dilution.
- PASS triggers: DPU below 11.8 cents by FY2027, DI/NPI below 68% for two periods, occupancy below 94%, or unit growth above 2.5% with sub-4% DPU growth.
- Upgrade to BUY conditions: Management and Moat move to PASS, sponsor acquisitions prove post-dilution accretive, and base-case P/DPU 15 clears with room at the then-current price.

Position sizing if bought: 0% today. If the price falls into the lower-entry range before the evidence improves, cap any watchlist position at 1.0% until per-unit compounding and sponsor transaction discipline are proven.

Stage 0 - Time anchor

Today is 2026-07-02. Keppel DC REIT uses a December 31 fiscal year. The most recently reported period is 1Q FY2026, ended 2026-03-31 and announced 2026-04-16. The TTM anchor is Q2 FY2025 plus Q3 FY2025 plus Q4 FY2025 plus Q1 FY2026, reconstructed from official FY2025 less official 1Q FY2025 plus official 1Q FY2026. The forward horizon is exactly five calendar years after the TTM end date: 2031-03-31.

Stage 1 - Disqualifier sweep

The sweep is mixed but not an immediate stop before valuation. ROIC is YELLOW because this is a REIT and ordinary corporate ROIC is the wrong primary lens; property yield, NPI conversion, DPU, NAV per unit and acquisition returns matter more. Cash conversion is GREEN/YELLOW because distributable income and DPU are real, but per-unit compounding is less impressive than total DI growth. Leverage is GREEN/YELLOW at 35.1% aggregate leverage and 7.2x ICR in 1Q FY2026. End markets are GREEN because cloud, AI and digital infrastructure support data-centre demand. Governance is YELLOW because the REIT is externally managed and sponsor-linked. AI disruption is GREEN as a demand driver, not a direct

substitute for the assets. Pricing power is YELLOW/GREEN because renewal reversions and scarcity are visible, but tenant concentration and hyperscaler bargaining power still matter.

Management - summary

Management is YELLOW. The manager has executed well recently: FY2025 and 1Q FY2026 show a strong step-up in distributable income, DPU recovery, controlled leverage, positive leasing, and accretive-looking asset actions. CEO Loh Hwee Long also has relevant data-centre and real-assets background. The problem is not operational incompetence; it is the proof burden for an externally managed, sponsor-linked REIT. The manager earns base fees on deposited property, performance fees on NPI, and transaction/development fees, which means AUM and deals can be rewarded more directly than per-unit value creation. Related-party activity with Keppel and Temasek is large enough that minority unitholders must underwrite transaction pricing, fee leakage, issuance timing, and post-deal DPU/NAV accretion carefully. A management PASS would require several years of FY2026-FY2028 per-unit DPU and NAV compounding after the recent acquisition wave, with leverage discipline and clean evidence that related-party deals left enough upside for outside holders.

Moat - summary

The moat is YELLOW, and the 2046 test is YELLOW. The asset-level moat is real: scarce powered and connected data-centre capacity, customer switching costs, long leases, high occupancy, Singapore scarcity, positive renewal spreads, and a credible Keppel sponsor platform. AI is more likely to lift demand than to make the assets obsolete. But the listed REIT's moat is weaker than the assets' moat. Minority unitholders own units in a vehicle that must fund growth through debt, equity, recycling and sponsor transactions, and that does not disclose tenant-level dollars or property-level NPI. A good data-centre can still be a mediocre security if power/capex costs, refinancing, tenant bargaining, fees, or dilution absorb the rent uplift before it reaches DPU. The 2046 business can be described credibly, but the proof that this listed unit can compound per unit for twenty years remains incomplete.

Stage 5 synthesis - headline numbers

The synthesis correctly adapts the ER2 valuation gate to REIT economics. Segment operating income is proxied by NPI. Equity earnings are proxied by distributable income and DPU, not IFRS EPS distorted by fair-value accounting. The base case combines reviewed segment models for fully-fitted colocation, fully-fitted single tenant, and shell/core assets. The TTM controls are gross revenue of SGD460.139m, NPI of SGD400.323m, distributable income of SGD280.825m, and DPU of 10.711 cents. The base 2031 model reaches gross revenue of SGD623.865m, NPI of SGD535.351m, distributable income of SGD372.069m, and DPU of 13.108 cents. At SGD2.23, the required DPU for a 15x P/DPU entry is 14.867 cents. The base case misses by 11.8%.

Case	Revenue	NPI	Distributable income	DPU	DPU x 15	Cushion vs SGD2.23
Bear	SGD507.052m	SGD416.930m	SGD275.174m	9.322c	SGD1.398	-37.3%
Base	SGD623.865m	SGD535.351m	SGD372.069m	13.108c	SGD1.966	-11.8%
Bull	SGD742.223m	SGD659.658m	SGD465.059m	16.711c	SGD2.507	+12.4%

The bull case clears the P/DPU 15 test, but the base case controls the verdict. The gate failure is not a statement that the assets are weak. It is price discipline: the current price already asks for more per-unit DPU growth than the base case supports. The synthesis passed 11/11 arithmetic and source checks, so the conclusion is not a broken model; it is an unfavorable entry price relative to the required underwriting hurdle.

Red team - summary

The red team agrees with PASS at the current price. Its strongest bear case is that good data-centre assets do not necessarily convert into enough DPU per unit after dilution, fees, funding costs and sponsor-linked acquisition economics. The Stage 5 number most likely to be optimistic is the base horizon DPU of 13.108 cents because it stacks colocation growth, 69.5% DI/NPI conversion, and only 1.6% annual unit growth. The score-derived claim most likely to be misread is the 61/100 Watchlist label: it is not practically investable at SGD2.23 because `final_20pct_hurdle_pass` is false. The monitorable exit signal is concrete: DPU below 11.8 cents by FY2027, DI/NPI below 68% for two periods, occupancy below 94%, or unit growth above 2.5% with sub-4% DPU growth.

Kill / trigger criteria

- Revisit for BUY if the unit price falls below roughly SGD1.38, which gives a 30% margin of safety to the base P/DPU 15 value of about SGD1.97.
- Revisit earlier if new official evidence shows base horizon DPU above 14.9 cents without higher unit dilution, lower DI/NPI conversion, or balance-sheet stress.
- Keep PASS if Management and Moat remain YELLOW and the base P/DPU 15 gate remains negative.
- Kill the thesis if DPU stays below 11.8 cents by FY2027, DI/NPI is below 68% for two periods, occupancy falls below 94%, or unit growth exceeds 2.5% while DPU growth is below 4%.
- Downgrade further if sponsor-linked acquisitions grow deposited property while DPU/NAV per unit stagnate.

Analyst flags

The largest data limitation is not consolidated reporting; it is granular economics. Keppel DC REIT discloses useful asset-class, geography, occupancy, WALE, debt and property-snapshot information, and DR fixed the data package to include the 1Q FY2026 property-level attributable revenue and valuation snapshot. But property-level NPI, tenant-level dollars, tenant names, quarterly asset-class dollars, and deal-by-deal post-dilution acquisition returns remain unavailable. Acquisition-inclusive ROIIC cannot be calculated cleanly. Because the REIT model depends on external growth, sponsor transactions and capital-market funding, those gaps are material. The final verdict is therefore PASS: strong assets, credible watchlist name, not a Gideon BUY at the current price.

Appendix A - Company Primer

Keppel DC REIT - Company Primer

Date: 2026-07-02 Company: Keppel DC REIT Ticker: AJBU.SI Fiscal year convention: December 31 year-end Latest reported period: 1Q FY2026, period ended 2026-03-31, announced 2026-04-16 TTM anchor: FY2025 less 1Q FY2025 plus 1Q FY2026, equivalent to Q2 FY2025 plus Q3 FY2025 plus Q4 FY2025 plus Q1 FY2026 Forward horizon: 2031-03-31

Source Hierarchy And Primer Role

This primer is an orientation document for an institutional investor approaching Keppel DC REIT for the first time. It is not the model source of truth. All financial figures are taken from `quant_foundation.md`, which live-fetched and reconciled Financial Modeling Prep data against official Keppel DC REIT financial statements, business updates, annual report disclosures, and SGX or IR sources. The quantitative foundation is controlling because Keppel DC REIT is a Singapore-listed REIT, FMP segment and geography endpoints were empty, the FMP quarterly income statement was stale for 1Q FY2026, and FMP mapped several REIT line items differently from official statements.

The data package existed at the time of this primer but was still only a stub, so qualitative context is drawn from live-fetched official IR and annual report files already saved in the raw folder. The primer therefore uses the QF for all numbers and official disclosure for business description, portfolio structure, lease mechanics, customer mix, capital management, and industry framing.

1. Business Overview

Keppel DC REIT is a Singapore-listed real estate investment trust focused on income-producing data-centre real estate and assets that support the digital economy. It was listed on the Singapore Exchange in December 2014 as Asia's first pure-play data-centre REIT. As of the latest official 1Q FY2026 update, the trust owned or had interests in 25 data centres across 10 countries, with assets under management of about S$6.3 billion. The portfolio is concentrated in Asia Pacific, especially Singapore and Japan, with a meaningful European sleeve across Germany, Ireland, the Netherlands, Italy, and the United Kingdom. The trust is managed by Keppel DC REIT Management Pte. Ltd., part of the broader Keppel ecosystem.

The assets solve a physical infrastructure problem for digital customers. Data centres provide secure, resilient, power-backed, connectivity-rich space where enterprises, cloud providers, internet platforms, telecom operators, financial institutions, and IT services companies can house servers and mission-critical infrastructure. For a customer, leasing capacity in a data centre is a substitute for building, powering, securing, cooling, and operating its own facility. For a cloud or hyperscale customer, the problem is even larger: capacity needs to be in the right market, near network and customer demand, with enough power, cooling, redundancy, physical security, and regulatory comfort to support large deployments.

Keppel DC REIT's customer base is heavily skewed toward internet enterprise and hyperscale demand. The 1Q FY2026 operating update disclosed 722 unique customers, with rental income by trade sector at 69.6 percent internet enterprise, 13.7 percent IT services, 13.6 percent telecoms, 2.4 percent financial services, and 0.7 percent corporate. The FY2025 presentation showed a similar mix, with 752 customers and 69.3 percent of rental income from internet enterprise as of 2025-12-31. This means the trust is not a generic office landlord. Its economic exposure is tied to cloud, connectivity, enterprise digitisation, AI-related infrastructure demand, and the willingness of large technology customers to commit to leased data-centre environments.

The leasing model varies by asset. Some properties are fully-fitted colocation facilities where Keppel DC REIT, or Keppel-related lessees and facility managers, leases data-centre space to end clients and bears more operating responsibility. Some are fully-fitted single-tenant assets, often with longer lease terms and more concentrated tenant risk. Some are shell and core assets where the customer leases the building shell or core data-centre facility and is responsible for a larger part of outgoings, facilities management, and fit-out. The trust's disclosure separates the portfolio by these three official asset classes, which are the correct buckets for understanding the business.

The customer relationship is sticky because data-centre migration is operationally risky. A tenant's servers, racks, network interconnections, application uptime, security controls, and regulatory obligations are embedded in the selected facility. A customer can move in theory, but moving live workloads is disruptive, expensive, and may require re-architecture. This creates a renewal advantage for well-run facilities in power-constrained, connectivity-rich locations. The offset is that large hyperscale or enterprise customers can be sophisticated buyers with bargaining power.

2. Revenue Architecture

Keppel DC REIT's official revenue architecture is best understood in two dimensions: asset class and geography. The asset-class split explains lease economics and operating responsibility. The geography split explains market exposure, currency exposure, supply constraints, and country-specific risk. FMP product and geography endpoints were empty for AJBU.SI, so the QF uses official company disclosure only.

FY2025 Asset-Class Buckets

The FY2025 official asset-class table discloses both gross revenue and net property income. Fully-fitted colocation is the largest bucket, representing almost three quarters of gross revenue and more than three quarters of NPI. Fully-fitted single tenant is the second bucket, and shell and core is the smallest.

Asset class	FY2025 gross revenue SGD000	FY2025 NPI SGD000	Revenue share
Fully-fitted colocation	328,115	297,914	74.3 percent
Fully-fitted single tenant	80,715	58,607	18.3 percent
Shell and core	32,532	26,739	7.4 percent
Total	441,362	383,260	100.0 percent

Fully-fitted colocation consists of facilities where end clients use colocation space for servers and other mission-critical IT equipment. This bucket generally carries more operational responsibility for the owner or operator, including facilities management, maintenance, power procurement, and data-centre service standards. It also tends to have shorter contractual periods than single-tenant assets. Keppel DC REIT disclosed a 1Q FY2026 contract-type WALE of 3.0 years for fully-fitted colocation, with 73.3 percent of rental income in that category.

Fully-fitted single tenant assets are leased to one major customer or a single-tenant arrangement. These leases can carry longer duration and lower churn, but they concentrate risk in the tenant's credit, the tenant's continuing facility need, and the lease renewal outcome. The 1Q FY2026 update disclosed a 9.4-year WALE and 20.7 percent of rental income for fully-fitted single tenant assets. The official contractual overview shows that many of these assets are triple-net or similar arrangements where the client bears a larger portion of outgoings and facilities-management responsibility.

Shell and core assets are closer to infrastructure real estate shells. The customer typically pays rent and bears a larger part of outgoings, fit-out, and facilities management inside the leased space. They can be attractive because the owner may have lower recurring operating burden, but they also may capture less of the value from high-density fit-out and service intensity. In 1Q FY2026 this bucket had a 5.8-year WALE and represented 6.0 percent of rental income.

FY2025 Geographic Buckets

Singapore is the dominant gross revenue market. The official FY2025 geography table disclosed S$316.1 million of Singapore gross revenue, or about 71.6 percent of the total. China, Japan, Germany, Ireland, the Netherlands, and other countries make up the rest. The QF deliberately does not invent country-level quarterly or TTM revenue because official quarterly geography-dollar disclosure is not available.

Geography	FY2025 gross revenue SGD000	FY2024 gross revenue SGD000	FY2025 share
Singapore	316,088	177,495	71.6 percent
China	24,100	23,929	5.5 percent
Japan	11,018	2,679	2.5 percent
Germany	11,678	17,615	2.6 percent
Ireland	36,906	35,438	8.4 percent
The Netherlands	17,668	16,459	4.0 percent
Other countries	23,904	36,672	5.4 percent
Total gross revenue	441,362	310,287	100.0 percent

The Singapore concentration is central to the thesis. Singapore is a high-connectivity data-centre hub with land, power, and sustainability constraints. That scarcity can support pricing power for existing assets, but it also increases exposure to local policy, land lease duration, utility procurement, and customer concentration. Japan has become a larger AUM exposure after Tokyo Data Centre 3, though FY2025 revenue contribution was still modest because acquisition timing matters. Ireland and

the Netherlands provide European hub exposure, while Germany, Italy, and the United Kingdom are in the broader Europe or other-country grouping.

TTM Financial Anchor

For the latest TTM period ending 2026-03-31, QF constructs the consolidated operating base as FY2025 less 1Q FY2025 plus 1Q FY2026. Consolidated TTM gross revenue was S$460.1 million, TTM NPI was S$400.3 million, TTM distributable income was S$280.8 million, and TTM DPU was 10.711 cents. Asset-class and geography TTM dollars are not disclosed and should not be fabricated. Downstream modelling should therefore use consolidated TTM as the current run-rate anchor and FY2025 asset-class and geography tables for mix.

3. Unit Economics

For a data-centre REIT, revenue begins as rental income and related property income from leased data-centre assets. Gross revenue then absorbs property expenses to produce net property income. The main property expenses depend on lease type. In fully-fitted colocation assets, the owner or operator may bear facilities management, maintenance, insurance, property tax, power procurement exposure, and capex or refresh responsibility. In triple-net or double-net single-tenant and shell and core assets, more of those outgoings are passed through to the client, making the NPI margin structurally different.

In FY2025, Keppel DC REIT converted S$441.4 million of gross revenue into S$383.3 million of NPI. That implies property expenses of S$58.1 million and an NPI margin of about 86.8 percent. The QF's TTM period shows S$460.1 million of gross revenue, S$59.8 million of property expenses, and S$400.3 million of NPI, for a similar high NPI margin. This is one reason data-centre REIT economics can look attractive: once a facility is leased and operating efficiently, rent converts heavily into property-level income.

The next step is not net income in the ordinary corporate sense. A REIT investor ultimately cares about distributable income and DPU. From NPI, the trust pays financing costs, manager fees, trust expenses, taxes, and any other below-property-level items. It also adjusts for non-cash items, fair-value movements, capital allowances, reserves, and distribution policy. In FY2025, official distributable income was S$268.1 million and DPU was 10.381 cents. In the TTM period ending 2026-03-31, distributable income was S$280.8 million and DPU was 10.711 cents.

Financing is a major unit-economic variable because the trust uses debt and equity to own long-lived real estate. FY2025 finance costs were S$48.9 million. The TTM construction raises finance costs to S$51.5 million, reflecting the debt-funded part of acquisitions and the interest-rate environment. Keppel DC REIT reported an average cost of debt of 2.6 percent for 1Q FY2026, down from 3.0 percent for FY2025, and a trailing 12-month ICR of 7.2 times at 2026-03-31. A 100 bps movement in interest rates is economically relevant, but the fixed-rate and hedged debt profile dampens the immediate impact.

Capex and maintenance matter in two ways. First, fully-fitted assets need periodic refresh, reliability investment, power and cooling optimisation, and compliance spending. Second, growth capex or asset enhancement can create new saleable capacity, as shown by management's plan to convert part of previously unutilised space at Keppel DC Singapore 8 into a new data hall with targeted completion in 3Q 2027. The official FY2025 cash-flow statement showed S$38.9 million of capex on investment properties. The analyst should separate maintenance and compliance capex needed to preserve rent from growth capex intended to create incremental NPI.

Tax and structure also matter. A Singapore REIT distribution is not identical to a corporate dividend. Distributable income can differ materially from accounting profit because investment-property fair-value movements, depreciation-like concepts, tax treatment, non-controlling interests, and reserves can all affect what is available for distribution. QF therefore treats official DPU and distributable income as controlling, not FMP net income alone.

4. Portfolio And Customer Base

The portfolio comprises 25 data centres across Singapore, Australia, China, Japan, Malaysia, Germany, Ireland, Italy, the Netherlands, and the United Kingdom. The 1Q FY2026 AUM mix was 84.7 percent Asia Pacific and 15.3 percent Europe. By AUM, Singapore was 62.7 percent, Japan 13.6 percent, Ireland 5.4 percent, Australia 4.4 percent, the Netherlands 4.0 percent, China 3.7 percent, Germany 2.8 percent, the United Kingdom 2.1 percent, Italy 1.0 percent, and Malaysia 0.3 percent.

The largest named operating cluster is Singapore. Keppel DC Singapore 1, 2, 3, 4, 5, 7, and 8 are disclosed as Keppel lease and fully-fitted colocation assets, with occupancy ranging from 50.9 percent at Keppel DC Singapore 1 to 100 percent at several assets as of 2026-03-31. DC1 is a Singapore fully-fitted single-tenant triple-net asset with 100 percent occupancy and

a 10.0-year WALE. The trust also owns assets in Guangdong, Tokyo, Sydney, Cyberjaya, Dublin, Offenbach, Milan, Almere, Amsterdam, Eindhoven, Cardiff, and London.

Portfolio occupancy was 95.6 percent as of 2026-03-31, slightly down from 95.8 percent at 2025-12-31. Portfolio WALE by lettable area was 6.5 years at 2026-03-31, while WALE by rental income was 4.6 years because colocation assets have a larger share of rental income and typically shorter contractual terms. This distinction is important. A long lettable-area WALE can be supported by large single-tenant assets, while rental-income WALE better captures near-term repricing and renewal exposure in the revenue base.

The lease maturity profile is manageable in the near term. The 1Q FY2026 update said about 6 percent of rental income was up for renewal per annum in 2026 and 2027. By rental income, the portfolio disclosed 6.1 percent of expiries in 2026 and 6.0 percent in 2027, before rising in later years. This reduces near-term cliff risk, though it also means the trust cannot instantly reprice the entire book upward in a tight market. The balance between embedded escalations, renewal spreads, and lease duration is a key diligence topic.

Tenant concentration is the main customer-base issue. The trust discloses a diversified number of unique customers, but rental income is concentrated by trade sector and likely by large hyperscale customers. Official tables list top clients by generic descriptors rather than names, including Fortune Global 500 hyperscalers. The Guangdong data centres also require special attention because the QF and official updates note that rental income and corresponding loss allowances are recognised under gross revenue and property expense. The QF excludes the Guangdong master tenant from certain top-client concentration framing to reflect the loss-allowance issue. Downstream diligence should therefore examine not just customer count, but the true top-10 rental income concentration, credit exposure, receivables quality, and renewal economics.

The sponsor relationship is a core part of the portfolio story. Keppel DC REIT is managed by a Keppel-owned manager and can leverage Keppel's global asset management platform and data-centre operating expertise. Keppel and Keppel's private data-centre funds also hold or develop assets that may become acquisition opportunities. This can be a source of pipeline, operating knowledge, financing relationships, and customer access, but it also creates related-party transaction risk.

5. Growth Algorithm

Keppel DC REIT's growth algorithm has four engines: rent growth and renewals, occupancy and asset optimisation, acquisitions and sponsor pipeline, and financing capacity. The starting point is organic rental growth. The trust disclosed portfolio reversion of about 45 percent for FY2025 and about 51 percent for 1Q FY2026 renewals. These figures indicate strong pricing tension in the assets that renewed, but they should not be extrapolated mechanically across the entire book. Only a modest share of rental income rolls in 2026 and 2027, and renewal outcomes depend on market, asset, tenant, power availability, and contract structure.

Occupancy offers a second lever. At 95.6 percent portfolio occupancy, the trust is already highly occupied, so the big opportunity is not simply filling a half-empty portfolio. Instead, growth comes from optimising space, rebalancing underperforming assets, deciding not to renew unattractive leases, and converting unutilised or lower-yielding space into saleable data-centre capacity. The Keppel DC Singapore 8 asset enhancement is the clearest example in current official disclosure: management says it unlocked additional saleable power through operational efficiency and is converting unused space into a new data hall targeted for 3Q 2027.

Acquisition is the more visible growth engine. FY2025 was acquisition-heavy, including Tokyo Data Centre 3 and additional interests in Singapore assets. Management described about S$1.1 billion of acquisitions in 2025 and noted that AUM nearly doubled over two years. Because data-centre assets are scarce and expensive, the quality of acquisition underwriting matters more than headline growth. A DPU-accretive acquisition can still be value-destructive if the cap rate, financing mix, land tenure, customer concentration, renewal risk, or capex needs are mispriced.

The sponsor pipeline matters here. Keppel's broader data-centre platform and private funds may provide assets in Singapore, China, Indonesia, Japan, the Netherlands, and other markets. The REIT can benefit if it has access to stabilised, high-quality assets that fit its mandate. But the same pipeline should be diligenced for arm's-length pricing, fair yields, sponsor funding incentives, manager fees, and issuance dilution.

Financing capacity is the final gate on growth. Aggregate leverage was 35.1 percent at 2026-03-31, with official debt headroom of about S$2.0 billion to the 50 percent regulatory limit and a 40 percent internal threshold referenced by management. This creates room for acquisitions, but the practical capacity is lower than the regulatory maximum if the trust wants to protect ratings, funding cost, and equity-market access. Equity issuance is a recurring consideration because REITs distribute much of their income and often need debt plus equity for large acquisitions.

6. Capital Allocation And Balance Sheet

Keppel DC REIT's capital allocation framework is typical of a growth REIT with a specialised asset class: maintain distributions, use debt and equity to acquire or enhance assets, recycle capital where appropriate, and protect the balance sheet enough to retain financing flexibility. The FY2025 numbers show both the opportunity and the tradeoff. Gross revenue rose 42.2 percent year on year to S$441.4 million, NPI rose 47.2 percent to S$383.3 million, distributable income rose 55.2 percent to S$268.1 million, and DPU rose 9.8 percent to 10.381 cents. The difference between DI growth and DPU growth reflects the expanded unit base and the need to finance acquisitions.

Balance-sheet metrics are currently reasonable for a REIT. Aggregate leverage was 35.3 percent at 2025-12-31 and 35.1 percent at 2026-03-31. FY2025 total assets were S$6.881 billion, total liabilities were S$2.651 billion, unitholders' funds were S$4.230 billion, and NAV per unit was S$1.71. Total loans and borrowings were S$2.390 billion at year-end. At 1Q FY2026, the average cost of debt was 2.6 percent and trailing 12-month ICR was 7.2 times.

Debt maturity and hedging are important because the trust has multi-currency assets and borrowings. At FY2025, total debt was about S$2.4 billion. The FY2025 presentation showed 71.2 percent fixed-rate debt, weighted average debt tenor of 3.3 years, hedge tenor of 3.5 years, and green financing loans at 25.6 percent of total debt. Currency mix included SGD, EUR, GBP, RMB, AUD, and JPY, with JPY debt becoming more relevant after Tokyo Data Centre 3. The 1Q FY2026 update also noted a natural hedge of about 71 percent for the overseas portfolio to mitigate currency risk.

Distribution policy needs to be interpreted carefully. Keppel DC REIT declares distributions semi-annually, and official DPU is computed after setting aside capex reserves and, for FY2025, upfront land premium reserves related to Keppel DC Singapore 7 and 8. FY2025 DPU also took into account new pro-rata preferential offering units listed on 2025-10-22 that were entitled to distributable income from 2025-07-01. The adjusted FY2025 DPU would have been 10.629 cents if those units had only been entitled from the listing date. The key analytical point is that per-unit outcomes can diverge from asset-level growth when acquisitions are financed with new units.

Equity issuance is therefore not a footnote. In October 2025, Keppel DC REIT raised S$404.5 million via a preferential offering that management said was 168.2 percent subscribed. Proceeds supported Tokyo Data Centre 3 and other value-creation initiatives. For a long-term investor, the question is whether each issuance raises long-term DPU and NAV per unit after fees, financing cost, and risk. A REIT that can compound per-unit cash flow through disciplined acquisitions is attractive. A REIT that grows assets while diluting per-unit economics is not.

7. Competitive Landscape And Moat Setup

The moat case begins with scarcity. Data centres require land, grid access, power availability, cooling capability, fibre connectivity, security, permitting, and a credible operator. In markets such as Singapore, Tokyo, Dublin, Amsterdam, Frankfurt, and London, the binding constraint is often not customer demand but the ability to deliver approved, powered, connected capacity. Keppel DC REIT's official annual report cites industry review commentary that global data-centre demand growth outpaced supply for a fifth consecutive year in 2025, with AI, cloud adoption, digitalisation, and high-density workloads driving demand.

Scarcity can translate into pricing power when three conditions hold: the facility is in the right location, the customer has high switching costs, and competing supply cannot arrive quickly. Keppel DC REIT has exposure to several constrained hubs. Singapore is strategically important but land and power constrained. Tokyo is a major Asia hub with high demand and supply constraints. Dublin and Amsterdam are important European data-centre markets but face grid, permitting, and sustainability scrutiny. These constraints can protect existing assets, but they also can limit expansion and raise capex or compliance costs.

Customer switching costs are real but not absolute. Enterprise and hyperscale customers face uptime risk, migration cost, network redesign, regulatory review, and internal approval burden when moving. That supports renewals and gives the landlord some bargaining power. However, hyperscalers are large, sophisticated, and capable of self-build or multi-market deployment. They may accept higher rent in constrained locations, but they also negotiate hard, pre-commit to new campuses, and shift incremental workloads to lower-cost markets when latency and regulatory needs allow. The moat is therefore local and asset-specific, not a blanket statement that all data-centre rent is protected.

Keppel DC REIT's sponsor and operating platform add a second moat component. The Keppel ecosystem can provide technical expertise, sustainability capability, acquisition sourcing, facility management relationships, and access to private-fund assets. For a specialised asset class, these capabilities matter. The REIT is not merely a financial owner of generic buildings; it is tied to an operating platform that understands data-centre customers, facility reliability, and capital recycling. The diligence question is whether that sponsor advantage accrues primarily to minority unitholders or is shared with

the sponsor through fees, asset pricing, and related-party transactions.

Competitive threats include new hyperscale campuses in lower-cost markets, self-build by cloud providers, higher power prices, grid connection delays, cooling and environmental regulation, and asset obsolescence from higher-density compute requirements. AI demand is a tailwind, but it can also change technical requirements. Training and inference workloads may need different power density and cooling design from older enterprise colocation. Existing assets can benefit if they are upgradeable and power-rich, but they can fall behind if they cannot support new density requirements economically.

8. Key Risks And Diligence Questions

The first risk is tenant concentration and customer credit. The portfolio has hundreds of customers, but rental income is heavily weighted to internet enterprise and hyperscale customers. The top-client table does not provide full named concentration in the extracted disclosure. Downstream work must quantify top-10 rental income exposure where official sources permit, examine the unnamed hyperscaler dependence, and assess whether any tenant has enough bargaining power to reset economics at renewal.

The second risk is refinancing and rate sensitivity. Aggregate leverage is moderate, ICR is strong, and debt is substantially fixed or hedged, but the REIT remains a leveraged real-estate vehicle. If refinancing occurs at higher spreads or interest rates, distributable income and DPU can be pressured. A strong asset class does not eliminate financing risk, particularly when acquisitions are large and often funded with a mix of debt and equity.

The third risk is capex and power cost. Management said 1Q FY2026 net electricity costs accounted for less than 3 percent of operating expenses and that power procurement contracts were in place through end-2026, limiting first-order conflict-related impact. That is useful, but not sufficient for a 2031 underwriting horizon. Data centres are power-intensive. Grid constraints, higher power tariffs, renewable procurement, backup generation, cooling upgrades, and high-density AI requirements can all raise cost or capex.

The fourth risk is sponsor conflict. Keppel is both a strategic advantage and a related-party complexity. The REIT manager is Keppel-owned, facility managers and lessees are tied to Keppel for several Singapore assets, and acquisition opportunities may come through Keppel or Keppel private funds. The right diligence question is not whether related parties exist; they clearly do. The question is whether governance, valuation, fee structure, independent review, and post-acquisition performance protect minority unitholders.

The fifth risk is geography-specific execution. China exposure includes the Guangdong data centres and a disclosed loss-allowance treatment. Europe includes energy, regulatory, and tenant-specific risks. Singapore has land-tenure and policy constraints. Japan is attractive but acquisition timing, currency, and cap-rate discipline matter. A global portfolio provides diversification, but each geography introduces legal, tax, currency, utility, and customer risks.

The sixth risk is valuation sensitivity. At the FMP quote captured in QF of S$2.23 and TTM DPU of 10.711 cents, the distribution yield is roughly 4.8 percent before forward growth or dilution. Whether that is attractive depends on risk-free rates, REIT yield spreads, DPU growth, acquisition returns, terminal cap rates, and confidence that per-unit cash flow can grow.

9. What Downstream ER2 Must Prove For BUY

The primer does not decide the ER2 verdict. For a BUY, downstream work must prove three things at the Gideon standard: management quality, moat durability through the 2046 lens, and valuation that clears the P and DPU equivalent of the framework's 15 times five-year-forward earnings gate while supporting a 20 percent annual return underwriting.

Management must pass with evidence, not reputation. The proof points should include acquisition discipline, related-party governance, per-unit DPU and NAV growth, financing timing, lease renewal execution, and how management handled the Guangdong receivable or loss-allowance issue. The sponsor platform is not automatically a management pass; the question is whether minority unitholders have benefited after fees, issuance, and asset pricing.

The moat must be asset-specific and durable. Downstream work must decide whether Keppel DC REIT's portfolio will still matter in 2046. That requires assessing land and power scarcity, renewal economics, technical adaptability for high-density workloads, sponsor operating capability, and the risk that hyperscalers shift incremental demand to self-build or lower-cost markets. A data-centre theme is not a moat. A portfolio of scarce, powered, connected, upgradeable assets with sticky customers may be.

The valuation gate must translate the REIT economics properly. Because this is a REIT, the equivalent of the P and E test should be anchored in DPU, AFFO-like distributable cash flow, or a carefully adjusted recurring earnings measure. The model

must not use accounting profit inflated by fair-value gains as a substitute for recurring distributable economics. It must start from the TTM period ending 2026-03-31, project to 2031-03-31, incorporate realistic rent reversions and acquisition funding, and test whether the current price is no more than 15 times the confident forward recurring per-unit earnings or DPU-equivalent base.

Finally, the 20 percent return underwriting must survive dilution and financing. It is not enough that gross revenue grows or AUM expands. A BUY requires credible per-unit compounding: DPU growth, NAV support, disciplined leverage, and acquisition or asset-enhancement returns that exceed the true cost of capital. If the thesis depends on persistent high reversion, aggressive acquisitions, cap-rate compression, or cheap equity issuance, it should be a WATCH or PASS until the evidence is stronger.

Appendix M - Management Assessment

Keppel DC REIT (AJBU.SI) - Management Assessment

Company: Keppel DC REIT Ticker: AJBU.SI Subagent: M Sources used: `data_package.md` Sections 7 and 9, `appendix_A_primer.md`, and official FY2025 annual report / FY2025 results presentation / 1Q2026 operational update files in `raw`.

1. Who is running the REIT

Keppel DC REIT is externally managed by Keppel DC REIT Management Pte. Ltd., a Keppel-controlled manager. The structure matters more than in an ordinary listed operating company because the trust itself does not have a conventional internal executive bench directly employed by the listed vehicle. The manager allocates capital, sources transactions, negotiates financing, manages disclosure, and sits inside the broader Keppel ecosystem. That creates a real sponsor advantage in sourcing and operating data-centre assets, but it also creates recurring minority-unitholder questions around fee incentives, related-party acquisitions, master leases, facility management arrangements, and whether the best assets are transferred to the REIT at prices that leave adequate upside after financing.

The current CEO of the Manager is Loh Hwee Long, appointed on 28 July 2023. His background is relevant: more than 25 years in real asset investment and fund management, prior Chief Investment Officer, Data Centres, at Keppel Capital, and earlier senior roles at GIC Real Estate and Mapletree. This is the correct background for a data-centre REIT. It is not, however, a decade-long in-seat record at Keppel DC REIT. The current CEO owns the FY2024-FY2026 acquisition acceleration, Tokyo expansion, Singapore related-party asset consolidation, capital raising, and land-tenure extension decisions. He does not own the entire listed history since 2014.

The CFO is Adam Lee Sin Jun. He has been with the Manager since the IPO preparation period in 2014 and was part of the key IPO team. The annual report describes more than 18 years of experience in financial reporting, corporate finance, taxation, and audit, with involvement in acquisitions, divestments, and fund-raising exercises. This continuity is a positive. The CEO is newer, but the CFO function has institutional memory through the REIT's listing, acquisitions, equity raises, and refinancing cycles.

The most visible functional head is Charmaine Cai Jialing, Head of Portfolio Management, with more than 21 years in real estate and financial services, including acquisition, asset management, divestment, and strategic planning across Asia Pacific.

Board governance is mixed but not weak. The annual report states that, after Chua Soon Ghee stepped down as Independent Director effective 16 March 2026, the Board would still comprise a majority of independent directors: Low Huan Ping, Yeo Siew Eng, and Andrew Tan, with Low as Lead Independent Director. Yeo chairs the Audit and Risk Committee and has audit/accounting credentials. Thomas Pang, a Keppel executive, is a non-executive director, so sponsor representation is explicit. This is a sponsored external-manager structure with a substantial sponsor and a majority-independent board wrapper.

2. Tenure and track record

The track record has two layers: the listed REIT record and the current CEO record. The listed REIT has grown from a niche pure-play data-centre REIT into a S$6.3 billion AUM platform with 25 data centres across 10 countries as of the latest official update. That record shows asset sourcing, recycling, and access to debt and equity capital. It also contains the usual REIT tension: total AUM can compound faster than DPU per unit, especially when growth is funded with new units.

On per-unit outcomes, the evidence is respectable but not strong enough for a clean Gideon PASS. Data package Section 2 shows DPU of 9.851 cents in FY2021, 10.214 in FY2022, 9.383 in FY2023, 9.451 in FY2024, 10.381 in FY2025, and TTM 10.711 cents through 2026-03-31. Distributable income rose much more sharply, from S$171.6 million in FY2021 to S$268.1 million in FY2025 and S$280.8 million TTM, but the per-unit line tells the harder truth. The trust grew, but the unit base also grew. FY2025 was the first clean step-up in DPU after a 2023-2024 dip, and it was helped by the acquisition wave and lower finance costs.

Loh's three largest in-seat decisions are clear. First, the FY2024-FY2025 Singapore asset consolidation around KDC SGP 7 and 8, and then remaining interests in KDC SGP 3 and 4, materially increased the Singapore and fully-fitted colocation exposure. Second, Tokyo Data Centre 3 was completed on 19 November 2025 for JPY82.1 billion, about S$707.0 million,

strengthening Japan hyperscale exposure. Third, the October 2025 preferential offering raised roughly S$404.5 million gross, or S$398.9 million net in the annual report presentation, with proceeds used for Tokyo DC 3, asset enhancement, land-tenure costs, debt repayment, and later remaining Singapore interests. These were real capital-allocation decisions, not cosmetic portfolio changes.

The early outcome is positive but not yet seasoned. FY2025 gross revenue rose 42.2 percent, NPI rose 47.2 percent, distributable income rose 55.2 percent, and DPU rose 9.8 percent to 10.381 cents. 1Q2026 continued the pattern: gross revenue up 18.4 percent, NPI up 19.4 percent, DI up 20.7 percent, and DPU up 13.2 percent to 2.833 cents. The official 1Q2026 update attributes this to Tokyo DC 3, renewals and escalations, and remaining Singapore interests, partly offset by Kelsterbach divestment and higher finance costs. That is a good first scorecard for the current team.

The problem is duration. A two-to-three-year CEO record, in a sector enjoying strong AI and hyperscale demand, does not yet prove that acquisitions were made at cycle-proof prices or that issuance was value-accretive through a full refinancing cycle.

3. Capital allocation behavior

Capital allocation is acquisition-heavy, distribution-centered, and sponsor-linked. Section 7 of the data package shows segment capex/additions of S$89.8 million in FY2021, S$55.2 million in FY2022, S$33.4 million in FY2023, S$52.3 million in FY2024, and S$67.8 million in FY2025. Distributable income moved from S$171.6 million in FY2021 to S$268.1 million in FY2025. The asset list changed through Guangdong, London, Eindhoven, Tokyo DC 1, Tokyo DC 3, KDC SGP 7 and 8, KDC SGP 3 and 4, and portfolio recycling through iseek, Intellicentre Campus, Basis Bay, Kelsterbach, and the NetCo bonds/preference shares disposal agreement.

The 2025 pattern is strategically coherent. Management recycled Kelsterbach, agreed to sell NetCo securities to an unrelated third party, acquired Tokyo DC 3, consolidated Singapore interests, extended land tenure, and used equity plus debt to keep leverage within bounds. The annual report and 1Q2026 update describe the posture as disciplined growth through hyperscale acquisitions. This is consistent with the asset-class opportunity: hyperscale demand and constrained powered capacity are where the economics are currently strongest.

The per-unit test is less decisive. FY2025 DPU rose 9.8 percent, but adjusted DPU would have been 10.629 cents if the preferential offering units had only been entitled from their October 2025 listing date. The adjustment is useful for comparability, but it also illustrates the central minority-unitholder issue: each acquisition has to earn through issuance timing, manager fees, financing cost, land premiums, capex reserves, and dilution. FY2025 DI grew 55.2 percent but DPU grew only 9.8 percent. That is not a failure; it is the REIT model under large external growth. But it means management must be judged on per-unit compounding, not AUM growth.

Debt discipline is currently acceptable. Aggregate leverage was 31.5 percent at FY2024, 35.3 percent at FY2025, and 35.1 percent at 1Q2026. ICR was 7.5 times at FY2025 and 7.2 times at 1Q2026. Average cost of debt improved to 2.6 percent in 1Q2026 from 3.0 percent in FY2025 and 3.3 percent in FY2024. The 1Q2026 update also shows a diversified currency debt mix, with JPY, SGD, EUR, GBP, RMB, and AUD borrowings. This is not an overlevered REIT posture. The remaining risk is not the headline leverage today; it is whether the next S$1 billion of acquisitions is funded at prices and equity yields that still grow DPU and NAV per unit.

4. Compensation and fee alignment

This is the weakest part of the management gate. The annual report states that the Manager is entitled to a base fee of 0.5 percent per annum of Deposited Property and a performance fee of 3.5 percent per annum of group NPI. It is also entitled to a 1.0 percent acquisition fee, 0.5 percent divestment fee, and 3.0 percent development management fee on project costs for development projects undertaken on behalf of the group. Management fees may be paid in cash and/or units, at the Manager's election, using the trailing 10-business-day volume-weighted average price.

These are standard Singapore REIT mechanics, but they are not ideal for a 20-year minority compounder. A base fee on deposited property rewards asset growth. A performance fee on NPI rewards property-level income growth before full financing, issuance, and per-unit cost-of-capital effects. Acquisition fees reward transactions. The structure is not explicitly anchored to DPU per unit, NAV per unit, AFFO per unit, or ROIC-like spread over cost of capital. The Manager's employee remuneration framework is better: it includes AUM, DPU, and absolute total unitholder return as performance conditions, and CEO/key management have unit ownership guidelines of 1.0 to 2.0 times fixed pay. Director fees are partly paid in units, and directors must hold a minimum unit value. These features help, but they do not erase the trust-deed fee incentives.

The annual report disclosed manager's base fee of S$25.5 million and performance fee of S$12.1 million in FY2025, both up 35.3 percent year on year. It also disclosed S$37.6 million of manager's management fees and S$10.6 million of acquisition and development management fees within interested person transactions for Keppel Ltd. and subsidiaries. Units were issued to the Manager for fees: 3.2 million units for base and performance fees and 7.2 million units for acquisition fees in FY2025. Payment in units creates some alignment, but also increases the unit count and is ultimately funded by minority unitholders.

The compensation structure therefore supports YELLOW, not PASS. It is not abusive on its face, and it has governance overlays. But it materially rewards scale and transaction activity. A PASS would require evidence that acquisition underwriting and fee outcomes have translated into sustained per-unit compounding across multiple cycles.

5. Disclosure quality, tenant confidentiality, and candor

Disclosure quality is generally good for a Singapore REIT. The Manager provides semi-annual results, voluntary 1Q and 3Q business updates, webcasts or analyst teleconferences, investor presentations, annual reports, SGX announcements, AGM question responses, and portfolio appendices. The annual report states that the Manager held more than 1,100 engagements with institutional investors and analysts in 2025 and published AGM minutes, results, and responses to substantial questions. The data package was able to reconstruct five-year gross revenue, NPI, DPU, leverage, ICR, average cost of debt, occupancy, WALE, asset-class revenue/NPI, and recent corporate actions from official sources. That is a meaningful positive.

The limits are also explicit. Tenant names and tenant-level dollars are not disclosed. The FY2025 annual report says many lease and colocation arrangements contain confidentiality provisions and that some clients prefer not to identify their presence in a data-centre facility for physical security and intrusion-risk reasons. This is commercially plausible. The Manager does disclose 722 unique customers, trade-sector mix, top-client concentration by percentage, portfolio occupancy, WALE, reversions, and lease expiries. That is enough for high-level underwriting, but not enough to fully diligence tenant concentration, customer-level credit, renewal probability, or single-customer bargaining power.

The Guangdong data-centre issue deserves special monitoring. Official updates note rental income and corresponding loss allowances being recognized in gross revenue and property expense, and the data package excludes the Guangdong master tenant from certain concentration framing. Management has not hidden the accounting treatment, but the structure is a reminder that reported gross revenue can be noisy where receivables quality is poor. For a decade-followable management PASS, I would want cleaner tenant-credit disclosure or a longer record of resolving such issues without DPU leakage.

6. Strategic coherence

The strategy is coherent: own income-producing data centres and digital-economy infrastructure, focus on hyperscale demand, use the Keppel platform for sourcing and operating expertise, recycle lower-priority assets, and maintain balance-sheet capacity for acquisitions. Recent actions match the stated strategy. Tokyo DC 3, KDC SGP 7 and 8, KDC SGP 3 and 4, KDC SGP 8 enhancement, Singapore land-tenure extensions, Kelsterbach divestment, and the planned NetCo securities exit all fit a sharper data-centre portfolio.

The Manager's stated operating posture also matches the financial profile. Occupancy remains high at 95.6 percent as of 1Q2026. WALE by lettable area was 6.5 years, while WALE by rental income was 4.6 years because colocation assets have shorter contracts. Portfolio reversion was about 45 percent for FY2025 and about 51 percent in 1Q2026 renewals. Only about 6 percent of rental income is up for renewal per annum in 2026 and 2027. This gives the team time to integrate acquisitions and manage refinancing without a near-term wall of lease expiries.

The unresolved question is whether this is a sponsor pipeline strategy or a truly minority-first compounding strategy. The Keppel platform can be a sourcing advantage, especially in an asset class where operational credibility and customer relationships matter. But it also means the REIT may be the natural buyer for Keppel-related assets and services. The strategy is coherent; the incentives require vigilance.

7. Governance and minority-unitholder risks

The related-party footprint is material. FY2025 interested person transactions included Temasek group items such as S$143.1 million for acquisition of interests in KDC SGP 7 and 8, S$18.7 million of rental income, and S$24.0 million of corporate guarantees. Keppel Ltd. and subsidiaries had S$271.8 million for acquisition of interests in KDC SGP 3, 4, 7 and 8, fixed rental income of S$124.4 million, variable rental income of S$226.8 million, facility/property management fees and reimbursables of S$10.7 million, manager's fees of S$37.6 million, acquisition/development management fees of S$10.6 million, divestment fee of S$0.4 million, support services fees of S$1.9 million, expense recoveries of S$46.8 million, and corporate guarantees of S$33.0 million. These numbers are too large to treat sponsor conflict as a theoretical risk.

The governance apparatus is credible but not a complete answer. Related-party transactions are subject to Audit and Risk Committee review, Trustee oversight, independent valuations where applicable, independent financial-adviser opinions where needed, SGX/MAS rules, and unitholder approval thresholds. The annual report states that related-party transactions must be on normal commercial terms and not prejudicial to the REIT or unitholders. It also says the Manager keeps a register of related-party transactions and includes them in internal-audit review. There is no dual-class structure, no treasury units, and public unitholders held about 78.75 percent as of 11 March 2026. Temasek's deemed interest was 21.21 percent and Keppel Ltd.'s deemed interest was 19.31 percent. That sponsor stake gives alignment, but it is also control-adjacent influence.

Minority unitholders therefore face three specific risks. First, assets can be sold by related parties into the REIT at prices that are independently valued but still leave limited upside if cap rates, land tenure, capex, or financing costs are optimistic. Second, fee structures can make AUM growth and transactions profitable for the Manager even when DPU per unit only inches forward. Third, tenant and master-lease confidentiality limits outside verification of customer concentration and true end-client credit. None of these is enough for a FAIL today because the recent per-unit and balance-sheet evidence is positive. They are enough to block a PASS.

8. Peer comparison

Against Singapore REIT peers, Keppel DC REIT screens better on sector specialization and data-centre demand exposure than diversified industrial or commercial REITs, but the management bar should be higher because the growth model is acquisition- and sponsor-dependent. Mapletree Industrial Trust's manager, CapitaLand Ascendas REIT's manager, and Digital Core REIT's manager are the most relevant comparison groups rather than ordinary operating-company CEOs. Keppel DC REIT's manager has a stronger local sponsor ecosystem and a more targeted Asia-Pacific data-centre platform than Digital Core. Against Mapletree and CapitaLand platforms, Keppel has a narrower mandate and potentially sharper sourcing edge, but less in-seat evidence that the current CEO has compounded per-unit value over a long period.

On communication, Keppel DC REIT is above average: voluntary quarterly updates, detailed debt metrics, portfolio-level operational data, and explicit explanation of tenant confidentiality are useful. On capital allocation, the verdict is mixed: the recent acquisition wave is working in early results, but related-party asset consolidation and fee incentives require a higher proof burden than an internally managed company with no sponsor pipeline.

9. Management gate verdict

Management gate: YELLOW.

The team is credible and the governance wrapper is not broken. CEO Loh Hwee Long has the right real-assets and data-centre background, CFO Adam Lee provides IPO-to-present continuity, the board remains majority independent with a lead independent director, disclosure quality is solid for the sector, and recent capital allocation has produced strong FY2025 and 1Q2026 growth without pushing leverage into a danger zone. The acquisition-heavy strategy is coherent with hyperscale data-centre demand and the Keppel platform is a real sourcing and operating advantage.

The gate is not PASS because the evidence is not yet strong enough to follow this team for a decade. The CEO has been in-seat only since July 2023, DPU per unit has only modestly compounded from FY2021 to TTM despite much larger growth in AUM and distributable income, and the external-manager fee structure rewards deposited property, NPI, acquisitions, disposals, and development activity more directly than per-unit value creation. The related-party footprint with Keppel and Temasek is material, even though disclosed and governed. Tenant confidentiality is commercially understandable but leaves minority investors underwriting customer concentration with incomplete information.

Upgrade to PASS if three conditions are met: first, FY2026-FY2028 DPU and NAV per unit compound after the FY2024-FY2026 acquisitions without relying on one-off adjustments; second, aggregate leverage remains comfortably below the internal 40 percent posture while refinancing costs and ICR stay disciplined; third, related-party acquisitions continue to show clear post-deal accretion after all fees, financing, capex, land-tenure costs, and dilution. Downgrade to FAIL if the Manager keeps issuing units and buying sponsor-linked assets while DPU per unit stagnates, if related-party terms appear to favor Keppel over minority unitholders, if Guangdong-like receivable issues spread, or if fee growth materially outruns per-unit value creation.

The calibrated answer is therefore investable but unresolved. The manager has earned continued work, not blind decade trust.

Appendix W - Moat and 2046 Durability

Keppel DC REIT - Moat and 2046 Durability Appendix

Date: 2026-07-02 Company: Keppel DC REIT Ticker: AJBU.SI Test date: 2046-07-02 Source hierarchy: `data_package.md` controls historical numbers and official disclosure. `appendix_A_primer.md` is used only for orientation. Segment appendices were still stubs at the time of this appendix, so the per-segment moat assessment uses the data package's official asset-class buckets: fully-fitted colocation, fully-fitted single tenant, and shell and core. Final segment appendices should cross-check this file once they are complete.

1. Moat taxonomy applied

Keppel DC REIT's moat is not a software moat, a consumer brand moat, or a patent moat. It is an asset-level infrastructure moat: scarce, powered, connected, certified and already-tenanted data-centre capacity in markets where new supply can be constrained by land, grid, permitting, sustainability rules, network density and customer trust. The historical evidence supports a real current moat at the property level. FY2025 gross revenue was SGD441.362m, NPI was SGD383.260m, and TTM NPI to 2026-03-31 was SGD400.323m on TTM gross revenue of SGD460.139m. The portfolio's NPI margin has remained high despite acquisitions and higher rates: 91.5 percent in FY2021, 91.1 percent in FY2022, 87.1 percent in FY2023, 83.9 percent in FY2024, 86.8 percent in FY2025, and about 87.0 percent on the TTM base. That is not proof that every future lease renews well, but it is real evidence that the assets convert rent into property income through a changing rate and acquisition cycle.

Switching costs are the strongest customer-side moat. A tenant can move workloads, but for mission-critical infrastructure the operational risk is material: server migration, fibre interconnection, security controls, regulatory approvals, redundancy design, downtime risk and customer-facing latency all need to be managed. This matters most in fully-fitted colocation, which is 73.3 percent of 1Q2026 rental income and 74.3 percent of FY2025 gross revenue. The lease duration is shorter in that bucket, with WALE of 3.0 years, but shorter duration can be an advantage when market rents are rising and the facility is difficult to replicate. It is also a risk: if customers have bargaining power or the facility loses technical relevance, repricing can cut both ways.

Scale economies are present but local, not global. Keppel DC REIT owns or has interests in 25 data centres across 10 countries and reported AUM around SGD6.3bn. That provides procurement, financing, asset-management, leasing and operational knowledge benefits relative to a small financial buyer. But the relevant scale in data centres is often campus, power and network scale in a specific market, not simply total AUM. A competitor with deep capital and access to power in Johor, Tokyo, Osaka, Seoul or Sydney can still attack incremental demand. Scale helps Keppel DC REIT defend existing hubs and source assets; it does not make data-centre returns immune to capital competition.

Regulatory and physical scarcity are meaningful. Singapore is 71.6 percent of FY2025 gross revenue and 62.7 percent of 1Q2026 AUM. Singapore is a high-connectivity hub but has land, power and sustainability constraints. Those constraints protect existing capacity when demand rises, especially for AI and cloud workloads that require resilient, connected infrastructure. The same constraints also cap growth and create policy, land-tenure and power-procurement risk. The SGD350.0m lease extension consideration linked to Keppel DC Singapore 7 and 8 is a reminder that scarcity is not free to minority unitholders.

Brand and high-trust procurement exist, but they are institutional rather than consumer-facing. Large cloud, internet enterprise, telecom and financial-services customers do not pick data-centre capacity only on price; they require reliability, track record, security, service history, legal structure and a credible operator. Keppel's sponsor ecosystem can help because it brings data-centre operating experience, facility-management relationships, capital-market access and acquisition sourcing. This is a real procurement advantage for a specialised REIT. The offset is that the same sponsor relationship creates minority-unitholder uncertainty: asset pricing, manager fees, related-party transactions and equity issuance determine how much of the platform advantage accrues to the listed REIT.

Network effects are weak in the strict sense. A dense interconnection ecosystem can improve a facility's stickiness, especially in colocation, but Keppel DC REIT's disclosure does not quantify cross-connect density, carrier count, ecosystem revenue, or cloud on-ramp economics. The moat should not be described as a classic network effect. It is better described as location plus power plus customer switching costs plus operator trust.

IP and patents are not a moat here. Cooling design, energy efficiency and AI-ready high-density operation matter, but the data package does not show proprietary technology that blocks competitors. The protectable asset is the existing facility footprint,

grid access, lease book and sponsor sourcing channel, not unique intellectual property.

2. Per-segment moat

Fully-fitted colocation is the core moat and the core risk. It produced FY2025 gross revenue of SGD328.115m, or 74.3 percent of total gross revenue, with FY2025 NPI of SGD297.914m and NPI margin of 90.8 percent. Its moat is the combination of powered and connected capacity in constrained markets, facility reliability, customer migration risk and Keppel's operating credibility. The evidence is strongest in the Singapore-heavy colocation portfolio and recent renewal pricing: official materials cite FY2024 portfolio reversion around 39 percent, a major 2Q2025 renewal above 50 percent, and 1Q2026 renewal reversion around 51 percent. The durability is good for five years and plausible for ten if AI and cloud demand continue to absorb constrained capacity. The 20-year durability is less certain because technical density, cooling requirements, power sourcing and hyperscaler self-build strategies can change asset relevance. Earliest warning signs are falling occupancy below the mid-90s, renewals turning negative in constrained hubs, or capex rising faster than NPI.

Fully-fitted single tenant is a visibility moat more than a pricing moat. It produced FY2025 gross revenue of SGD80.715m, 18.3 percent of total, and FY2025 NPI of SGD58.607m, with a lower NPI margin of 72.6 percent. It represented 20.7 percent of 1Q2026 rental income and carried 9.4 years of WALE. The segment's appeal is long contracts, high occupancy and embedded customer commitment. The weakness is concentration: a single tenant can have more renewal leverage, and a facility designed around one customer's requirement may be less fungible at expiry. Durability is good through the visible lease term, but the 20-year moat depends on whether the asset remains technically suitable and whether the tenant still needs that location. Earliest warning signs are tenant credit deterioration, non-renewal notices, asset-specific impairment, or a large lease roll being re-let at materially worse economics.

Shell and core is the smallest bucket and should not drive the group verdict. It produced FY2025 gross revenue of SGD32.532m, 7.4 percent of total, and NPI of SGD26.739m, with 82.2 percent NPI margin. It represented 6.0 percent of 1Q2026 rental income with 5.8 years of WALE. The moat is more real estate and less operating platform: the customer bears more fit-out or operating responsibility, and the REIT captures rent on a specialised shell in a data-centre location. This can be durable where the site has scarce power and useful connectivity, but it captures less upside from operating excellence. The segment is defensible for five to ten years when leased, but its 20-year value depends heavily on power availability, building adaptability and tenant re-investment.

Blended company moat is weaker than the best assets suggest. The strongest moat lives in scarce, powered, Singapore-heavy fully-fitted colocation assets that can reprice. The listed REIT also owns smaller foreign assets, single-tenant exposures, shell/core properties, China exposure with disclosed loss-allowance treatment, and assets with low occupancy or short WALE such as Keppel DC Singapore 1 at 50.9 percent occupancy and 1.0-year WALE, Gore Hill at 80.0 percent occupancy and 0.5-year WALE, and several UK or Italian assets with short remaining WALE. The blend is still moated, but not uniformly.

3. Margin persistence evidence

The margin record is strong but must be interpreted as NPI margin, not industrial operating margin or ROIC. Consolidated NPI margin has stayed high: 91.5 percent in FY2021, 91.1 percent in FY2022, 87.1 percent in FY2023, 83.9 percent in FY2024, 86.8 percent in FY2025, and 87.0 percent on TTM ended 2026-03-31. The FY2024 dip did not persist into FY2025, helped by acquisition mix and stronger revenue. At the asset-class level, FY2025 fully-fitted colocation margin was 90.8 percent, fully-fitted single tenant was 72.6 percent, and shell and core was 82.2 percent. The colocation margin is the clearest evidence of attractive property economics. The single-tenant margin is acceptable but less compelling.

Occupancy is high but has drifted down: 98.3 percent in FY2021, 98.5 percent in FY2022, 98.3 percent in FY2023, 97.2 percent in FY2024, 95.8 percent in FY2025, and 95.6 percent at 1Q2026. WALE by lettable area was 7.5 years, 8.4 years, 7.6 years, 6.3 years, 6.7 years, and 6.5 years over the same latest sequence. WALE by rental income was lower at 4.6 years in 1Q2026 because colocation is a larger share of rental income. This mix creates a real moat test: a shorter income WALE lets the REIT participate in market rent growth, but also exposes more rent to renewal bargaining.

Pricing evidence is currently positive. Management disclosed only about 6 percent of rental income up for renewal per annum in 2026 and 2027, limiting near-term cliff risk. Recent reversion data is strong: about 39 percent in FY2024, above 50 percent for a major 2Q2025 renewal, and about 51 percent in 1Q2026. The problem is sample and cycle risk. The data package does not disclose tenant-level dollars, named tenant economics, property-level NPI, or full re-leasing economics beyond disclosed reversions. Therefore pricing power is observable but not fully auditable at the customer level.

4. AI disruption stress test

AI is more demand tailwind than substitution threat. Keppel DC REIT does not sell a workflow that a foundation model can replicate. It sells physical capacity: secure space, power, cooling, connectivity, redundancy and trust. AI inference and training increase demand for data-centre capacity, especially in markets close to enterprise users and regulated data. The official 1Q2026 outlook states that AI inference is expected to become a sustained demand driver. FY2025 annual materials also show hyperscaler rental income rising to 69.3 percent, and the 1Q2026 sector mix shows Internet Enterprise at 69.6 percent of rental income. This is platform-adjacent infrastructure, not a workflow being automated away.

The AI risk is technical obsolescence and power economics. High-density workloads can require liquid cooling, higher rack density, different electrical design, more resilient power procurement, and larger campus configurations. Existing assets benefit if they can be upgraded. They suffer if they are stranded as lower-density, higher-cost facilities while hyperscalers build purpose-designed campuses elsewhere. Keppel DC Singapore 8 is a useful positive signal because management says operational efficiency unlocked additional saleable power and that unused space is being converted into a new data hall targeted for 3Q2027. That is the kind of asset adaptability the 2046 case needs. But the data package does not prove that every asset can support 2046 density requirements.

The most AI-protected segment is fully-fitted colocation in constrained, high-connectivity markets where customers need latency, interconnection and uptime. The most exposed segment is older or smaller shell/core and single-tenant assets where value depends on one customer's technical plan or where power/cooling cannot be economically upgraded. AI does not dissolve the moat; it raises the capex and power bar required to keep the moat alive.

5. The 2046 test

Today is 2026-07-02. The test date is 2046-07-02. A credible 2046 Keppel DC REIT still sells income-producing, high-availability digital-infrastructure real estate in Asia Pacific and selected European hubs. Its customers are still cloud platforms, AI infrastructure operators, internet enterprises, telecom carriers, financial-services firms and regulated enterprises that need secure, powered, connected capacity in specific markets. The Singapore portfolio remains valuable if it has retained grid access, sustainability compliance and customer trust; Japan and selected European assets matter if they are integrated into local cloud and AI demand. The business still makes money because a powered, permitted and connected data-centre site in the right city is difficult to replace, customer migrations are risky, and high-trust procurement favours proven operators.

The 2046 operating margin should be directionally stable to somewhat lower than today's NPI margin, not higher by default. Today the TTM NPI margin is about 87.0 percent. By 2046, higher density, cooling, sustainability, backup-power and cyber/physical security requirements probably raise recurring capex and compliance costs. The moat survives if rent growth and asset selection offset those costs. The moat weakens if AI workloads shift to giant self-built campuses in lower-cost geographies while Singapore and older European assets become expensive edge or legacy facilities.

The asset-level 2046 test is a YELLOW/PASS: specific and plausible, but dependent on power, upgradeability and disciplined capital recycling. The listed REIT minority-unitholder 2046 test is YELLOW, not PASS. The reason is simple: minority unitholders do not own a pure claim on the best assets' economics. They own externally managed REIT units that can be diluted, that depend on acquisition pricing, related-party governance, financing access, land-tenure payments, capex reserves and sponsor decisions. A scarce data-centre asset can be a great asset while the listed unit is only a fair compounding vehicle if growth is financed at unattractive yields or if sponsor pipeline assets are transferred at full prices.

The bear 2046 description is not business failure; it is mediocre compounding. In that version, Keppel DC REIT still owns data centres, but many incremental AI workloads moved to lower-cost power markets, hyperscalers self-built more capacity, older assets required heavy capex, Singapore policy and land costs absorbed part of scarcity rents, refinancing cycles diluted DPU growth, and related-party acquisitions grew AUM faster than per-unit cash flow. That bear case is plausible enough to prevent a clean PASS on Gideon's 20-year compounding durability bar.

6. Competitive threat inventory

Threat	Mechanism	Segment(s) affected	Earliest observable signal	Plausibility
Hyperscaler self-build and lower-cost regional campuses	Large customers shift incremental workloads to owned campuses or lower-cost powered markets	Fully-fitted colocation, single tenant	Renewal spreads fade, hyperscaler rental share falls, occupancy declines	Medium

Threat	Mechanism	Segment(s) affected	Earliest observable signal	Plausibility
Power, cooling and capex escalation	High-density AI workloads require upgrades, renewable procurement and grid investment	All, highest in fully-fitted assets	Capex/NPI rises, asset enhancements fail to earn target returns	Medium-high
Sponsor and financing leakage	Acquisitions, fees, equity issuance or land-tenure payments transfer value away from minority holders	Listed REIT equity	DPU lags DI/NPI, NAV per unit stalls, leverage rises after deals	Medium
Tenant concentration or credit event	Top hyperscaler or master tenant resets economics or creates receivable/loss-allowance stress	Single tenant, China, large colocation customers	Top-client concentration rises, receivables provisions, non-renewal	Medium

7. Pricing power verification

The pricing-power evidence is real but incomplete. Strong disclosed reversions are the best evidence: FY2024 portfolio reversion around 39 percent, a major 2Q2025 renewal above 50 percent, and about 51 percent reversion in 1Q2026. Revenue and NPI growth also support the argument: 1Q2026 gross revenue rose 18.4 percent year on year, NPI rose 19.4 percent, distributable income rose 20.7 percent, and DPU rose 13.2 percent. The latest quarter was helped by Tokyo Data Centre 3, contract renewals and escalations, partly offset by Kelsterbach divestment. That mix means pricing power is present, but acquisitions also contribute.

Contract structure gives income visibility but does not eliminate renewal risk. Portfolio WALE by lettable area was 6.5 years at 1Q2026; WALE by rental income was 4.6 years. Fully-fitted colocation has 3.0 years of WALE and 73.3 percent of rental income, fully-fitted single tenant has 9.4 years and 20.7 percent, and shell/core has 5.8 years and 6.0 percent. Near-term expiries are low at about 6 percent of rental income per annum in 2026 and 2027. This gives management time, but also means only part of the book can capture current market tension quickly.

Cost pass-through is not fully proven. Management says net electricity costs were less than 3 percent of operating expenses in 1Q2026 and power procurement contracts were in place through end-2026. That limits near-term cost shock, but the 2046 question is not just next year's power bill. It is whether power access and energy-transition costs can be secured on terms that preserve tenant economics and DPU. Fully-fitted assets bear more operating and refresh responsibility, while single-tenant and shell/core arrangements may pass through more outgoings. The moat verdict should therefore separate asset-level pricing power from listed REIT per-unit pricing power.

8. Moat verdict

Moat gate: YELLOW. Keppel DC REIT has a real asset-level moat in scarce, powered, connected data-centre capacity, especially Singapore-heavy fully-fitted colocation assets with high NPI margins, high occupancy, sticky customers and positive renewal reversions. But the listed REIT minority-unitholder moat is weaker than the asset moat because tenant concentration, sponsor-related acquisition economics, equity issuance, refinancing, land-tenure payments, capex and incomplete property/tenant disclosure can all absorb the economic rent before it compounds per unit.

2046 test: YELLOW. A specific 2046 business can be described: a specialised data-centre REIT owning powered, permitted, connected capacity for cloud, AI and enterprise customers in constrained hubs. The test does not clear PASS because the path from asset scarcity to 20-year minority-unitholder compounding still depends on technical upgradeability, power economics, disciplined sponsor transactions, and proof that hyperscaler concentration will not turn into buyer power. Upgrade to PASS would require continued high-30s-plus positive reversions without occupancy deterioration, evidence that AI-ready upgrades earn attractive incremental returns, and per-unit DPU/NAV growth after acquisitions and issuance. Downgrade to FAIL would be triggered by sustained occupancy decline, negative renewal spreads, capex outrunning NPI, a major tenant/receivable event, or acquisitions that grow AUM while diluting per-unit economics.

Appendix B1 - Fully-fitted Colocation

Fully-fitted colocation - Segment Deep Dive

Company: Keppel DC REIT Ticker: AJBU.SI Segment slug: fully_fitted_colocation Date: 2026-07-02 TTM anchor: 2026-03-31 Forward horizon: 2031-03-31 Currency: Singapore dollars unless stated otherwise. SGD000 means S$ thousands; SGDm means S$ millions.

0. Segment boundary + taxonomy note

Fully-fitted colocation is the largest official model bucket for Keppel DC REIT. The data package states that FY2021-FY2024 used the label "Colocation" while FY2025 uses "Fully-fitted colocation"; it treats the label change as a presentation refinement, not an economic restatement, and maps FY2021-FY2024 colocation into the current fully-fitted colocation bucket. That boundary matters because FY2025 also separates "fully-fitted single tenant" from "fully-fitted colocation." The analysis below uses the data package's official mapping and does not compare any unadjusted old-taxonomy bucket against a new-taxonomy bucket. For operating-income purposes, gross revenue and net property income, or NPI, are the controlling metrics because reportable segment profit before tax includes fair-value movements and finance items.

There is one important TTM limitation. The official quarterly updates disclose consolidated gross revenue, consolidated NPI and lease-type rental-income mix, but not quarterly asset-class dollars. Data_package Section 10, row "Quarterly asset-class and geography dollars for TTM," classifies this as a true non-disclosure and requires downstream agents to use the FY2025 asset-class base plus consolidated TTM step-up rather than fabricated quarterly asset-class dollars. I follow that rule. The modeled TTM base for fully-fitted colocation is FY2025 segment revenue of SGD328.115m scaled by consolidated gross revenue TTM/FY2025 of 460.139/441.362, producing a modeled TTM revenue anchor of SGD342.074m. The modeled TTM NPI anchor is FY2025 segment NPI of SGD297.914m scaled by consolidated NPI TTM/FY2025 of 400.323/383.260, producing SGD311.177m. These are model anchors, not separately disclosed quarterly segment figures; the FY2025 segment dollars cite data_package Section 3 asset-class tables, and the TTM consolidated controls cite data_package Section 2 TTM control table.

1. What this segment actually is

Fully-fitted colocation is the portion of Keppel DC REIT's portfolio where the asset is not merely a powered shell leased to one user. It is operational data-centre capacity with the mechanical, electrical, cooling, security, connectivity and resilience features needed for multiple customers or high-density users to run equipment inside a managed data-centre environment. The REIT owns the real estate and data-centre infrastructure interests; customers pay rent or rental-like charges for space, power-backed capacity and related facility access. The listed REIT is not a cloud-service provider and does not earn GPU utilization revenue. Its economics are property economics: contracted rental income, occupancy, rent reversions, operating expenses, capital additions, lease duration, valuation and debt funding.

The customer set is skewing heavily toward hyperscale and Internet-enterprise demand. The data package's latest portfolio KPI table shows rental income from hyperscalers rose to 69.3% as at FY2025, while the 1Q2026 trade-sector mix shows Internet Enterprise at 69.6%, IT Services at 13.7%, Telecoms at 13.6%, Financial Services at 2.4% and Corporate at 0.7%. These are not identical definitions, but directionally they show that the REIT is increasingly a data-centre vehicle serving very large digital infrastructure tenants rather than a general industrial landlord. Fully-fitted colocation is the main expression of that exposure because it was 73.3% of 1Q2026 rental income mix and 74.3% of FY2025 gross revenue.

The go-to-market model is not software sales. It is asset ownership, leasing and renewal. The manager acquires or develops assets, signs leases with data-centre users, manages occupancy and capacity, and uses capital recycling and debt/equity funding to expand. Fully-fitted colocation has shorter WALE than the single-tenant bucket: the 1Q2026 update shows 3.0 years of WALE and 73.3% of rental income for this bucket, compared with 9.4 years and 20.7% for fully-fitted single tenant. That shorter WALE is not automatically bad. It creates more renewal and reversion opportunity when market rents rise, but it also means downside can show up faster if a large customer renews at poor terms, downsizes or exits.

The property-level snapshot reinforces the bucket's shape. The disclosed fully-fitted colocation properties include Keppel DC Singapore 1 through 5, Singapore 7 and 8, Gore Hill in Australia on a mixed colocation/shell-and-core basis, Basis Bay in Malaysia, and Dublin 1 and Dublin 2 in Ireland. Summing only the property-level attributable gross revenue figures that the data package labels fully-fitted colocation or mixed colocation/shell-and-core gives about SGD325.4m of attributable gross revenue on the FY2025 rental-income basis. The seven Singapore fully-fitted colocation properties alone sum to about

SGD284.2m, or 87.3% of that property snapshot subset. This is not a separate segment revenue tie-out because the property table's basis is not identical to the asset-class financial statement table, and the mixed Gore Hill disclosure is not split by asset class. But it is economically useful: the segment is mostly a Singapore colocation franchise with smaller European and regional APAC overlays.

2. Current economics (FY2025 and modeled TTM)

FY2025 is the cleanest fully disclosed year. Fully-fitted colocation generated SGD328.115m of gross revenue and SGD297.914m of NPI, equal to a 90.8% NPI margin, from the FY2025 financial statements page 26 as reproduced in data_package Section 3. It represented 74.3% of consolidated gross revenue and 77.7% of consolidated NPI in FY2025, so it is not just the largest bucket by revenue; it is also the main margin engine. Consolidated TTM through 2026-03-31 was stronger than FY2025 because data_package Section 2 shows 1Q2026 gross revenue of SGD120.956m versus SGD102.179m in 1Q2025, and consolidated NPI of SGD105.173m versus SGD88.110m. Because asset-class quarterly dollars are not disclosed, the modeled TTM anchor scales the FY2025 fully-fitted colocation base by the consolidated TTM step-up. That produces SGD342.074m of modeled TTM segment revenue and SGD311.177m of modeled TTM NPI, a modeled TTM NPI margin of 91.0%.

The historical profile is lumpy rather than smooth. Revenue fell from SGD184.287m in FY2021 to SGD168.330m in FY2023, then rose to SGD198.652m in FY2024 and SGD328.115m in FY2025. The three-year CAGR from FY2022 to FY2025 is 24.3%, but that statistic is dominated by the FY2025 step-up. The more informative operating view is that the bucket went through a flat-to-down period in FY2021-FY2023, a recovery in FY2024, and a large acquisition/recontracting-driven jump in FY2025. The latest reported consolidated quarter then added another 18.4% year-on-year gross revenue increase at the REIT level, with the data package attributing the latest-quarter increase to Tokyo Data Centre 3, contract renewals and escalations, partly offset by the Kelsterbach divestment.

Capital intensity is real but not captured by a simple software-like margin model. The FY2025 asset-class table in the quant foundation shows fully-fitted colocation segment assets of SGD4.197bn, liabilities of SGD0.999bn and capex/additions of SGD60.459m. The segment's FY2025 NPI yield on disclosed segment assets is about 7.1%, calculated as SGD297.914m of NPI divided by SGD4.197bn of segment assets. That yield is a rough property-income yield, not an industrial ROIC metric. It tells us the segment can generate high recurring property margin, but future distributable income also depends on cap rates, interest expense, acquisition funding and unit issuance.

The current occupancy and lease picture is mixed but acceptable. Portfolio occupancy was 95.8% at FY2025 and 95.6% at 1Q2026, down from 98% plus in FY2021-FY2023. The fully-fitted colocation properties in Singapore are mostly high occupancy, but Keppel DC Singapore 1 is only 50.9% occupied and has 1.0 year WALE in the property snapshot. Gore Hill is 80.0% occupied with 0.5 year WALE, and Basis Bay is 40.2% occupied with 1.2 year WALE. Those weaker assets are small in the fully-fitted colocation property snapshot, but they matter for a bear case because the headline portfolio occupancy can conceal specific re-leasing problems.

3. Unit economics

The segment's unit economics start with contracted rental income and end at NPI after property expenses. Data_package Section 3, rows "Asset class gross revenue SGD000" and "Asset class NPI SGD000," shows fully-fitted colocation NPI margin of 88.5% in FY2021, 87.1% in FY2022, 86.9% in FY2023, 87.1% in FY2024 and 90.8% in FY2025. A REIT segment with NPI margins in the high 80s to low 90s has strong property-level operating leverage. Once the facility is built, leased and powered under pass-through or contracted arrangements, incremental rental income can carry high drop-through if energy procurement, maintenance, land tenure, property tax and operating cost arrangements are controlled.

The segment is not cost-free. Fully-fitted colocation requires more infrastructure ownership and operational readiness than shell-and-core leasing. Cooling, backup power, network-rich design, security, operational resilience and periodic fit-out upgrades all matter. That is why the analysis uses NPI, not gross revenue, as the operating-income proxy. NPI captures the property expenses needed to run the asset, while avoiding fair-value and finance items that belong in the REIT-level synthesis rather than the segment operating model.

Margins can move up through three mechanisms. First, positive rental reversion can raise revenue on the same asset base. The data package cites FY2024 portfolio reversion of about 39%, continued 4Q2024 reversions above 30%, and a major 2Q2025 renewal above 50%. Second, the segment can mix toward larger Singapore hyperscale-ready assets with high occupancy. KDC SGP 7 and 8 are described in the data package as AI-ready hyperscale data centres, and their inclusion was a major reason Singapore revenue rose sharply in FY2025. Third, scale and procurement can help if larger assets spread

fixed property costs over more revenue.

Margins can move down through four mechanisms. First, assets with weak occupancy such as KDC Singapore 1 and Basis Bay can dilute NPI if rent loss is not matched by cost reduction. Second, power procurement and sustainability costs can matter indirectly even when net electricity costs are less than 3% of operating expenses through end-2026; tenants still care about power availability, reliability and carbon profile. Third, major clients can exert bargaining power because top-client concentration is high. The data package shows top customer rental income was 42.1% in FY2025. Fourth, fully-fitted capacity may require capital additions and lease extensions that do not flow through NPI immediately but determine sustainable distributable income.

The most important modeling implication is that a 90% NPI margin is credible but not automatically permanent. The base case assumes the modeled TTM margin of 91.0% normalizes to 89.0% by 2031-03-31 as the portfolio absorbs re-leasing friction, asset management costs and a less extraordinary post-acquisition mix. The bull case lets the margin rise to 91.5% if positive reversion and Singapore utilization persist. The bear case cuts the margin to 86.5%, close to the FY2022-FY2024 range, if occupancy leakage and tenant bargaining power overwhelm rent escalation.

4. Competitive dynamics

Fully-fitted colocation sits in a structurally attractive but increasingly competitive market. The demand side is strong. CBRE's 2025 global data-centre trends report states that demand continues to outpace supply across core and emerging hubs, that global weighted-average data-centre vacancy fell to 6.6% in Q1 2025, and that power constraints are forcing aggressive preleasing and extending construction timelines. JLL's 2026 global outlook projects nearly 100 GW of new data-centre capacity from 2026 to 2030, with AI and cloud driving a 14% sector CAGR through 2030. JLL also expects AI to be about half of workloads by 2030, with inference becoming a primary driver. That matters for Singapore and regional colocation because inference workloads need geographically distributed capacity closer to users, not only massive remote training campuses.

The Asia-Pacific context is particularly important. JLL's Asia Pacific year-end 2025 data-centre report says hyperscale commitments are fueling a multiyear growth cycle, that 4.8 GW of new APAC supply expected by 2027 is already 78% preleased, and that vacancy should remain around 6.5% to 7.0%. It also says APAC data-centre expansion is expected to add 24 GW between 2025 and 2030, including colocation, hyperscale self-build and on-prem, with colocation leading the growth. CBRE's 2025 Asia-Pacific report similarly frames AI and cloud as robust demand drivers for colocation and hyperscale data centres, while warning that insufficient power supply, elevated construction costs and supply chain constraints remain development challenges.

For Keppel DC REIT, those industry facts create both protection and risk. The protection is that existing powered, connected, operating facilities in Singapore and other developed hubs are valuable when power and approval timelines are scarce. The risk is that hyperscale customers have alternatives: self-build, direct leases with other data-centre owners, regional spillover markets such as Johor, and other institutional landlords with cheaper capital. In a tight market, existing assets can raise rents. In an oversupplied or power-constrained market, customer bargaining and regulatory constraints can cap the upside.

Direct competitors include global and regional data-centre owners and operators such as Digital Realty, Equinix, ST Telemedia Global Data Centres, AirTrunk, CapitaLand's data-centre platform, Mapletree-related platforms, GDS in China and a long tail of private infrastructure funds. Keppel's advantage is not that no one can build a data centre. It is that its listed REIT owns a portfolio of operating assets, has a sponsor ecosystem with data-centre development and operating expertise, has access to Singapore and Asian deal flow, and has a visible tenant base anchored in hyperscale demand. Its disadvantage is that a listed REIT must fund growth through debt, equity and recycling at market prices; a sovereign-backed or private infrastructure buyer may be willing to accept lower initial yields or more development risk.

The segment's competitive position is therefore "scarce powered capacity plus sponsor access," not a monopoly. The base case assumes Keppel can keep assets relevant and renew at positive but fading spreads. The bull case assumes scarcity persists and Singapore assets retain pricing power. The bear case assumes APAC supply expands enough, or tenant procurement becomes centralized enough, that the FY2024-FY2025 reversion environment cannot be repeated.

Sources for competitive context: [CBRE Global Data Center Trends 2025](https://www.cbre.com/insights/reports/global-data-center-trends-2025), [CBRE Asia Pacific Data Centre Trends and Opportunities](https://www.cbre.com/insights/reports/asia-pacific-data-centre-trends-opportunities), [JLL 2026 Global Data Center Market Outlook](https://www.jll.com/en-us/insights/market-outlook/data-center-outlook), and [JLL Asia Pacific Data Centre Report Year-end 2025](https://www.jll.com/en-hk/insights/market-dynamics/asia-pacific-data-centre).

5. Moat at the segment level

The segment-level moat is moderate to good, but not absolute. The strongest protection is asset scarcity. A live, connected, data-centre asset in Singapore with existing customers is more valuable than a generic industrial property because new supply depends on power, permits, sustainability standards, customer trust, network connectivity and construction expertise. CBRE and JLL both emphasize power constraints and preleasing as key industry features. Existing capacity that meets customer requirements can earn pricing power when market vacancy is low and build timelines stretch.

The second protection is switching friction. A customer does not move critical workloads from one data-centre site to another casually. Migration creates operational risk, latency and downtime concerns, cross-connect complexity, hardware movement or duplication, compliance checks and internal procurement work. This switching friction is why shorter WALE is not the same as short-duration commodity rent. A three-year WALE creates renewal cadence, but a customer still needs a credible alternative before using expiry to force a sharp rent cut.

The third protection is sponsor and portfolio capability. Keppel DC REIT can add assets through acquisitions, sponsor pipeline and third-party transactions, and it can recycle non-core capital. The data package cites management's statement that the REIT is positioned to pursue disciplined growth through hyperscale acquisitions, and the FY2025 portfolio already reflects major Singapore and Tokyo actions. A pure single-asset owner would have less ability to rebalance the portfolio.

The weak points are concentration and customer power. The top customer accounted for 42.1% of FY2025 rental income, and total unique customers declined from 77 in FY2024 to 75 in FY2025 and 72 in 1Q2026. In a normal property portfolio, that would be a major red flag. In hyperscale data centres, it is partly structural because the largest customers take large blocks of capacity. Still, customer concentration means the moat is shared with the tenant. A major hyperscaler can be sticky and creditworthy, but it also has procurement scale and self-build options.

The moat is also partly regulatory. Singapore's scarcity is useful because uncontrolled supply is difficult. But regulatory scarcity can become a constraint if the REIT cannot add capacity or must absorb higher compliance and power-related costs. The appendix therefore does not score this segment as a limitless compounder. It is a high-quality property-income bucket with credible five-year durability, but its 10-year durability depends on continued asset relevance, power access, sponsor execution and disciplined capital allocation.

6. Historical growth rates - reproduced from data package

The following table reproduces the data package's fully-fitted colocation asset-class revenue and NPI history. FY2021-FY2024 are mapped from the old "Colocation" label to the current fully-fitted colocation bucket, as specified in data_package Section 1. FY2025 uses the current label. No property-level NPI or tenant-level revenue is inferred.

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	3-year CAGR FY2022-FY2025	Latest YoY FY2024-FY2025	Data package row / source cite
Fully-fitted colocation gross revenue SGDm	184.287	170.722	168.330	198.652	328.115	24.3%	65.2%	data_package Section 3 asset-class gross revenue row; FY2025 financial statements page 26
Fully-fitted colocation NPI SGDm	163.088	148.667	146.266	173.053	297.914	26.1%	72.1%	data_package Section 3 asset-class NPI row; FY2025 financial statements page 26
Fully-fitted colocation NPI margin	88.5%	87.1%	86.9%	87.1%	90.8%	Not meaningful	+370 bps	Calculated from data_package Section 3 revenue and NPI rows
Portfolio occupancy	98.3%	98.5%	98.3%	97.2%	95.8%	Not meaningful	-140 bps	data_package Section 2 KPI row; annual reports and 1Q2026 update
Portfolio WALE by lettable area	7.5 yrs	8.4 yrs	7.6 yrs	6.3 yrs	6.7 yrs	Not meaningful	+0.4 yrs	data_package Section 2 KPI row; annual reports and 1Q2026 update

Arithmetic checks: revenue FY2024 to FY2025 equals 328.115/198.652 - 1 = 65.2%. NPI FY2024 to FY2025 equals 297.914/173.053 - 1 = 72.1%. Three-year revenue CAGR equals (328.115/170.722)^(1/3) - 1 = 24.3%. Three-year NPI CAGR equals (297.914/148.667)^(1/3) - 1 = 26.1%. These checks are within the dispatch tolerance because they directly tie to data_package Section 3.

The property-level snapshot is not a historical segment table, but it is the best disclosed view of what sits inside the bucket. It supports the segment narrative and the geography risk assessment. The table below includes only properties labelled fully-fitted colocation plus the one mixed colocation/shell-and-core asset; no property-level NPI is shown.

Property group	Properties included	Attributable gross revenue SGDm	Occupancy and WALE signals	Data package cite
Singapore fully-fitted colocation	KDC Singapore 1, 2, 3, 4, 5, 7 and 8	284.2	Occupancy ranges from 50.9% to 100.0%; WALE ranges from 1.0 to 4.0 years	data_package Section 4 property rows
Ireland fully-fitted colocation	Dublin 1 and Dublin 2	36.9	Occupancy 96.5% and 98.1%; WALE 3.3 and 4.7 years	data_package Section 4 property rows
Other or mixed colocation	Gore Hill and Basis Bay	4.3	Gore Hill 80.0% occupancy and 0.5 year WALE; Basis Bay 40.2% occupancy and 1.2 year WALE	data_package Section 4 property rows
Total disclosed colocation snapshot	Above rows, mixed asset not split	325.4	Singapore is 87.3% of this snapshot	Calculated from data_package Section 4 rows

Interpretation: the FY2025 fully-fitted colocation revenue of SGD328.115m and the property snapshot total of SGD325.4m are close, but they should not be forced to reconcile. The snapshot uses FY2025 rental-income basis and includes a mixed asset, while the asset-class table is the official financial statement segment table. I use the asset-class revenue/NPI for historical and forecast dollars, and use the property snapshot for concentration, occupancy and lease-quality evidence only.

7. Management guidance - quoted or paraphrased from data package Section 6

The relevant management commentary is concentrated around leasing, hyperscale acquisitions, AI demand, power costs and reversion. No FMP transcript is used. The data package states that management commentary comes from official Keppel DC REIT presentations, annual reports and financial statements fetched in the run.

Source date	Topic	Data package quote or paraphrase	Segment interpretation
2026-04-16	Leasing and renewal visibility	Management states strong income visibility is underpinned by major contract renewals in 2024 and 2025, with about 6% of rental income up for renewal per annum in 2026 and 2027.	Supports a stable near-term base despite the 3.0-year colocation WALE; few immediate expiries reduce cliff risk.
2026-04-16	Growth strategy	Official deck says the REIT is well positioned to pursue disciplined growth through hyperscale acquisitions.	Fully-fitted colocation growth should include acquisition capacity, but only if funding remains accretive.
2026-04-16	AI demand	Official outlook states that AI inference is expected to become a sustained demand driver for data centres.	Supports the bull and base demand case for Singapore and APAC capacity; does not justify extrapolating FY2025's acquisition step.
2026-04-16	Energy risk	Official deck says net electricity costs account for less than 3% of operating expenses and power procurement contracts are in place through end-2026.	Near-term NPI margin is less exposed to spot power than a superficial model might assume, but power availability remains strategic.
2026-03 annual report	Hyperscale focus	Annual report says rental income from hyperscalers rose to 69.3% as at 2025-12-31.	Confirms the segment is tied to hyperscale/internet demand and to large-customer concentration.
2026-03 annual report	Capital recycling	Chairman commentary says divestments sharpen portfolio mix and can unlock about SGD0.2bn for redeployment.	Provides funding support for acquisitions and portfolio quality improvement, but not enough to fund unlimited growth.
2025-07-21	Leasing	Official deck says the REIT achieved reversion above 50% for a major renewal in 2Q2025.	Strong evidence that current in-place rents were below market for at least some capacity.

Source date	Topic	Data package quote or paraphrase	Segment interpretation
2025-07-21	Pipeline	Official deck says the manager continues to pursue third-party acquisitions in Japan, South Korea and Europe with a focus on hyperscale data centres.	Broadens growth beyond Singapore but introduces execution, currency and cap-rate risk.
2025-01-24	AI-ready assets	Official deck references KDC SGP 7 and 8 as AI-ready hyperscale data centres.	Explains why Singapore colocation revenue stepped up and why AI demand is relevant to asset quality.
2025-01-24	Reversion	Official deck says FY2024 portfolio reversion was about 39% and continued reversions exceeded 30% in 4Q2024.	Supports positive organic rent growth, but the model fades reversion because extreme reversions rarely persist for five years.

There are two modeling constraints from management's own evidence. First, the demand story is credible: AI inference, hyperscale leasing and positive reversion are all supported in the package. Second, the growth story is not purely organic. The FY2025 step-up came with acquisitions, land-tenure economics and portfolio actions. A five-year forecast that simply compounds the 24.3% three-year segment CAGR would implicitly assume repeated large acquisition years without testing funding, leverage, cap rates or tenant concentration. I therefore use a decelerating base case.

8. Forward growth assumptions - explicit, justified

Base TTM anchor: modeled fully-fitted colocation TTM revenue of SGD342.074m, derived from FY2025 segment revenue scaled by consolidated TTM revenue growth using data_package Section 3 asset-class history and Section 2 TTM controls. Forward horizon: 2031-03-31. The product/sub-segment line is the official fully-fitted colocation bucket because data_package Sections 4 and 10 do not disclose separate product dollars inside the bucket. Property groups are used as evidence, not separate dollar lines.

Case	Product / sub-segment	3-year historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Base	Fully-fitted colocation	24.3%	65.2%	No explicit segment guide; about 6% of rental income up for renewal per annum in 2026 and 2027	7.0%	Fades the acquisition/reversion spike but preserves growth from AI-ready Singapore assets, hyperscale demand, positive reversion and selective acquisitions.

Base case explanation: 7.0% is deliberately below the 24.3% three-year historical CAGR and far below the 65.2% FY2025 year-on-year growth rate. The FY2025 step-up reflected acquisitions and major renewals, not a normal same-store run rate. The base case assumes existing assets stay relevant, Singapore scarcity remains supportive, and the manager adds some accretive capacity or acquisitions, but the pace normalizes as funding costs, tenant concentration and power constraints matter. A 7.0% five-year CAGR takes revenue from SGD342.1m to SGD479.8m, a material increase without requiring another FY2025-style portfolio transformation.

Case	Product / sub-segment	3-year historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Bear	Fully-fitted colocation	24.3%	65.2%	No explicit segment guide; near-term expiries limited but customer concentration high	2.5%	Assumes FY2025 was a one-time step, weak assets require concessions, large tenants capture more economics, and new APAC supply absorbs demand outside Keppel's portfolio.

Bear case explanation: the bear case still grows because the segment starts with high occupancy, scarce Singapore assets and only limited near-term expiries. But 2.5% CAGR is close to inflation-plus escalation rather than a data-centre supercycle outcome. It assumes the strong market does not translate into durable landlord economics because hyperscale tenants have bargaining power, self-build alternatives and regional options. It also assumes KDC Singapore 1, Basis Bay and short-WALE properties weigh on re-leasing economics.

Case	Product / sub-segment	3-year historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Bull	Fully-fitted colocation	24.3%	65.2%	Management cites AI inference as sustained demand driver and disciplined hyperscale acquisitions	11.0%	Assumes Singapore scarcity, AI inference, positive reversion and sponsor pipeline remain powerful, with acquisitions funded without material dilution to segment economics.

Bull case explanation: the bull case is high but still below the three-year historical CAGR. It assumes JLL's and CBRE's industry observations translate into pricing and occupancy for Keppel's existing assets, and that the manager can add capacity or acquire assets at acceptable yields. It does not assume a repeat of FY2025's 65.2% growth because that would require another large step-change in the asset base. It also does not assume unlimited Singapore growth; regional acquisitions and capital recycling are required.

The year-by-year base path is revenue of SGD342.1m in modeled TTM, then SGD366.0m, SGD391.7m, SGD419.1m, SGD448.4m and SGD479.8m by 2031-03-31. That path is consistent with a fading market-reversion cycle: strong enough to reflect data-centre scarcity, but not so strong that it pretends the segment can compound like software without capital.

9. Forward operating margin assumptions - explicit and justified

The current modeled TTM NPI margin is 91.0%. The historical FY2021-FY2025 margin range was 86.9% to 90.8%, and FY2025 was the high point. Because NPI is the segment operating-income proxy in this REIT model, the table below forecasts NPI margin rather than EBIT margin.

Case	Product / sub-segment	Current modeled TTM NPI margin	TTM+5y NPI margin	Change vs TTM	Mechanism
Bear	Fully-fitted colocation	91.0%	86.5%	-450 bps	Occupancy friction, weaker short-WALE assets, tenant bargaining, and higher asset-maintenance or compliance costs pull margin back toward FY2022-FY2024 levels.
Base	Fully-fitted colocation	91.0%	89.0%	-200 bps	Positive reversion and scale remain, but FY2025's unusually high margin normalizes as acquisitions mature and some re-leasing costs return.
Bull	Fully-fitted colocation	91.0%	91.5%	+50 bps	High utilization of Singapore assets, strong rent reversion, procurement control and low direct net electricity cost preserve or slightly improve margin.

The margin assumptions do not use property-level NPI because the data package explicitly says property-level NPI by named data centre is not disclosed. The bear margin of 86.5% is not punitive relative to history; it is approximately the FY2022-FY2024 margin band. The base margin of 89.0% is a midpoint between the pre-FY2025 run rate and the 2025/TTM high. The bull margin of 91.5% requires tight vacancy, strong pricing and cost discipline; it is only 50 bps above modeled TTM because even a high-quality data-centre landlord faces power, maintenance, capex and tenant procurement constraints.

There is an accounting distinction the synthesis agent should preserve. NPI is not distributable income. Finance costs, trust expenses, tax, non-controlling interests, capex funding and unit count determine DPU. This appendix's "operating income" is NPI by instruction. It should flow into the combined model as a property operating contribution, then be reconciled to REIT-level distributable income elsewhere.

10. Segment rollup - built bottoms-up

The rollup uses one official product/sub-segment line: fully-fitted colocation. Because no sub-product dollars are disclosed, the product-level sum equals the segment total. This is not a shortcut; it is the only non-fabricated structure supported by the data package. Revenue grows from the modeled TTM anchor using the case CAGR from Section 8. NPI equals revenue multiplied by the case NPI margin from Section 9.

Case	Modeled TTM revenue SGDm	CAGR TTM to TTM+5y	Segment TTM+5y revenue SGDm	TTM+5y NPI margin	Segment TTM+5y NPI SGDm	Arithmetic check
Bear	342.1	2.5%	387.0	86.5%	334.8	342.1 x 1.025^5 = 387.0; 387.0 x 86.5% = 334.8
Base	342.1	7.0%	479.8	89.0%	427.0	342.1 x 1.070^5 = 479.8; 479.8 x 89.0% = 427.0
Bull	342.1	11.0%	576.4	91.5%	527.4	342.1 x 1.110^5 = 576.4; 576.4 x 91.5% = 527.4

The base case adds SGD137.7m of segment revenue and SGD115.8m of segment NPI over the modeled TTM base. This is a meaningful contribution to the REIT, but it is not an heroic forecast relative to the asset base. It requires continued positive leasing and some portfolio expansion, not perpetual 2025-style acceleration. The bull case adds SGD234.3m of revenue and SGD216.2m of NPI, which would probably require multiple successful acquisitions or major rent resets. The bear case adds only SGD44.9m of revenue and SGD23.6m of NPI, meaning almost all of the FY2025 step-up is retained but little incremental value is created afterward.

For synthesis, the key tie-out is that fully-fitted colocation should remain the dominant operating bucket in all cases. In FY2025 it was 74.3% of gross revenue and 77.7% of NPI. If other segment appendices produce much faster growth for smaller buckets, the combined model should explicitly explain why the company mix changes. Otherwise, this appendix's base case implies the REIT's consolidated growth and NPI margin will be driven primarily by whether the fully-fitted colocation bucket sustains high occupancy and achieves accretive expansion.

11. Key risks and wildcards

Bear risk - customer concentration. The top customer represented 42.1% of FY2025 rental income, and the customer count declined to 72 by 1Q2026. If a major customer renews at less favorable terms, consolidates capacity, shifts to self-build or demands capex concessions, the fully-fitted colocation segment could miss both revenue and margin forecasts. This is the highest-quality bear argument because it attacks the source of the moat: hyperscale customers are sticky, but they are also powerful.

Bear risk - weak property pockets. KDC Singapore 1, Basis Bay and Gore Hill have lower occupancy or shorter WALE in the property snapshot. These are not large enough to define the whole segment, but they show that not every asset has the same market position. If the weak properties require incentives, capex or rent reductions, the segment margin could revert to the FY2022-FY2024 band.

Bear/base risk - power and sustainability constraints. Management says net electricity costs are less than 3% of operating expenses and procurement contracts are in place through end-2026, which helps near-term NPI. But power availability is a strategic constraint in data centres. If Singapore capacity approvals are tight or grid costs rise, Keppel's existing assets become scarcer but new growth becomes harder. That can support rent while limiting volume, which is why the base case uses 7% rather than a double-digit compounding rate.

Base risk - acquisition funding. The REIT can grow through hyperscale acquisitions, but acquisitions need debt, equity, recycling proceeds or sponsor structures. Aggregate leverage was 35.1% at 1Q2026, leaving room, but funding is not unlimited. A lower unit price or higher cap rates could make asset growth less accretive even if data-centre demand is strong.

Bull wildcard - AI inference becomes regional and latency-sensitive. JLL's 2026 global outlook expects inference to become a primary driver and notes that inference requires geographical distribution to reduce latency. If that plays out quickly in Southeast Asia, Singapore's connected, operating assets could enjoy both occupancy and pricing support. This is the cleanest bull case for the segment because it raises demand for existing regional colocation rather than only for remote training campuses.

Bull wildcard - sustained reversion. The data package cites FY2024 reversion around 39%, 4Q2024 reversions above 30%, and a major 2Q2025 renewal above 50%. If in-place rents remain materially below market and renewals can be achieved without losing large customers, the segment could grow faster than the base case without relying entirely on acquisitions. The risk is that extreme reversions attract tenant pushback and eventually normalize.

Data gap - property-level NPI. The data package explicitly says property-level NPI by named data centre is a true non-disclosure. This appendix therefore cannot tell whether Singapore 7 and 8, Dublin, KDC Singapore 1 or other assets have materially different NPI margins. The section 9 margin model is segment-level only.

Data gap - tenant-level dollars and names. The data package gives concentration percentages and sector mix, but not tenant names or tenant-level revenue dollars. The appendix therefore cannot model customer-by-customer expiry or renewal economics. This is a material data gap because fully-fitted colocation is highly tenant-concentrated.

Data gap - quarterly asset-class dollars. The official 1Q2026 update gives lease-type mix but not gross revenue or NPI by asset class. The modeled TTM base uses the quant foundation's required scaling method and must not be mistaken for a disclosed segment TTM figure.

Summary table

The probabilities are intentionally not equal-weighted: base carries the highest weight because current leasing visibility and limited near-term expiries support continuity; bear is weighted above bull because customer concentration, funding dependence and weak-property pockets are more directly observable than another FY2025-scale upside step.

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin (NPI proxy)	Segment TTM+5y Op Income (NPI proxy)	Probability
Bear	SGD387.0m	86.5%	SGD334.8m	25%
Base	SGD479.8m	89.0%	SGD427.0m	55%
Bull	SGD576.4m	91.5%	SGD527.4m	20%

Bottom line: fully-fitted colocation is the largest and highest-quality operating bucket in Keppel DC REIT, but the forward model should not extrapolate the FY2025 acquisition and reversion year. The base case is a still-healthy 7.0% TTM-to-2031 revenue CAGR with NPI margin normalizing to 89.0%. The segment has credible demand support from AI, cloud and Singapore scarcity, but the underwriting hinge is not demand alone. The hinge is whether Keppel can convert demand into rent growth and accretive expansion while managing hyperscale customer concentration, shorter colocation WALE, funding cost and property-specific re-leasing risk.

Appendix B2 - Fully-fitted Single Tenant

Fully-fitted single tenant - Segment Deep Dive

Date: 2026-07-02 Company: Keppel DC REIT Ticker: AJBU.SI Segment name: Fully-fitted single tenant Segment slug: fully_fitted_single_tenant TTM end: 2026-03-31 Forward horizon: 2031-03-31 Currency: Singapore dollars unless stated otherwise. Tables marked SGD000 are in S$ thousands.

0. Segment boundary + taxonomy note

The fully-fitted single tenant bucket is an official Keppel DC REIT model bucket, but the disclosure label has a boundary condition. The data package Section 1 states that FY2021-FY2024 statements used `Colocation`, `Fully-fitted`, and `Shell and core`, while FY2025 separates `Fully-fitted colocation` and `Fully-fitted single tenant`; the package maps FY2021-FY2024 `Fully-fitted` to fully-fitted single tenant to preserve comparability. This is a label refinement rather than a substantive restatement of the economic bucket, but every historical comparison in this appendix uses the data-package Section 3 asset-class rows and the controlling FY segmental information source rather than mixing old and new labels. The segment operating-income proxy is net property income, not reportable segment profit before tax, because the data package and quant foundation both state that segment profit before tax includes fair-value movements, finance items, and other non-operating items.

There is also a TTM limitation. Keppel DC REIT discloses 1Q2026 lease mix by rental income and portfolio metrics, but it does not disclose quarterly gross revenue or NPI by asset class. The quant foundation P4A instructs downstream models to use FY2025 asset-class revenue as the base and consolidated TTM growth while avoiding fabricated quarterly segment dollars. This appendix therefore uses FY2025 fully-fitted single tenant revenue of SGD80.715m and NPI of SGD58.607m as the disclosed base, then applies the consolidated TTM revenue uplift of 1.0425x only to create an explicit segment TTM proxy for the TTM+5 model. That proxy is not a disclosed company number; it is the least-inventive bridge available under the data package.

1. What this segment actually is

Fully-fitted single tenant assets are data centres leased to one primary customer under a property-level or campus-level contract where the facility is already fitted out for data-centre use. The REIT owns the income-producing real estate and data-centre infrastructure package, while the customer uses the site under a long-term lease. This is different from fully-fitted colocation, where the operator serves multiple customers and tends to have shorter WALE, more ongoing customer turnover, and more granular pricing. It is also different from shell and core, where the landlord may provide the building envelope and core infrastructure while the customer carries more of the technical fit-out and operational responsibility.

The customer is typically a large enterprise, cloud, hyperscale, internet, or technology counterparty that wants dedicated capacity. The go-to-market is not a high-velocity retail leasing motion. It is relationship-driven, sponsor-assisted, engineering-led, and balance-sheet-sensitive. Winning a dedicated single-tenant lease requires a site with power access, connectivity, redundancy, security, regulatory comfort, and a counterparty willing to commit for many years. The 1Q2026 data-package lease table shows fully-fitted single tenant at 20.7 percent of rental income with a 9.4-year WALE, compared with fully-fitted colocation at 73.3 percent of rental income and a 3.0-year WALE. That 9.4-year WALE is the core economic distinction: the segment is not the fastest-turnover part of the REIT, but it gives the REIT a long-dated cash-flow spine.

The pricing model is mostly lease income and contracted escalations rather than high-frequency spot pricing. Revenue is driven by the rent level set in the lease, annual escalation clauses or market resets, the timing of renewals, and acquisitions of new stabilized assets. Because the tenant is dedicated, churn is lumpy rather than smooth. If a tenant renews, the REIT can enjoy many years of stable income with limited selling cost. If a tenant exits, downtime and re-leasing cost can be material because the facility may need technical adaptation, the replacement tenant has to accept the specific location and power profile, and the landlord loses a large single rent stream rather than a small customer.

The latest property appendix gives named property evidence for this bucket without giving tenant names. The fully-fitted single tenant rows include DC1 in Singapore, Guangdong Data Centre 1 and 2 in China, Tokyo Data Centre 3 in Japan, maincubes Data Centre in Germany, Almere Data Centre in the Netherlands, and GV7 Data Centre in the United Kingdom. The reported WALEs range from 0.9 years at GV7 to 14.5 years at Tokyo Data Centre 3. That spread matters: the segment average looks long, but there are near-term tails inside it.

2. Current economics

The current disclosed FY2025 economics are simple at the segment level and deliberately incomplete below it. Fully-fitted single tenant generated FY2025 gross revenue of SGD80.715m, 18.3 percent of consolidated gross revenue, and FY2025 NPI of SGD58.607m, a 72.6 percent NPI margin, per data-package Section 1 and Section 3 rows sourced to FY2025 financial statements page 26. The data-package table explicitly flags this as lower margin than fully-fitted colocation, whose FY2025 NPI margin was 90.8 percent. The segment is therefore not a hidden high-margin version of colocation. It is a lower-margin but longer-contract bucket.

The 1Q2026 lease mix adds an important current-income cross-check: fully-fitted single tenant accounted for 20.7 percent of rental income and carried 9.4 years of WALE, per data-package Section 3 and the 1Q2026 operational update page 12. That rental-income share is modestly above the FY2025 gross-revenue share of 18.3 percent, which is directionally consistent with recent additions such as Tokyo Data Centre 3, but it is not enough to create a disclosed quarterly revenue number. The correct interpretation is that single tenant remains a secondary but durable sleeve of the REIT, with a long average contract life and material customer-concentration risk.

Capital intensity is not cleanly separable by property. The quant foundation discloses FY2025 segment capex/additions of SGD6.887m for fully-fitted single tenant, but this is not a normalized maintenance-capex figure. The data package Section 7 shows the REIT's capital allocation is acquisition-heavy and portfolio-rebalancing-heavy, with FY2025 major actions including Tokyo Data Centre 3, remaining interests in KDC SGP 7 and 8, land-tenure economics, and disposals. The segment's forward growth will therefore come from a mix of contracted rent, renewal reversions, sponsor or third-party acquisitions, and selected asset enhancements, not from a smooth capex-to-revenue conversion model.

The property-level snapshot gives useful concentration evidence but not property-level NPI. Data-package Section 4, sourced to the 1Q2026 portfolio appendix pages 19-20, shows DC1 in Singapore with attributable gross revenue of SGD26.7m and 10.0 years WALE. Guangdong Data Centre 1 and 2 each show SGD11.3m of attributable gross revenue and WALEs of 10.7 and 11.4 years. Tokyo Data Centre 3 shows SGD4.6m and 14.5 years WALE, reflecting a recently acquired long-duration asset. maincubes shows SGD10.0m and 7.0 years WALE. Almere shows SGD10.7m and 2.4 years WALE. GV7 shows SGD5.2m and 0.9 years WALE. These figures should be read as concentration and expiry indicators, not as the basis for a property-level NPI rollup.

3. Unit economics

For this segment, revenue becomes NPI through rent less property expenses. The clean operating proxy is gross revenue minus property expenses at the asset-class level. The reported margin history shows that the segment's economics changed materially after FY2022. Revenue rose from SGD55.819m in FY2021 to SGD80.715m in FY2025, but NPI rose only from SGD56.070m to SGD58.607m. The segment's NPI margin was above or near 99 percent in FY2021-FY2022, then declined to 85.0 percent in FY2023, 71.3 percent in FY2024, and 72.6 percent in FY2025. The early years should not be treated as a normalized target margin. For a property segment, NPI can be distorted by recoveries, accounting presentation, lease structures, loss allowances, and asset-specific expenses; the latest two years are the more conservative operating base.

The main unit-economic benefit is contract duration. A 9.4-year WALE lowers the expected annual leasing friction and increases the probability that revenue stays visible through the 2031 forward horizon. The main unit-economic cost is concentration. A single-tenant asset does not have hundreds of small customers offsetting each other. If a tenant is strong and the facility is mission-critical, the landlord has pricing power at renewal because relocation is risky and technically costly. If the tenant's workload migrates, the location becomes less desirable, or the facility is no longer fit for the tenant's power-density requirements, the landlord can suffer a vacancy event that is too large for ordinary portfolio churn to absorb.

Capex responsibility is the critical underwriting question. In a fully-fitted single tenant asset, the landlord has likely delivered a more complete data-centre facility than in shell and core. The tenant may still own or fund the IT kit, servers, GPUs, networking stack, and other customer equipment, but the landlord bears more exposure to building systems, mechanical and electrical resilience, land tenure, and property-level compliance than a pure shell landlord. The data package notes that net electricity costs are less than 3 percent of operating expenses and procurement contracts are in place through end-2026, so current electricity cost does not explain the lower FY2025 margin. The more relevant long-term cost questions are renewal works, mechanical/electrical upgrades, cooling readiness, local regulatory costs, and whether the next tenant requires a different technical configuration.

The NPI margin should not be normalized back to colocation levels. Fully-fitted colocation has a different customer and operating structure, and FY2025 colocation benefited from a large Singapore step-up. For this bucket, a base-case 73 percent

terminal NPI margin keeps the model near the latest disclosed margin, while the bull case lets margin recover to 78 percent if recent assets stabilize and renewals absorb costs. The bear case takes margin to 66 percent, recognizing that a single vacancy, incentive package, or asset-specific property expense can move the segment sharply.

4. Competitive dynamics

The competitive set is broader than listed Singapore REITs. For fully-fitted single tenant assets, Keppel DC REIT competes with hyperscale self-build, private data-centre platforms, sponsor-backed infrastructure owners, global colocation operators offering powered shells or dedicated halls, and real estate capital backed by pensions and sovereign funds. The competition is not just for tenants; it is also for stabilized assets. A REIT can win a customer relationship but still lose an acquisition if the cap rate is bid down by private infrastructure capital, or if a hyperscaler chooses to own or self-develop.

The external backdrop is supportive but not risk-free. JLL's 2026 global data-center outlook says the sector could expand at a 14 percent CAGR through 2030, driven by cloud and AI demand, while hyperscalers are expected to remain key demand drivers through both leasing and self-build strategies. JLL also says APAC capacity is expected to grow from 32 GW to 57 GW by 2030, a 12 percent CAGR, and notes that inference workloads are expected to become a more distributed demand driver. That supports regional dedicated-capacity demand, including Asia and Europe, which are relevant to Keppel DC REIT's single-tenant portfolio.

CBRE's 2026 Asia Pacific data-centre outlook is also consistent with strong demand. CBRE states that APAC data-centre demand is expanding rapidly on AI, cloud adoption, and digitalisation, that global hyperscale demand is growing at a 14 percent CAGR, and that tech firms plan to increase AI capex by 61 percent in 2026. CBRE also warns that power availability is a major operator challenge and that electricity consumption in the region almost doubled from 2020 to 2024 and is expected to triple over the next few years. This is a good backdrop for owners with powered, AI-ready, leased assets, but it is not a free pass for every property. Power-secure markets and assets with credible energy arrangements will win; weaker assets can lag.

Cushman & Wakefield's global market comparison adds a useful competitive lens: power is the primary constraint across global data-centre markets, and site selection is being reshaped by availability, delivery timelines, grid stability, and generation growth. It also ranks Singapore highly on grid stability, which matters because DC1 and the broader portfolio have significant Singapore exposure. The same research warns that pipeline, preleasing, and execution are increasingly constrained by regulatory and approval timelines. For Keppel DC REIT, that means existing powered assets may have scarcity value, but new growth is harder to source cheaply.

Single-tenant customers have meaningful bargaining power. They often have large balance sheets, technical teams, and alternative build/lease options. The landlord has bargaining power when the asset is hard to replicate, power is secured, connectivity is strong, and the tenant is deeply embedded. The landlord has weaker power when the lease is near expiry, the site is not on the customer's future architecture roadmap, or the customer can shift workloads to a cheaper region. This is why the segment's long WALE is valuable but not identical to a moat.

5. Moat at the segment level

The segment moat is moderate, not exceptional. The strongest protections are long leases, high switching cost for mission-critical workloads, regulatory and power constraints that make replacement supply slow, and sponsor access to a broader data-centre development and acquisition ecosystem. A tenant operating from a dedicated facility cannot casually move workloads the way an office tenant can shift floors. Migration risks include downtime, network architecture, customer-service continuity, compliance, physical security, and capital expenditure on new technical fit-out. Those risks support renewals and can support positive reversion when market capacity is tight.

The weakness is tenant concentration. The data package states that tenant-level dollars and tenant names are not disclosed, that the top customer represented 42.1 percent of rental income in FY2025, and that total unique customers fell from 77 in FY2024 to 75 in FY2025 and 72 in 1Q2026. The entire REIT is increasingly hyperscale-oriented, with FY2025 rental income from hyperscalers at 69.3 percent and 1Q2026 Internet Enterprise sector mix at 69.6 percent. That is strategically coherent, but it makes the customer base less diversified. In a single-tenant asset, the economic moat exists only if the specific tenant wants the specific site for the next contract cycle.

The segment also has a technology-refresh risk. AI workloads can require higher power density and liquid cooling readiness. JLL notes that tenant IT fit-out for AI infrastructure can be very expensive, and CBRE notes that advanced liquid cooling and regulatory compliance are pushing construction costs higher. If the tenant carries most IT equipment cost, the landlord may still need to support building-level cooling, power, redundancy, and compliance. A facility that cannot economically upgrade

can become a lower-value asset even if general data-centre demand remains strong.

The sponsor dynamic is a real advantage. Keppel's broader ecosystem can originate, develop, and recycle assets, and the data package cites management's focus on disciplined hyperscale acquisitions in Japan, South Korea, and Europe. Sponsor access does not guarantee value creation, because the REIT still has to fund acquisitions at acceptable cap rates and unit prices. It does, however, improve sourcing credibility versus a standalone financial buyer with no operating platform.

The 5-10 year moat verdict for fully-fitted single tenant is therefore: durable cash-flow visibility, reasonable renewal friction, but weak diversification. The bucket can be a high-quality income sleeve if the assets stay technically relevant and the largest tenants renew. It is not a pure compounder segment because the upside is partly acquisition-dependent and the downside is lumpy.

6. Historical growth rates - reproduced from data package, not re-derived

The historical table below uses only data-package Section 3 asset-class rows. There is no tenant-level or property-level revenue history in the data package, so the only dollar-disclosed product line is the full fully-fitted single tenant bucket. The 3-year CAGR is calculated from FY2022 to FY2025 because the required table asks for FY-3, FY-2, and FY-1 style comparability; the 4-year FY2021-FY2025 CAGR is shown in prose below for context.

Product / sub-segment	FY2021 rev	FY2022 rev	FY2023 rev	FY2024 rev	FY2025 rev	3-yr CAGR FY2022-FY2025	Most recent YoY	Data package cite
Fully-fitted single tenant gross revenue	55,819	69,708	74,568	74,424	80,715	5.0%	8.5%	data_package Section 3 asset-class gross revenue row; FY segmental information; FY2025 financial statements page 26 for current label
Fully-fitted single tenant NPI	56,070	69,066	63,357	53,087	58,607	-5.3%	10.4%	data_package Section 3 asset-class NPI row; FY segmental information; FY2025 financial statements page 26 for current label
Fully-fitted single tenant NPI margin	100.4%	99.1%	85.0%	71.3%	72.6%	N/M	+128 bps	data_package Section 3 asset-class revenue and NPI rows; margin calculated from FY segmental information
Latest lease mix cross-check	N/D	N/D	N/D	N/D	20.7% of 1Q2026 rental income	N/M	N/M	data_package Section 3 latest lease-type rental income row; 1Q2026 operational update page 12
Latest lease duration cross-check	N/D	N/D	N/D	N/D	9.4 years WALE at 1Q2026	N/M	N/M	data_package Section 3 latest lease-type rental income row; 1Q2026 operational update page 12

Internal arithmetic check: FY2024 revenue of SGD74.424m x 1.0845 = FY2025 revenue of SGD80.715m, within rounding. FY2024 NPI of SGD53.087m x 1.1040 = FY2025 NPI of SGD58.607m, within rounding. FY2022 revenue of SGD69.708m compounded at 5.0 percent for three years gives approximately SGD80.715m. FY2022 NPI of SGD69.066m compounded at negative 5.3 percent for three years gives approximately SGD58.607m. No back-solved product or property dollars are used.

The longer FY2021-FY2025 revenue CAGR is 9.7 percent, but that figure is flattered by the FY2021-FY2022 step-up and should not be the default forward rate. The more relevant recent history is a mid-single-digit revenue CAGR with a sharp margin reset. The segment's revenue has grown; the segment's NPI has not compounded with the same quality.

7. Management guidance - quoted from data package Section 6

The data package includes several relevant management or official-deck items for this segment, though most are portfolio-level rather than single-tenant-specific. The first is the 1Q2026 operational update statement that strong income visibility is underpinned by major contract renewals in 2024 and 2025, with about 6 percent of rental income up for renewal per annum in 2026 and 2027. For a long-WALE bucket, this supports near-term downside protection: most income is not facing immediate repricing, and the renewal cliff is limited.

The second is the 1Q2026 growth-strategy statement that the REIT is positioned to pursue disciplined growth through hyperscale acquisitions. This matters directly for single-tenant assets because large dedicated facilities are often hyperscale-oriented and acquisition-driven. The base case should not assume unlimited acquisitions, but it can assume that sponsor and third-party sourcing remain part of the growth algorithm.

The third is the 1Q2026 AI-demand outlook, which says AI inference is expected to become a sustained demand driver for data centres. That is a demand-supportive statement, especially when paired with the segment's long lease profile. The correct interpretation is not that every existing single-tenant asset automatically reprices upward. It is that demand for power-secure regional capacity should remain healthy if the assets are technically relevant.

The fourth is the 1Q2026 energy-risk statement that net electricity costs account for less than 3 percent of operating expenses and power procurement contracts are in place through end-2026. This limits near-term first-order electricity-cost risk in the model. It does not eliminate second-order risk, because tenant demand, regulatory approvals, and future asset upgrades still depend heavily on power availability and cost.

The fifth is the FY2025 annual-report statement that rental income from hyperscalers rose to 69.3 percent as at 2025-12-31. This is supportive for demand quality but negative for diversification. A hyperscale-heavy REIT is more exposed to a small number of powerful customers and their global capital-allocation decisions.

The sixth is the chairman commentary that divestments can sharpen portfolio mix and unlock about SGD0.2bn for redeployment. For this segment, this supports a model in which growth is funded partly through recycling rather than only leverage or equity issuance. It also means the asset base can change; the appendix should not treat the FY2025 property set as static.

The seventh is the 1H2025 leasing item that the REIT achieved above-50 percent reversion for a major renewal in 2Q2025. This is the strongest organic-growth datapoint in the package. It proves that tight-market renewals can be very valuable. It does not prove all future renewals will be similar, and the base case uses a lower forward CAGR than that one reversion datapoint would imply.

The eighth is the 1H2025 pipeline commentary that management continues to pursue third-party acquisitions in Japan, South Korea, and Europe with a focus on hyperscale data centres. This is relevant because Tokyo Data Centre 3 is already a long-WALE fully-fitted single tenant asset in the 1Q2026 property table, with 14.5 years WALE. The bull case depends on this kind of sourcing continuing at acceptable yields.

The ninth is the FY2024 results-presentation statement that KDC SGP 7 and 8 are AI-ready hyperscale data centres, and the related FY2024 reversion commentary of about 39 percent portfolio reversion with continued reversions above 30 percent in 4Q2024. These are portfolio-level comments, but they anchor the demand and pricing environment that a single-tenant renewal discussion will face.

8. Forward growth assumptions - explicit, per product, justified

Because there are no disclosed product sub-lines inside fully-fitted single tenant, the model has one revenue line. The starting point is an explicit segment TTM proxy: FY2025 fully-fitted single tenant revenue of SGD80.715m from data-package Section 3, sourced to FY segmental information and FY2025 financial statements page 26, multiplied by consolidated TTM revenue divided by FY2025 consolidated revenue from data-package Section 2's TTM control table, or 460.139 / 441.362 = 1.0425x. This produces a modeled segment TTM proxy of SGD84.149m. The proxy is used only because the data package says quarterly asset-class dollars are a true non-disclosure.

Base case:

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM->TTM+5y	Justification
Fully-fitted single tenant revenue	5.0%	8.5%	No segment-specific dollar guide; management cites limited 2026-2027 expiries and hyperscale acquisition focus	4.5%	Slightly below recent revenue CAGR because FY2025 included portfolio additions and strong renewals; long WALE supports stability but lower margin and concentration argue against extrapolating high reversions.

Bull case:

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM->TTM+5y	Justification
Fully-fitted single tenant revenue	5.0%	8.5%	Pipeline commentary points to Japan, South Korea, and Europe hyperscale acquisitions	7.0%	Bull assumes Tokyo-style long-WALE acquisitions continue, AI-ready regional capacity remains scarce, and renewal pricing stays positive without requiring property-level NPI fabrication.

Bear case:

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM->TTM+5y	Justification
Fully-fitted single tenant revenue	5.0%	8.5%	No segment-specific guarantee; lease expiries are limited near term but not absent	1.5%	Bear assumes slower acquisition deployment, one weak renewal or vacancy tail such as a short-WALE property, and hyperscalers using self-build to cap rental growth.

The base-case deceleration from 8.5 percent latest YoY to 4.5 percent CAGR is intentional. It reflects a segment that already has long contracts and limited annual expiries, which means organic rent can be visible but not infinitely repriceable every year. It also reflects the fact that the REIT's most exciting current growth disclosures are portfolio-wide and acquisition-driven, while this segment's FY2025 margin is materially lower than colocation. The bull case does not assume a demand bubble; it assumes the REIT can add or renew a few dedicated assets in a supply-constrained market. The bear case does not require a collapse; a low-single-digit CAGR is enough if acquisition economics tighten and one or two short-WALE assets reprice poorly.

External competitive context supports all three cases. JLL's 2026 outlook points to 14 percent global data-centre growth through 2030 and a transition toward distributed inference demand, which supports the base and bull cases. CBRE's APAC outlook points to strong AI and cloud demand but also power and construction-cost constraints, which support pricing for scarce assets while limiting easy new supply. Cushman & Wakefield's analysis that power is the primary constraint supports existing powered assets, but its emphasis on regulatory and execution complexity argues against underwriting a clean double-digit segment CAGR.

9. Forward operating margin assumptions - explicit and justified

The current disclosed FY2025 margin is 72.6 percent, and the modeled TTM proxy margin is 72.7 percent when FY2025 segment revenue is uplifted by consolidated TTM revenue and FY2025 segment NPI is uplifted by consolidated TTM NPI. This is a proxy, not a disclosure. The forward cases therefore start near 73 percent and move only when the mechanism is explicit.

Case	Current / proxy NPI margin	TTM+5y NPI margin	Change	Mechanism
Bear	72.7%	66.0%	-670 bps	One weaker renewal, downtime or incentives at a short-WALE asset, higher property expenses, or technical upgrade burden that cannot be fully passed through.
Base	72.7%	73.0%	+30 bps	Latest two-year margin level holds; long contracts limit churn but no assumption of colocation-like margin recovery.

Case	Current / proxy NPI margin	TTM+5y NPI margin	Change	Mechanism
Bull	72.7%	78.0%	+530 bps	Newer long-WALE assets stabilize, renewal pricing offsets expenses, and tenant-funded IT fit-out limits landlord capex leakage.

The bear margin is severe but not arbitrary. The historical table shows the segment margin fell from 99.1 percent in FY2022 to 71.3 percent in FY2024 before recovering modestly to 72.6 percent in FY2025. That proves a 600-700 bps move is possible in this bucket. It also reflects the lumpy nature of single-tenant economics: one asset can move the segment. The base margin is deliberately close to FY2025 because the data package does not disclose enough property-level expenses to justify a more precise improvement. The bull margin remains below FY2025 colocation margin of 90.8 percent because single-tenant fully-fitted assets carry different asset responsibilities and customer economics.

The model uses NPI as operating income. It does not use reportable segment profit before tax, which was negative SGD10.943m in FY2025 for fully-fitted single tenant despite positive NPI, because that line includes fair-value and finance effects. It also does not allocate finance costs, corporate costs, or fair-value gains into this segment appendix. Those belong in synthesis.

10. Segment rollup - built bottoms-up

The rollup is one-line because the company does not disclose sub-products within fully-fitted single tenant. The arithmetic is therefore transparent: segment TTM proxy revenue x case CAGR for five years = TTM+5 revenue; TTM+5 revenue x case NPI margin = TTM+5 NPI. The figures are in SGDm.

Case	Segment TTM proxy revenue	Revenue CAGR	Segment TTM+5y revenue	TTM+5y NPI margin	Segment TTM+5y NPI	Arithmetic check
Bear	84.149	1.5%	90.652	66.0%	59.830	84.149 x 1.015^5 x 66.0%
Base	84.149	4.5%	104.865	73.0%	76.551	84.149 x 1.045^5 x 73.0%
Bull	84.149	7.0%	118.023	78.0%	92.058	84.149 x 1.070^5 x 78.0%

The base case produces a segment revenue increase of SGD20.716m from the TTM proxy to the 2031 horizon and NPI of SGD76.551m. This is not heroic: it is only modestly above the historical FY2022-FY2025 revenue CAGR and it does not assume material margin repair. The bull case adds about SGD33.874m of revenue from the proxy base and assumes 78 percent NPI margin, still well below the colocation margin. The bear case grows revenue slightly but leaves NPI almost flat versus the modeled TTM proxy because margin compresses to 66 percent.

The segment is not large enough by itself to determine the REIT's entire ER2 verdict, but it is large enough to matter. At FY2025, it represented 18.3 percent of revenue and 15.3 percent of NPI. Its value in a portfolio model is the duration of income, not explosive organic growth. If the synthesis needs a stable income sleeve with long contracts, this segment can provide it. If the synthesis needs a high-ROIC, low-churn, diversified compounder engine, this segment is less convincing because tenant and asset concentration remain visible.

11. Key risks and wildcards

Bear risk - Tenant concentration and single-asset churn. A single tenant leaving a dedicated facility can create a large revenue hole, tenant incentives, downtime, and technical repositioning cost. The data package does not disclose tenant-level dollars, so the model cannot size that risk by customer.

Bear risk - Margin does not recover. FY2025 NPI margin of 72.6 percent is much lower than colocation. If property expenses, loss allowances, upgrade obligations, or tenant incentives remain elevated, NPI can stagnate even while revenue grows.

Bear risk - Hyperscaler self-build. JLL notes that hyperscalers pursue both leasing and self-build. If a major customer chooses owned campuses or alternate markets, renewal bargaining power shifts away from the REIT.

Base risk - Acquisition timing and funding. Management targets disciplined hyperscale acquisitions, but accretive deals depend on cap rates, debt cost, equity issuance price, and leverage. Growth may be intermittent rather than smooth.

Base risk - Power and regulation. External research from CBRE and Cushman & Wakefield points to power availability, delivery timelines, and regulatory approvals as central constraints. Existing assets benefit from scarcity, but upgrade or expansion projects can be delayed.

Bull wildcard - Tokyo-style long-WALE acquisitions. Tokyo Data Centre 3 has 14.5 years WALE in the data-package property table. If the REIT can repeat that style of acquisition at attractive yields, this segment can compound faster than its FY2022-FY2025 history.

Bull wildcard - Inference-driven regional demand. JLL expects inference to become a larger, more distributed AI workload. That could support regional dedicated capacity and make well-located single-tenant facilities more strategic.

[DATA GAP: property-level NPI by named data centre is a true non-disclosure in data_package Section 10.] The 1Q2026 property appendix gives property-level attributable gross revenue, valuation, occupancy, and WALE, but it does not disclose property-level NPI. This appendix therefore uses only asset-class NPI for operating-income modeling.

[DATA GAP: tenant-level dollars and named tenants are true non-disclosures in data_package Section 10.] The data package gives tenant concentration percentages and trade-sector mix, but not tenant names or tenant-dollar revenue. This appendix does not fabricate them. Any future peer review or synthesis should keep the same discipline.

Summary table:

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	SGD90.652m	66.0%	SGD59.830m	25%
Base	SGD104.865m	73.0%	SGD76.551m	55%
Bull	SGD118.023m	78.0%	SGD92.058m	20%

Weighted case result: probability-weighted TTM+5 revenue is SGD103.943m and probability-weighted TTM+5 NPI is SGD75.472m. The weighted result is close to the base case because the segment's core evidence supports durability more than convexity. The investment conclusion for this appendix is that fully-fitted single tenant is a useful duration sleeve with real scarcity value in a power-constrained data-centre market, but it should be modeled as lower-margin and more concentrated than colocation. The right underwriting stance is stable-to-mid-single-digit revenue growth, not a blanket AI multiple applied to every asset.

External competitive context used: [JLL 2026 Global Data Center Market Outlook](https://www.jll.com/en-us/insights/market-outlook/data-center-outlook), [CBRE 2026 Asia Pacific Data Centre Trends & Outlook](https://www.cbre.com/insights/reports/2026-asia-pacific-data-centre-trends-and-outlook), and [Cushman & Wakefield Global Data Center Market Comparison](https://www.cushmanwakefield.com/en/insights/global-data-center-market-comparison). Company historical figures, segment dollars, lease mix, WALE, and data gaps are from the verified Keppel DC REIT data package and quant foundation only, with controlling source rows in data-package Sections 1-4 and Section 10.

Appendix B3 - Shell and Core

Shell and Core - Segment Deep Dive

Company: Keppel DC REIT Ticker: AJBU.SI Segment: Shell and core Segment slug: shell_and_core Date: 2026-07-02 TTM anchor: 2026-03-31 Forward horizon: 2031-03-31

0. Segment Boundary And Taxonomy Note

Shell and core is one of Keppel DC REIT's three official asset-class model buckets, alongside fully-fitted colocation and fully-fitted single tenant. The disclosure boundary is stable enough for forward modeling, but the label history matters. The data package states that FY2021-FY2024 statements used `Colocation`, `Fully-fitted`, and `Shell and core`, while FY2025 split the fully-fitted bucket into `Fully-fitted colocation` and `Fully-fitted single tenant`; shell and core itself remains a directly disclosed bucket across FY2021-FY2025 [data_package Section 1, rows 47-56; Section 3, rows 107-118]. For this appendix, the segment is not redefined, merged with single-tenant assets, or reallocated by geography. The controlling operating metrics are gross revenue and net property income, because reportable segment profit before tax includes fair-value movements and finance items and is not a clean recurring-property proxy [data_package Section 1, rows 47-56; Section 3, rows 107-118].

[DATA GAP: Quarterly shell-and-core gross revenue and NPI are not disclosed. The quant foundation explicitly says asset-class TTM dollars should not be fabricated. This appendix therefore uses FY2025 shell-and-core gross revenue and NPI as the segment operating base, while anchoring the endpoint to the TTM+5 horizon date of 2031-03-31. 1Q2026 lease mix and WALE are used as leasing cross-checks, not as a synthetic TTM revenue bridge.]

1. What This Segment Actually Is

Shell and core is the data-centre real-estate structure closest to infrastructure leasing. In a fully-fitted colocation model, the landlord or operator provides a more complete powered data-centre environment and sells fitted capacity or space to multiple customers. In a fully-fitted single-tenant model, the asset is delivered as a completed data-centre facility or major dedicated environment for one customer. Shell and core sits further upstream. The landlord provides the base building, land tenure, structure, base power/cooling interface, utility access, major plant envelope, and other core infrastructure. The tenant, often a large enterprise, cloud, internet, or hyperscale user, is more responsible for the internal fit-out and operating configuration.

That does not mean shell and core is a weak product. It can be attractive precisely because it can look more like a long-duration infrastructure lease than a high-touch colocation service. The customer does not simply rent a generic office floor. It commits to a specialized data-centre asset, then invests its own capital in fit-out, racks, servers, network equipment, cooling distribution, security systems, and operating integration. External legal and industry commentary on shell-and-core or powered-shell data-centre structures generally frames the landlord as responsible for the base build and the tenant as responsible for its fit-out interface; the economic consequence is that the tenant's switching cost can be high once the fit-out is installed, but the landlord's economics depend on a narrower customer universe and strict lease documentation around responsibility, completion, compliance, and reinstatement. See BCLP's 2025 note on shell-and-core data-centre developments and Hogan Lovells' data-centre market overview for this general market structure; those are competitive-context sources only, not Keppel historical data sources.

For Keppel DC REIT, shell and core is small in the current mix. FY2025 gross revenue was SGD32.532m, 7.4 percent of the REIT's gross revenue, and FY2025 NPI was SGD26.739m, 7.0 percent of total NPI [data_package Section 1, rows 51-56; Section 3, rows 107-118]. The latest 1Q2026 lease-type rental-income disclosure puts shell and core at 6.0 percent of rental income with WALE of 5.8 years [data_package Section 3, rows 121-126]. That makes it too small to determine the whole REIT's earnings path by itself, but not irrelevant. A small segment can matter if it has high lease duration, high tenant-funded fit-out, attractive renewal economics, or asset-conversion optionality. Conversely, a small segment can also create hidden risk if one or two assets roll, if lease expiries cluster, or if the assets are hard to re-tenant because the prior tenant's fit-out is highly specific.

The visible property snapshot gives some texture but not enough for property-level modeling. The data package identifies several properties whose lease type includes shell and core: Gore Hill Data Centre has a mixed fully-fitted colocation / shell-and-core label, Guangdong Data Centre 3 is shell and core, Tokyo Data Centre 1 is shell and core, Milan Data Centre is shell and core, Amsterdam Data Centre is shell and core, Eindhoven Campus is shell and core, Cardiff Data Centre is shell and core, and London Data Centre is shell and core [data_package Section 4, rows 158-184]. The snapshot gives attributable

gross revenue, valuation, occupancy, lease type, and WALE by property, but it does not disclose property-level NPI. This appendix therefore refuses to allocate NPI dollars by property. That matters because a property-level NPI model would be tempting but would be a false precision exercise.

2. Current Economics

The best current operating base for the segment is FY2025, not TTM, because Keppel DC REIT does not disclose quarterly asset-class dollars. FY2025 shell-and-core gross revenue was SGD32.532m and NPI was SGD26.739m, for an NPI margin of 82.2 percent [data_package Section 3, rows 107-118]. That margin is below the FY2025 fully-fitted colocation NPI margin of 90.8 percent and above the FY2025 fully-fitted single-tenant margin of 72.6 percent. The segment is not a low-margin residual bucket, but its FY2025 margin dropped meaningfully from prior years. Shell-and-core NPI margin was 93.7 percent in FY2021, 94.4 percent in FY2022, 92.2 percent in FY2023, 91.8 percent in FY2024, and 82.2 percent in FY2025. The five-year revenue series is also not a momentum story: revenue went from SGD30.959m in FY2021 to SGD36.892m in FY2022, SGD38.309m in FY2023, SGD37.211m in FY2024, and SGD32.532m in FY2025 [data_package Section 3, rows 107-118].

On a portfolio basis, Keppel DC REIT's consolidated TTM gross revenue was SGD460.139m and TTM NPI was SGD400.323m as of 2026-03-31 [data_package Section 2, rows 91-99]. If one simply compares FY2025 shell-and-core revenue to consolidated TTM revenue, the bucket is about 7.1 percent of the latest consolidated scale. If one uses the 1Q2026 rental-income mix, shell and core is 6.0 percent of rental income [data_package Section 3, rows 121-126]. Either way, the message is consistent: this is a mid-single-digit-to-high-single-digit bucket. It does not dominate consolidated DPU. It can still influence marginal growth if Keppel adds or converts shell-and-core assets, or if renewal rates on small assets are materially positive or negative.

The main current-economic strength is lease visibility. Shell and core has 5.8 years of WALE in the 1Q2026 lease-type table, longer than fully-fitted colocation at 3.0 years and shorter than fully-fitted single tenant at 9.4 years [data_package Section 3, rows 121-126]. The portfolio has 6.5 years of WALE by area and 4.6 years by rental income, so shell and core is not the shortest-duration part of the REIT. The segment also has a tenant-funded-fit-out angle that can create retention friction. When tenants invest in internal fit-out, moving is more complex than renewing ordinary space. The counterpoint is that asset specificity can hurt the landlord if the tenant leaves and the prior fit-out does not match the next user's requirements.

Capital intensity is not cleanly disclosed at a property-level NPI or asset-class reinvestment level in the data package. The data package includes total segment capex/additions of SGD67.772m for FY2025 and notes that property-level NPI by named data centre is a true non-disclosure, but it does not provide a shell-and-core-only capex, asset, or liability bridge suitable for bottom-up reinvestment modeling [data_package Section 7, row 248; Section 10, row 296]. That means this appendix should not claim shell and core was or was not the main acquisition/development sink from unsupported asset-class capex. The safer conclusion is narrower: shell and core should not be modeled as a reinvestment engine unless new shell-and-core acquisitions, conversions, or property-level capex obligations are explicitly disclosed later.

3. Unit Economics

The shell-and-core unit economic equation is simple in form and complicated in execution. Gross revenue is rent and related property income from shell-and-core data-centre assets. NPI equals gross revenue less property expenses. At the property level, the expense burden depends on lease structure, maintenance obligations, property taxes, insurance, ground lease costs, utility procurement responsibility, and whether the tenant or landlord bears specific power and operating costs. For Keppel DC REIT, the disclosed company-level fact that net electricity costs account for less than 3 percent of operating expenses and that power procurement contracts are in place through end-2026 is important, but it is a consolidated statement, not a shell-and-core segment cost breakdown [data_package Section 6, row 229].

The historical margin path is the strongest warning in the segment. Revenue declined 12.6 percent in FY2025, from SGD37.211m to SGD32.532m. NPI declined 21.7 percent, from SGD34.146m to SGD26.739m. That means the FY2025 problem was not merely lower revenue; the cost ratio also worsened. NPI margin compressed by about 960 bps from 91.8 percent to 82.2 percent. The data package does not isolate whether this came from a particular geography, property, tenant, vacancy, cost treatment, or one-off item. The right modeling response is not to invent a driver. The right response is to assume the old 92-94 percent margin is not automatically recoverable unless leasing, occupancy, or property-cost disclosures improve.

There are two unit-economic positives. First, shell-and-core leases can move more tenant capex away from the landlord than fully fitted models, because the tenant is responsible for more internal equipment and fit-out. That can make landlord maintenance capital lower in a steady state, especially after the base building and utility interface are delivered. Second, if the

asset is in a constrained power market and the tenant's fit-out is embedded, the landlord may have real renewal leverage. The tenant cannot cheaply replicate power, latency, compliance, and installed infrastructure elsewhere. That can produce high reversion even without a large increase in physical capacity.

There are also two unit-economic negatives. First, the tenant universe is narrower. A shell-and-core asset is not always immediately fungible across colocation customers. A hyperscaler or enterprise tenant may require a specific power density, cooling architecture, redundancy profile, jurisdiction, and network fabric. If a tenant exits, downtime and retrofit needs can erode NPI even if long-run demand remains strong. Second, shell and core can carry concentration risk at the property and tenant level. Keppel does not disclose tenant-level dollars or names, and top-client concentration at the portfolio level is high. The data package says the top customer represented 42.1 percent of rental income at FY2025, and the latest trade-sector mix was 69.6 percent Internet Enterprise in 1Q2026 [data_package Section 4, rows 186-196]. Those are portfolio figures, not shell-and-core figures, but they are relevant because shell-and-core economics are typically anchored by larger customers rather than many small retail colocation accounts.

4. Competitive Dynamics

The competitive set for shell and core is not just other Singapore-listed REITs. It includes global data-centre owner-operators, private infrastructure funds, hyperscale build-to-suit developers, and large colocation platforms that can deliver powered shell, wholesale data halls, or fully fitted facilities. Names that matter in the broader context include Digital Realty, Equinix, Global Switch, NTT Global Data Centers, AirTrunk, ST Telemedia Global Data Centres, GDS, Princeton Digital Group, Vantage Data Centers, and regional build-to-suit developers. Keppel's sponsor ecosystem and operating familiarity with APAC and European data-centre markets are advantages, but shell-and-core tenants with scale can compare landlords globally and negotiate hard on price, power delivery, completion risk, and expansion rights.

The demand backdrop is supportive. CBRE's 2026 global data-centre work frames AI demand and power constraints as major forces shaping growth, with emerging APAC markets such as Johor and Batam gaining traction because they can offer scalable land and power. JLL's 2026 data-centre outlook expects global data-centre capacity to grow materially through 2030, driven by AI and hyperscale cloud expansion, while also warning that power, construction cost, skilled labor, and debt financing are constraints. Those are not Keppel forecasts, but they explain why shell-and-core capacity can be valuable when it combines power access, credible delivery, and a bankable counterparty.

The competitive pressure is not demand absence; it is deliverability and underwriting. If power is scarce and construction timelines are long, existing assets and ready-to-convert shells should command better economics. If new supply arrives in adjacent markets such as Johor, Batam, Tokyo suburbs, or parts of Europe with cheaper power and land, older shell-and-core assets may face renewal pressure unless they have strong network, latency, compliance, or customer-specific advantages. Singapore's position is particularly nuanced. Singapore remains a premium connectivity and enterprise hub, but the policy and power environment means new capacity is carefully managed. That can protect existing assets, while also pushing hyperscale growth into surrounding markets.

For Keppel's shell-and-core bucket, the relevant competitive question is not whether AI grows. It is whether Keppel's specific shell-and-core assets are the right form factor for the next wave of demand. AI training clusters tend to require high power density, advanced cooling, and very large power blocks. AI inference can be more distributed, closer to users, and potentially more relevant to existing metro data-centre locations. Management's 1Q2026 outlook says AI inference is expected to become a sustained demand driver for data centres [data_package Section 6, row 228]. That helps the whole portfolio, but it does not prove every shell-and-core asset will convert into AI-grade capacity. Some older assets may be more useful as enterprise or network-adjacent capacity, while newer or converted assets may suit hyperscale demand.

5. Moat At The Segment Level

The shell-and-core moat is conditional rather than absolute. The segment is protected when three things are true at the same time: the asset has scarce power and connectivity, the tenant has invested meaningful fit-out capital, and the lease structure gives Keppel renewal, escalation, or reversion economics without forcing Keppel to absorb all upgrade cost. If those conditions hold, the landlord owns a scarce site and a long-lived contractual position. The tenant's installed base creates switching cost, and the landlord's local approval, interconnection, and power access history can be hard to replicate.

The moat weakens when any one of those conditions fails. If the site is not power-constrained, the tenant can threaten relocation. If the tenant did not invest much bespoke fit-out, switching costs are lower. If the lease pushes too much compliance, uptime, or upgrade burden back to the landlord, the rent may not compensate for reinvestment. If the lease is near expiry and the asset is specialized for an exiting tenant, the landlord can face a downtime period that looks much worse

than ordinary office vacancy. This is why the 1Q2026 WALE of 5.8 years is positive but not sufficient. WALE tells us duration. It does not tell us reversion, capex burden, renewal probability, tenant credit, or property-by-property fit-out specificity.

The segment's historical results also argue against overstating the moat. A truly dominant segment should not see revenue down 12.6 percent and NPI down 21.7 percent in a year when consolidated gross revenue rose sharply. Shell and core did exactly that in FY2025 [data_package Section 3, rows 107-118]. The REIT overall performed well because other buckets, especially fully-fitted colocation, stepped up. That means shell and core is currently a supporting moat element, not the core moat itself. It can protect downside through long leases and customer embeddedness, and it can create optionality through conversion or acquisitions, but it has not recently been the growth engine.

The 5-10 year durability view is therefore mixed. Base case: shell and core stabilizes after the FY2025 step-down, grows modestly with contractual escalations, selected renewals, and possible conversion or acquisitions, while margins recover only partly. Bull case: Keppel identifies a few shell-and-core assets that can be repositioned toward hyperscale or AI inference demand, and tenant-funded fit-out plus constrained supply lets the segment regain high-80s margins. Bear case: one or two assets roll down or require reinvestment, and the segment remains too small and too asset-specific to absorb vacancy.

6. Historical Growth Rates

The historical table below reproduces the verified data package figures for shell and core. It includes both gross revenue and NPI because NPI is the operating-income proxy for this REIT segment. Values are SGDm unless noted. Citations refer to the data package rows that reproduce the official FY segmental-information note.

Product / sub-segment	FY2021 rev	FY2022 rev	FY2023 rev	FY2024 rev	FY2025 rev	FY2022-FY2025 CAGR	Most recent YoY	Data package cite
Shell and core gross revenue	30.959	36.892	38.309	37.211	32.532	-4.1%	-12.6%	data_package Section 3 rows 107-112; FY segmental information
Shell and core NPI	28.996	34.812	35.328	34.146	26.739	-8.4%	-21.7%	data_package Section 3 rows 114-119; FY segmental information
Shell and core NPI margin	93.7%	94.4%	92.2%	91.8%	82.2%	N/A	-960 bps	data_package Section 3 rows 114-119; FY segmental information
Shell and core rental-income mix	N/D	N/D	N/D	N/D	N/D	N/A	6.0% in 1Q2026	data_package Section 3 rows 121-126
Shell and core WALE	N/D	N/D	N/D	N/D	N/D	N/A	5.8 years in 1Q2026	data_package Section 3 rows 121-126

Internal arithmetic checks:

FY2024 revenue SGD37.211m multiplied by the disclosed FY2025 revenue change of -12.6 percent equals SGD32.523m, within rounding of the official SGD32.532m. FY2024 NPI SGD34.146m multiplied by the disclosed FY2025 NPI change of -21.7 percent equals SGD26.737m, within rounding of the official SGD26.739m. FY2022-FY2025 revenue CAGR is calculated as `(32.532 / 36.892)^(1/3) - 1 = -4.1%`. FY2022-FY2025 NPI CAGR is calculated as `(26.739 / 34.812)^(1/3) - 1 = -8.4%`.

This table creates the central modeling constraint. The segment had a good FY2021-FY2023 revenue and margin base, but the latest year moved the wrong way. The forward model must not pretend the segment is currently compounding at the consolidated REIT's FY2025 growth rate. It also must not extrapolate the FY2025 decline blindly, because a small asset-class bucket can be distorted by one disposal, renewal event, lease expiry, or cost treatment. The right baseline is modest recovery, not high-growth certainty.

7. Management Guidance

The data package does not contain shell-and-core-specific management guidance. It does contain portfolio-level commentary that bears directly on the segment because shell-and-core assets are long-duration data-centre leases and may overlap with hyperscale-style growth.

- 1Q2026 leasing and renewal visibility: management states strong income visibility is underpinned by major contract renewals in 2024 and 2025, with about 6 percent of rental income up for renewal per annum in 2026 and 2027 [data_package Section 6, row 226]. Interpretation: this supports near-term income durability for the portfolio, and the latest shell-and-core WALE of 5.8 years is consistent with no immediate segment-wide cliff. It does not remove single-asset renewal risk.

- 1Q2026 growth strategy: the official deck says the REIT is well positioned to pursue disciplined growth through hyperscale acquisitions [data_package Section 6, row 227]. Interpretation: shell and core could benefit if acquisitions include powered-shell or build-to-suit assets, but the base case should not assume undisclosed deals. Acquisition optionality is a bull-case lever unless a transaction is announced.

- 1Q2026 AI demand: management says AI inference is expected to become a sustained demand driver for data centres [data_package Section 6, row 228]. Interpretation: this is positive for data-centre demand and could support shell-and-core re-leasing if assets meet power-density and location requirements. It is not evidence that every existing shell-and-core property is AI-ready.

- 1Q2026 energy risk: management says net electricity costs account for less than 3 percent of operating expenses and that power procurement contracts are in place through end-2026 [data_package Section 6, row 229]. Interpretation: near-term energy-cost pass-through or procurement risk appears manageable at the consolidated level, but the segment still faces second-order power availability and tenant-demand risk.

- FY2025 hyperscale focus: the annual report says rental income from hyperscalers rose to 69.3 percent as at 2025-12-31 [data_package Section 6, row 230]. Interpretation: the REIT is increasingly a hyperscale vehicle. Shell and core can fit that strategy if assets are leased to or convertible for hyperscale users. It also increases counterparty and sector concentration.

- FY2025 capital recycling: chairman commentary says divestments sharpen portfolio mix and can unlock about SGD0.2bn for redeployment [data_package Section 6, row 231]. Interpretation: shell-and-core growth may come from redeployment rather than organic same-store growth. The segment could shrink if assets are divested as non-core, or grow if recycling funds better shell-and-core opportunities.

- 1H2025 leasing: the official deck says the REIT achieved reversion above 50 percent for a major renewal in 2Q2025 [data_package Section 6, row 232]. Interpretation: this proves the portfolio can capture strong renewal economics in some cases. The data package does not say this was a shell-and-core lease, so it should be treated as portfolio-level evidence only.

[DATA GAP: No management quote in the verified data package specifically identifies shell-and-core renewal spreads, tenant names, tenant credit, property-level capex obligations, or property-level NPI.]

8. Forward Growth Assumptions

The model uses FY2025 shell-and-core revenue of SGD32.532m as the operating base because quarterly asset-class dollars are unavailable. The endpoint remains the TTM+5 horizon date, 2031-03-31. The forward CAGRs are not meant to imply precision by calendar month; they are the five-year segment revenue path that the synthesis agent can combine with other segment appendices. No case assumes a major undisclosed acquisition in the base model.

Base case: modest stabilization after the FY2025 decline. The segment grows below the consolidated data-centre market because it is small, mature, and recently declining, but it benefits from 5.8-year WALE, tenant fit-out friction, positive portfolio leasing, and AI/hyperscale demand.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Shell and core gross revenue	-4.1%	-12.6%	No segment guide; portfolio renewal exposure about 6% per annum in 2026 and 2027	3.8%	Stabilization plus contractual escalations and selective renewal upside; below market growth because FY2025 fell, property-level renewal data is not disclosed, and no acquisition is assumed.
Shell-and-core-like conversion or expansion	N/D	N/D	Disciplined hyperscale acquisitions cited at portfolio level	0.0% explicit	Kept out of base revenue to avoid fabricating unannounced transactions; discussed as upside optionality.

Bull case: the segment participates more directly in hyperscale and AI-inference demand, either through successful renewal/repricing of existing shell-and-core assets or a small amount of conversion within the existing portfolio. This is still conservative compared with global market-capacity growth forecasts because Keppel has not disclosed a shell-and-core development pipeline.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Shell and core gross revenue	-4.1%	-12.6%	AI inference and disciplined hyperscale growth cited at portfolio level	8.0%	Existing assets reprice better than expected and one or more disclosed shell-and-core assets capture hyperscale-style demand without heavy landlord capex.
Shell-and-core-like conversion or expansion	N/D	N/D	Capital recycling and hyperscale acquisition focus cited	1.0% embedded	Bull CAGR includes limited conversion or acquisition contribution, but not a step-change deal.

Bear case: FY2025 was not a one-year reset but evidence of weak re-leasing, asset mix deterioration, or cost leakage. A small number of lease expiries or property-specific issues can overwhelm normal escalators because the segment base is small.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Shell and core gross revenue	-4.1%	-12.6%	No segment guide; portfolio renewal exposure low but not zero	-2.0%	Assumes one asset or tenant rolls down, is vacant for a period, or requires repositioning that offsets escalators.
Shell-and-core-like conversion or expansion	N/D	N/D	Acquisition optionality exists but is funding-dependent	0.0%	Bear case gives no credit for unannounced acquisitions or conversions.

The deceleration and recovery path is intentionally explicit. FY2025 revenue fell 12.6 percent. A base CAGR of 3.8 percent does not erase that decline immediately; it gets the segment from SGD32.532m to about SGD39.2m by the 2031 horizon. That is only modestly above the FY2023 revenue level of SGD38.309m after five more years. The bull case reaches about SGD47.8m, which is meaningful for the segment but still modest relative to consolidated TTM gross revenue of SGD460.139m. The bear case falls to about SGD29.4m, roughly back near FY2021 scale. These cases are intentionally narrower than a greenfield data-centre market forecast because this is an existing REIT bucket with incomplete property-level disclosure, not a new-capacity development model.

9. Forward Operating Margin Assumptions

NPI is the right segment operating-income proxy for Keppel DC REIT because it is the recurring property-level result before REIT-level finance costs, fair-value movements, and distribution adjustments. The current shell-and-core NPI margin is FY2025's 82.2 percent. The historical margin range before FY2025 was 91.8-94.4 percent, but FY2025's compression cannot be ignored [data_package Section 3, rows 114-119]. The cases below therefore do not simply restore the old peak margin.

Case	FY2025 NPI margin	TTM+5y NPI margin	Change	Mechanism
Bear	82.2%	76.0%	-620 bps	Vacancy, re-tenanting cost, or tenant-specific retrofit burden outweighs contractual escalators.

Case	FY2025 NPI margin	TTM+5y NPI margin	Change	Mechanism
Base	82.2%	81.0%	-120 bps	FY2025 margin largely persists; small vacancy/maintenance drag offsets some escalator and renewal benefit, with no evidence yet for a full return to pre-FY2025 margins.
Bull	82.2%	84.0%	+180 bps	Better occupancy, stronger renewal pricing, and tenant-funded fit-out reduce landlord cost burden.

The base case margin is deliberately below the pre-FY2025 margin history. The segment's NPI margin was above 90 percent for four years, but the latest official year is the best evidence of current cost structure. Without a management explanation or property-level cost table, assuming a full snapback would be too aggressive. An 81.0 percent base margin means NPI grows approximately in line with revenue, but not faster. The bull case still does not return to 90 percent; it assumes a partial normalization only. The bear case takes the FY2025 deterioration further and captures the key risk of a small shell-and-core base: one difficult renewal can damage the whole segment.

There is no product-level margin split inside shell and core. Property-level NPI is not disclosed. The model therefore uses one segment-level NPI margin for the rollup. That is less granular than ideal, but it is the cleanest way to avoid fabricated property economics.

10. Segment Rollup

The segment rollup starts with FY2025 shell-and-core gross revenue of SGD32.532m. Revenue is grown for five years to the TTM+5 horizon. NPI is calculated as horizon revenue multiplied by the case margin. Tables below are valid pipe tables and tie to the summary table.

Case	Starting revenue base	Revenue CAGR	TTM+5y revenue	NPI margin	TTM+5y NPI	Arithmetic check
Bear	SGD32.532m	-2.0%	SGD29.4m	76.0%	SGD22.3m	32.532 x 0.98^5 x 76.0%
Base	SGD32.532m	3.8%	SGD39.2m	81.0%	SGD31.8m	32.532 x 1.038^5 x 81.0%
Bull	SGD32.532m	8.0%	SGD47.8m	84.0%	SGD40.2m	32.532 x 1.08^5 x 84.0%

Case	Segment TTM+5y revenue	Segment TTM+5y NPI margin	Segment TTM+5y NPI	Implied change vs FY2025 revenue	Implied change vs FY2025 NPI
Bear	SGD29.4m	76.0%	SGD22.3m	-9.6%	-16.4%
Base	SGD39.2m	81.0%	SGD31.8m	+20.5%	+18.8%
Bull	SGD47.8m	84.0%	SGD40.2m	+46.9%	+50.2%

The base case is not a company-moving number by itself. Base-case horizon NPI of SGD31.8m is only about 7.9 percent of consolidated TTM NPI of SGD400.323m, before considering growth in other segments. Even the bull case adds only about SGD13.4m of NPI versus FY2025 shell-and-core NPI. That matters for DPU but does not change the REIT's profile alone. The segment can move company economics only if it is paired with new acquisitions, asset conversions, or a larger strategic shift toward shell-and-core or powered-shell hyperscale leases. On disclosed data, it is an earnings stabilizer and optionality bucket, not the primary growth engine.

The more important company-level implication is qualitative. Shell and core can lower landlord fit-out capital needs and create long-duration tenant attachment, but it can also import concentration and re-leasing risk. In a REIT with high hyperscale exposure and a top customer above 40 percent of rental income, small segment models should not be allowed to hide large counterparty risk. The synthesis should treat shell and core as a modest but strategically relevant bucket whose value comes from duration and optionality, not from current scale.

11. Key Risks And Wildcards

Bear risk: tenant or property concentration. The segment is small enough that one lease event can dominate reported revenue and NPI. Keppel does not disclose tenant-level dollars or property-level NPI, so the market cannot observe whether the FY2025 decline came from one asset, one tenant, one geography, or a broader issue.

Bear risk: re-tenanting friction. Tenant-funded fit-out is a retention advantage while the tenant stays, but it can become a landlord problem if the tenant leaves. Specialized fit-out may require removal, retrofit, or downtime before a new customer can occupy the space.

Bear risk: margin reset. FY2025 NPI margin fell to 82.2 percent after four years above 90 percent. Without an explicit explanation, the prudent model treats part of that reset as durable.

Base risk: small size. Even if shell and core grows moderately, it is too small to rescue a weak outcome elsewhere. Fully-fitted colocation and single-tenant performance, financing cost, and acquisition discipline matter more for the consolidated verdict.

Base wildcard: renewal reversions. The portfolio has evidence of strong renewal economics, including a major renewal with reversion above 50 percent in 2Q2025, but the data package does not identify it as shell and core [data_package Section 6, row 232]. If shell-and-core renewals capture similar economics, base-case growth is too low.

Bull wildcard: hyperscale-style acquisitions. Management says Keppel DC REIT is positioned for disciplined hyperscale acquisitions and capital recycling [data_package Section 6, rows 227 and 231]. A shell-and-core acquisition with a strong tenant and tenant-funded fit-out could make the small bucket grow materially faster than modeled.

Bull wildcard: AI inference demand. Management expects AI inference to be a sustained data-centre demand driver [data_package Section 6, row 228]. If existing shell-and-core assets fit inference use cases better than training-heavy new campuses, renewal power could surprise positively.

Summary Table

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	SGD29.4m	76.0%	SGD22.3m	25%
Base	SGD39.2m	81.0%	SGD31.8m	55%
Bull	SGD47.8m	84.0%	SGD40.2m	20%

Final assessment: shell and core is a small but non-trivial infrastructure-style bucket. It has characteristics Gideon should like in principle: long leases, tenant fit-out responsibility, potential hyperscale fit, and scarcity value when power and data-centre capacity are constrained. But the verified numbers do not yet show a compounding engine. FY2025 revenue declined, NPI declined faster, and margin reset lower. The base case therefore underwrites stabilization and modest recovery, not heroic AI-driven acceleration. The right thesis role for this segment is optionality with downside watchpoints. It can enhance Keppel DC REIT's durability if leases renew well and tenant-funded fit-out keeps capex low. It can hurt reported growth if one or two specialized assets roll poorly. On current disclosed data, the smaller base cannot move company economics alone.

External competitive-context sources used, not for Keppel historical numbers: CBRE Global Data Center Trends 2026, JLL 2026 Data Center Outlook, BCLP shell-and-core legal strategy note, Hogan Lovells data-centre powered-shell market overview.

Appendix S - Synthesis (Combined Earnings Model)

Keppel DC REIT - Synthesis and Combined Earnings Model

Company: Keppel DC REIT Ticker: AJBU.SI Date: 2026-07-02 TTM end: 2026-03-31 Forward horizon: 2031-03-31 Current price: SGD2.23

1. Anchors and REIT adaptation

This appendix is the combined earnings model for Keppel DC REIT. The standard ER2 synthesis instruction asks for a revenue, operating income, net income, EPS, and P/E 15 test. For this issuer, that test must be adapted because Keppel DC REIT is a Singapore-listed REIT, not an ordinary operating company. The operating segment appendices model gross revenue and net property income. Therefore the segment operating proxy in this synthesis is NPI, not EBIT or operating income. At the equity level, the relevant cash earnings measure is distributable income and DPU, not IFRS EPS alone.

The ER2 price discipline is therefore applied as a REIT-adapted P/DPU 15 gate. At the current price of SGD2.23, the required TTM+5 DPU is SGD2.23 divided by 15, or 14.867 Singapore cents per unit. The base case must clear that required DPU for the price gate to pass. Bull-case clearance is not enough because the ER2 discipline is intended to test whether the base, not the promotional upside case, can justify the current entry price.

The IFRS earnings caveat is material. The data package notes that FY2025 profit attributable to unitholders was SGD427.820m and that FMP net income ties to that PATMI number, but the package also states that reportable segment profit before tax includes fair-value movements and finance items and is not a clean operating proxy. The 1Q2026 update discloses gross revenue, NPI, distributable income and DPU, but not a full quarterly PATMI bridge. This appendix therefore does not let fair-value accounting drive the gate. IFRS EPU can matter for NAV, debt covenant context and accounting history, but for the valuation gate the controlling equity cash line is distributable income per unit.

The reported TTM controls from the verified data package are: gross revenue SGD460.139m, NPI SGD400.323m, distributable income SGD280.825m, and DPU 10.711 cents. The implied current unit base is distributable income divided by DPU, or SGD280.825m divided by SGD0.10711, which equals approximately 2,621.8m units. This unit base is a model anchor, not an assumption of flat shares. The forward model explicitly grows units by case because a REIT funds acquisitions, land tenure extensions, manager fees, and balance-sheet management through a mix of debt, retained capacity, recycling, and new units.

The time anchor is fixed. Today is 2026-07-02. The fiscal year ends on December 31. The latest reported period is 1Q FY2026, ended 2026-03-31 and announced 2026-04-16. The TTM anchor is FY2025 less 1Q FY2025 plus 1Q FY2026. The forward horizon is exactly five calendar years after the TTM end date, or 2031-03-31. All CAGRs in this appendix use five years, not six fiscal years and not a FY2025-to-FY2031 stretch.

2. Segment-level forward assumptions

The segment appendices use Keppel DC REIT's official asset-class buckets: fully-fitted colocation, fully-fitted single tenant, and shell and core. The asset-class appendices already peer-reviewed the segment histories and rollups. This synthesis uses their reviewed horizon endpoints exactly. Because quarterly asset-class dollars are not disclosed, the segment appendices used disclosed FY2025 asset-class dollars plus the consolidated TTM step-up where necessary to create modeled TTM anchors. That limitation is carried here rather than hidden.

NPI is the operating proxy throughout the segment build. This matters because REIT gross revenue alone can overstate economic growth if property expenses, loss allowances, power or maintenance costs, manager fees, finance costs, or unit issuance absorb the rent uplift before it reaches DPU. The most important segment-quality distinction is therefore not only revenue growth, but NPI margin durability and how much NPI converts into distributable income after REIT-level costs.

Segment	Model anchor	Bear TTM+5 revenue	Base TTM+5 revenue	Bull TTM+5 revenue	Bear NPI margin	Base NPI margin	Bull NPI margin
Fully-fitted colocation	Modeled TTM revenue SGD342.074m	SGD387.0m	SGD479.8m	SGD576.4m	86.5%	89.0%	91.5%
Fully-fitted single tenant	Modeled TTM revenue SGD84.149m	SGD90.652m	SGD104.865m	SGD118.023m	66.0%	73.0%	78.0%

Segment	Model anchor	Bear TTM+5 revenue	Base TTM+5 revenue	Bull TTM+5 revenue	Bear NPI margin	Base NPI margin	Bull NPI margin
Shell and core	FY2025 revenue SGD32.532m	SGD29.4m	SGD39.2m	SGD47.8m	76.0%	81.0%	84.0%

The colocation appendix is the company-moving segment. Its base case assumes revenue compounds from a modeled TTM base of SGD342.074m to SGD479.8m by 2031-03-31, with NPI margin normalizing to 89.0% from the unusually strong recent level. That is still a healthy outcome, but it deliberately fades the FY2025 acquisition and renewal spike rather than extrapolating it.

The single-tenant appendix is a duration sleeve rather than a margin engine. The segment has 9.4 years of WALE and benefits from dedicated, mission-critical facilities, but its FY2025 NPI margin is materially lower than colocation. The base case therefore grows revenue to SGD104.865m and keeps NPI margin near the recent level at 73.0%. The bull case allows margin recovery to 78.0%, but still does not let single-tenant assets look like high-margin colocation assets.

The shell-and-core appendix is the smallest and most volatile bucket. FY2025 revenue and NPI declined, and margin reset lower from the earlier 90%-plus history. The base case assumes stabilization and modest recovery to SGD39.2m of revenue and 81.0% NPI margin. The bull case gives some credit for hyperscale optionality, but the base case does not assume an undisclosed acquisition or conversion.

3. Combined revenue build by case

The combined revenue build is a direct sum of the three reviewed segment endpoints. There is no corporate elimination line because the data package's asset-class FY2025 table ties to consolidated gross revenue, and the segment appendices use official asset-class buckets rather than internal product categories that require eliminations. If future source documents disclose quarterly segment dollars, this model should be replaced with disclosed segment TTM bases, but there is no arithmetic gap to close from the current official data.

Line	Bear	Base	Bull
Fully-fitted colocation revenue	387.000	479.800	576.400
Fully-fitted single tenant revenue	90.652	104.865	118.023
Shell and core revenue	29.400	39.200	47.800
Sum of segment TTM+5 revenue	507.052	623.865	742.223
Corporate eliminations	0.000	0.000	0.000
Combined TTM+5 revenue	507.052	623.865	742.223
Implied TTM to TTM+5 revenue CAGR	1.96%	6.28%	10.03%

The base-case revenue CAGR is 6.28% from the consolidated TTM revenue anchor of SGD460.139m. That is plausible for a data-centre REIT with high occupancy, positive reversions, AI and cloud demand, and acquisition optionality. It is also meaningfully below the FY2025 growth spike and below the headline growth rates often cited for global data-centre capacity. The distinction is important: this is not a development company revenue forecast for a new 100 GW market. It is a listed REIT per-unit forecast constrained by assets already owned, funding cost, leverage tolerance, and the need to issue equity only when accretive.

The bear case still grows revenue to SGD507.052m because the REIT has existing contracted income, limited near-term expiry exposure, scarce powered capacity, and an already enlarged FY2025 asset base. The bear case does not require a collapse in data-centre demand. It requires a more ordinary outcome in which large customers capture some economics, weaker assets need incentives, acquisitions slow, and finance or capex leakage prevents revenue growth from compounding into DPU.

The bull case reaches SGD742.223m of revenue. That would require sustained pricing power in colocation, successful long-WALE dedicated assets, and either continued acquisitions or strong renewal economics without material dilution. It is possible, but the evidence base is less direct than the bear and base cases because it depends on repeating accretive transactions and preserving customer economics in a market where hyperscalers are both sticky tenants and powerful counterparties.

4. Combined NPI build by case

The combined NPI build uses each segment's reviewed endpoint revenue and NPI margin. This is the REIT-adapted operating income table. No fair-value movements, finance income, finance costs, acquisition fees, manager fees, or distribution adjustments are inserted at the segment level. Those items belong in the NPI-to-distributable-income conversion that follows.

Line	Bear	Base	Bull
Fully-fitted colocation NPI	334.800	427.000	527.400
Fully-fitted single tenant NPI	59.830	76.551	92.058
Shell and core NPI	22.300	31.800	40.200
Sum of segment TTM+5 NPI	416.930	535.351	659.658
Corporate operating adjustment	0.000	0.000	0.000
Combined TTM+5 NPI	416.930	535.351	659.658
Implied combined NPI margin	82.23%	85.81%	88.87%
Implied TTM to TTM+5 NPI CAGR	0.82%	5.99%	10.50%

The base-case NPI margin of 85.81% is slightly below the TTM consolidated NPI margin of approximately 87.0%. That is intentional. Fully-fitted colocation remains high margin, but the smaller segments carry lower or more uncertain margins, and the model does not assume that FY2025's strong mix and renewals permanently lift the whole portfolio. The base case is therefore not punitive on demand but conservative on margin durability.

The bear case is a margin-compression case. Revenue grows 1.96% annually, but NPI grows only 0.82% annually because weaker assets, single-tenant costs, and shell-and-core friction absorb much of the rent growth. This is the case that matters most for downside protection: a REIT can look stable at the revenue line and still fail to grow DPU if costs, financing and dilution consume incremental NPI.

The bull case's 88.87% NPI margin is demanding but not impossible. It requires high utilization of Singapore colocation assets, tenant willingness to pay for scarce powered capacity, renewal spreads that do not collapse, and cost pass-through or procurement discipline. It also requires that new acquisitions or expansions do not arrive with a materially lower margin profile. The bull case is therefore a favorable underwriting case, not a base case.

5. NPI to distributable income and DPU

The TTM conversion ratio from NPI to distributable income is SGD280.825m divided by SGD400.323m, or 70.15%. This conversion captures finance costs, finance income, manager fees, trust expenses, distribution adjustments, tax and other REIT-level items at the current portfolio and balance-sheet configuration. It is the cleanest starting point because the data package gives TTM NPI and TTM distributable income on official-source controls.

I do not use one fixed conversion ratio for all cases. That would understate the financial structure risk that matters most for a REIT. The bear case uses 66.0% because refinancing cost, property capex, acquisition fees, weaker occupancy, tenant incentives and less favorable funding would plausibly reduce how much NPI reaches unitholders. The base case uses 69.5%, slightly below TTM, because the model assumes growth still needs funding and some reinvestment even though leverage is currently acceptable. The bull case uses 70.5%, only slightly above TTM, because even an excellent demand environment still requires asset maintenance, debt funding and manager fees.

Line	Bear	Base	Bull
Combined TTM+5 NPI	416.930	535.351	659.658
Distributable income to NPI conversion	66.0%	69.5%	70.5%
Horizon distributable income	275.174	372.069	465.059
Starting units from TTM DI and DPU	2,621.8	2,621.8	2,621.8
Annual unit growth assumption	2.4%	1.6%	1.2%
Horizon units	2,951.9	2,838.4	2,783.0
Horizon DPU in cents	9.322	13.108	16.711
Horizon DPU growth versus TTM	-13.0%	22.4%	56.0%

The base-case distributable income grows strongly from SGD280.825m to SGD372.069m, but DPU grows less because units also grow. That is the central synthesis finding. Keppel DC REIT can have a credible data-centre growth story and still fail the ER2 price gate if the per-unit line does not clear the required DPU. The current price of SGD2.23 asks for 14.867 cents of horizon DPU at a P/DPU of 15. The base case produces 13.108 cents.

The unit assumptions are deliberately explicit. The bear case assumes 2.4% annual unit growth, reflecting higher issuance need when acquisitions or refinancing are less favorable. The base case assumes 1.6% annual unit growth, reflecting modest issuance for manager fees, acquisitions and balance-sheet discipline. The bull case assumes 1.2% annual unit growth, reflecting more accretive funding, more recycling, and stronger retained equity market access. None of the cases assumes flat units because the management appendix shows the REIT model is acquisition-heavy and distribution-centered, with manager fees and transaction economics that can add units over time.

6. Unit path and dilution discipline

This unit path is not a share-buyback table because REITs normally distribute most cash flow and rely on capital markets for growth. The more relevant question is how much new unit issuance is required to support acquisitions, manager fees paid in units, land-tenure extensions, capex, and leverage discipline. The management appendix notes that FY2025 included units issued to the manager for base, performance and acquisition fees, and that the per-unit outcome should be judged separately from AUM or total distributable income growth.

Case	Starting units	Annual unit growth	Year 1 units	Year 2 units	Year 3 units	Year 4 units	Horizon units	Rationale
Bear	2,621.8	2.4%	2,684.8	2,749.2	2,815.2	2,882.8	2,951.9	Higher issuance to defend leverage and fund less-accretive growth
Base	2,621.8	1.6%	2,663.8	2,706.4	2,749.7	2,793.7	2,838.4	Modest issuance for fees, acquisitions and capital recycling gap
Bull	2,621.8	1.2%	2,653.3	2,685.1	2,717.4	2,750.0	2,783.0	Better accretion, more recycling, lower dilution need

The base path adds approximately 216.6m units over five years. That is not meant to forecast exact annual placements. It is a discipline check. A base case that assumes accretive data-centre acquisitions but no unit growth would be inconsistent with a Singapore REIT structure, especially one with an external manager and a transaction-heavy growth model. Conversely, an overly punitive unit path would double-count dilution if the segment model already embeds weaker growth. The 1.6% base assumption is a middle ground: enough dilution to respect the REIT funding model, not so much that it assumes poor capital allocation by default.

The unit path also explains why distributable income growth is not the same as DPU growth. Base-case distributable income rises 32.5% from TTM, but DPU rises 22.4%. Bull-case distributable income rises 65.6%, but DPU rises 56.0%. Bear-case distributable income is roughly flat versus TTM, but DPU falls because the unit base grows. This is the per-unit control that blocks an overly enthusiastic conclusion from total NPI growth alone.

7. P/DPU 15 gate

The required DPU is 14.867 cents. Cushion is calculated as DPU times 15, converted back into SGD per unit, less the current price, divided by the current price. The base case determines the gate.

Case	Horizon DPU cents	DPU x 15 value	Current price	Cushion	Pass?
Bear	9.322	SGD1.398	SGD2.23	-37.3%	Fail
Base	13.108	SGD1.966	SGD2.23	-11.8%	Fail
Bull	16.711	SGD2.507	SGD2.23	12.4%	Pass
Required for P/DPU 15	14.867	SGD2.230	SGD2.23	0.0%	Hurdle

The P/DPU 15 gate is FAIL in the base case. It is not a demand failure or a balance-sheet failure. It is a price discipline failure. At SGD2.23, the model needs base-case TTM+5 DPU of 14.867 cents. The base case produces 13.108 cents, leaving an 11.8% shortfall versus the P/DPU 15 value threshold. To clear the gate at the current price, the base case would need either

higher NPI, higher NPI-to-distributable-income conversion, lower unit growth, or some combination of all three.

The bull case clears with 16.711 cents of DPU and a 12.4% cushion, but that case requires stronger assumptions: 10.03% revenue CAGR, 10.50% NPI CAGR, 88.87% combined NPI margin, and only 1.2% annual unit growth. Those assumptions are plausible in an upside data-centre cycle, but they are not the right base for a discipline-driven BUY. The base case is the underwriting case that matters.

8. Recency and historical tie-out

The model ties back to the reported TTM controls. Consolidated TTM gross revenue is SGD460.139m and consolidated TTM NPI is SGD400.323m. The segment appendices use the data package's official asset-class FY2025 table and the required TTM scaling method because quarterly asset-class gross revenue and NPI are not disclosed. FY2025 asset-class revenue sums exactly to reported FY2025 gross revenue of SGD441.362m, and FY2025 asset-class NPI sums exactly to reported FY2025 NPI of SGD383.260m. Therefore the historical segment base ties to the latest complete official segment year, while the TTM consolidated controls tie to the latest reported quarter.

The recency anchor is not stale. 1Q2026 gross revenue was SGD120.956m, NPI was SGD105.173m, distributable income was SGD74.613m, and DPU was 2.833 cents. Annualizing 1Q2026 DPU would produce 11.332 cents, but this appendix does not simply annualize one quarter because REIT distributions, acquisitions, divestments, finance costs and manager fees are not perfectly seasonal. The TTM DPU of 10.711 cents is the better anchor. The base-case horizon DPU of 13.108 cents implies 4.1% annual DPU compounding from TTM over five years. That is within a plausible range, but it still does not clear the current-price hurdle.

The latest quarter supports the growth direction. The data package states that 1Q2026 gross revenue grew 18.4% year on year, NPI grew 19.4%, distributable income grew 20.7%, and DPU grew 13.2%. That evidence supports the base case over the bear case. The same evidence also shows why the P/DPU gate remains strict: even a strong 1Q2026 did not put the current TTM DPU close to the 14.867 cents required at today's price.

10. Finance cost, leverage and distribution conversion sensitivity

The balance-sheet posture is acceptable but not irrelevant. The data package shows aggregate leverage at 35.1% as of 1Q2026, ICR at 7.2 times, and average cost of debt at 2.6%. Those are not distress metrics. They give management room to fund growth. They do not eliminate the conversion risk between NPI and DPU. Higher acquisition loans, refinancing, manager fees, land-tenure payments, or capex can reduce distributable income even when NPI grows.

The sensitivity table holds two variables at base and varies one variable at a time. The base case is combined NPI of SGD535.351m, conversion of 69.5%, horizon units of 2,838.4m and DPU of 13.108 cents.

Sensitivity	Downside case	Base DPU	Upside case	DPU impact range	Interpretation
Colocation revenue CAGR plus or minus 200 bps	12.172 cents	13.108 cents	14.123 cents	1.951 cents	Largest operating driver because colocation is the main NPI pool
Single-tenant NPI margin plus or minus 200 bps	13.057 cents	13.108 cents	13.159 cents	0.102 cents	Visible but not decisive at current segment size
Horizon unit count plus or minus 5%	13.798 cents	13.108 cents	12.484 cents	1.314 cents	Dilution discipline materially affects the gate
DI to NPI conversion plus or minus 300 bps	12.542 cents	13.108 cents	13.674 cents	1.132 cents	Finance cost and distribution conversion can almost close half the shortfall

The two variables that matter most are colocation growth and unit dilution. Colocation is the largest and highest-margin bucket, so a small change in its growth rate has a large effect on NPI. Unit count matters because all REIT growth must ultimately be measured per unit. Distribution conversion is the third key variable: a 300 bps improvement in DI/NPI conversion would lift base DPU by about 0.566 cents, but the base case would still be below the 14.867 cent hurdle without stronger colocation growth or lower dilution.

This sensitivity also clarifies what would change the conclusion. If Keppel DC REIT can prove that colocation growth is closer to the upside path while issuing materially fewer units than the base path, the P/DPU gate could move from FAIL to YELLOW or PASS. If, instead, NPI grows but unit issuance and financing costs absorb the gains, the investment can remain a good asset story but a poor per-unit entry at SGD2.23.

11. Probability-weighted summary

The probability weights are non-uniform: 25% bear, 55% base, and 20% bull. Base has the highest weight because the REIT has real income visibility, high occupancy, positive recent reversions and a credible data-centre demand backdrop. Bear is weighted above bull because customer concentration, related-party acquisition economics, funding dependence, and weak-property pockets are observable risks. Bull remains meaningful because scarce powered data-centre capacity can surprise positively in a sustained AI and cloud cycle.

Case	Revenue	NPI	NPI margin	Distributable income	Units	DPU cents	Probability	DPU x 15 value	Versus SGD2.23
Bear	507.052	416.930	82.23%	275.174	2,951.9	9.322	25%	SGD1.398	-37.3%
Base	623.865	535.351	85.81%	372.069	2,838.4	13.108	55%	SGD1.966	-11.8%
Bull	742.223	659.658	88.87%	465.059	2,783.0	16.711	20%	SGD2.507	12.4%
Probability-weighted	615.889	527.665	85.68%	365.963	N/A	12.882	100%	SGD1.932	-13.3%

The probability-weighted DPU is 12.882 cents, slightly below the base case because the bear weight is larger than the bull weight. That is another way of seeing the verdict: the price is asking for a clean base-to-bull outcome, while the evidence supports a good business with unresolved per-unit economics. The model does not say Keppel DC REIT is weak. It says the current price does not clear the ER2 discipline unless the bull case or a stronger-than-base variant becomes the underwriting case.

12. Management and moat gates in the synthesis

The management appendix is YELLOW. That matters qualitatively. Management is credible, the CEO and CFO backgrounds are relevant, disclosure quality is good for a Singapore REIT, leverage is currently acceptable, and recent FY2025 and 1Q2026 execution is positive. The YELLOW comes from the external-manager structure, fee incentives based on deposited property and NPI, related-party transaction footprint, and the still-short tenure of the current CEO in this role. For this synthesis, Management YELLOW does not mechanically override the math, but it prevents giving full credit for acquisitions and unit issuance unless per-unit evidence proves accretion.

The moat appendix is also YELLOW. The asset-level moat is real: scarce powered and connected data-centre capacity, high occupancy, sticky customers, positive reversions, and sponsor platform access. The listed-REIT moat is weaker because minority unitholders do not own a pure claim on asset scarcity. Financing, acquisition pricing, manager fees, tenant concentration, capex, land tenure and unit issuance can absorb the economic rent before it reaches DPU. That qualitative diagnosis is consistent with the quantitative result. The asset story is better than the per-unit price gate.

The combined synthesis therefore treats Management YELLOW and Moat YELLOW as risk weights, not as automatic vetoes. They justify a non-uniform probability mix and a conservative unit path. They also explain why the bull case should not drive the verdict. A fully green management and moat profile might justify underwriting more accretive acquisition execution. Here, the right posture is to demand proof in DPU and NAV per unit over FY2026-FY2028.

13. Tie-out checks

- Reported TTM revenue and NPI tie-out: PASS. Reported TTM gross revenue is SGD460.139m and reported TTM NPI is SGD400.323m. FY2025 asset-class segment revenue sums to SGD441.362m and NPI sums to SGD383.260m, matching the official FY2025 consolidated controls. Quarterly asset-class dollars are a true non-disclosure, so the segment TTM anchors use the disclosed scaling method rather than fabricated data.

- DI, units and DPU tie-out: PASS. Current units are SGD280.825m divided by SGD0.10711, or 2,621.8m units. Bear DPU equals SGD275.174m divided by 2,951.9m units, or 9.322 cents. Base DPU equals SGD372.069m divided by 2,838.4m units, or 13.108 cents. Bull DPU equals SGD465.059m divided by 2,783.0m units, or 16.711 cents.

- Segment sum tie-out at horizon: PASS. Bear revenue is 387.000 plus 90.652 plus 29.400, or SGD507.052m. Base revenue is 479.800 plus 104.865 plus 39.200, or SGD623.865m. Bull revenue is 576.400 plus 118.023 plus 47.800, or SGD742.223m. No corporate elimination is required under the official asset-class taxonomy.

- Segment rollup check: PASS. Each segment appendix uses one official asset-class line because no sub-product dollars are disclosed inside the bucket. The rollup therefore ties by construction: the official segment line equals the product line, with no fabricated tenant, property or sub-product split.

- Weighted margin check: PASS. Each segment uses its reviewed NPI margin. Combined bear NPI margin is SGD416.930m divided by SGD507.052m, or 82.23%. Combined base NPI margin is SGD535.351m divided by SGD623.865m, or 85.81%. Combined bull NPI margin is SGD659.658m divided by SGD742.223m, or 88.87%.

- Unit path check: PASS. The ending units come from explicit five-year compounding, not a flat-unit assumption. Bear units equal 2,621.8m times 1.024 to the fifth power, or 2,951.9m. Base units equal 2,621.8m times 1.016 to the fifth power, or 2,838.4m. Bull units equal 2,621.8m times 1.012 to the fifth power, or 2,783.0m.

- Growth plausibility check: PASS. Base-case colocation revenue CAGR of 7.0% is far below the segment's acquisition-driven three-year historical CAGR of 24.3%. Base-case single-tenant CAGR of 4.5% is close to its 5.0% historical CAGR. Base-case shell-and-core CAGR of 3.8% is a recovery assumption after FY2025 weakness, not a market-supercycle extrapolation. No base-case segment uses a heroic 1.2x historical growth override.

- Historical arithmetic check: PASS. The segment appendices state the formulas for the horizon endpoints: colocation uses 342.1 times 1.025, 1.070 or 1.110 to the fifth power; single tenant uses 84.149 times 1.015, 1.045 or 1.070 to the fifth power; shell and core uses 32.532 times 0.980, 1.038 or 1.080 to the fifth power. This synthesis uses the reviewed endpoints exactly.

- Recency anchor check: PASS. The model anchors on TTM ended 2026-03-31, not FY2025 alone. 1Q2026 revenue, NPI, DI and DPU are included in the TTM control. Base-case DPU of 13.108 cents implies 4.1% annual growth from TTM DPU of 10.711 cents, which is not an immediate discontinuity from the latest reported quarter.

- Table integrity check: PASS. Sections 2, 3, 4, 5, 6, 7, 10 and 11 use GitHub-flavored pipe tables with blank lines before and after, consistent cell counts, and no literal pipe characters inside cells. Long explanations are kept in prose outside cells.

- Price gate arithmetic check: PASS as arithmetic, FAIL as valuation. Required DPU is SGD2.23 divided by 15, or 14.867 cents. Base-case DPU is 13.108 cents. Base-case DPU times 15 equals SGD1.966. The cushion is (1.966 less 2.23) divided by 2.23, or negative 11.8%. The P/DPU 15 gate therefore fails.

All 11 tie-out checks pass as arithmetic and source-discipline checks. The one failing result is the valuation gate, not the mechanics of the model.

14. Key findings

Keppel DC REIT has a credible asset story and a disciplined but unresolved per-unit story. The data-centre demand backdrop, Singapore-heavy colocation base, recent positive reversions, high occupancy, acceptable leverage and sponsor platform all support a serious base case. The base case reaches SGD623.865m of revenue, SGD535.351m of NPI, SGD372.069m of distributable income and 13.108 cents of DPU by 2031-03-31.

The problem is the entry price. At SGD2.23, the REIT-adapted ER2 hurdle requires 14.867 cents of TTM+5 DPU for a P/DPU of 15. The base case is 11.8% short. The bull case clears, but the bull case depends on sustained high colocation growth, strong NPI margins, limited dilution and strong distribution conversion. That is not the right case to use as the core price-discipline case when management and moat are both YELLOW.

The most important operating driver is fully-fitted colocation. If colocation revenue compounds two points faster than the base case, DPU moves materially closer to the hurdle. The most important financial driver is unit dilution. If growth is funded with repeated equity issuance at mediocre spreads, total NPI can rise while DPU remains below the required threshold. This is exactly the issue the management appendix flags: the REIT must be judged on DPU and NAV per unit, not AUM growth.

The synthesis conclusion is therefore: mathematically coherent, qualitatively investable, but price-gate FAIL at SGD2.23 under the base case. The right monitoring conditions are FY2026-FY2028 DPU per-unit compounding, post-acquisition accretion after all fees and financing, aggregate leverage remaining comfortably below stress levels, and evidence that colocation reversions translate into distributable income without excessive unit growth.

Appendix CS - Compounder Score

Keppel DC REIT (AJBU.SI) - Compounder Score

Company: Keppel DC REIT Ticker: AJBU.SI Exchange: SGX Currency: SGD Analysis date: 2026-07-02 Current price: SGD2.23 TTM end: 2026-03-31 Horizon date: 2031-03-31

1. Executive Verdict

This compounder score is a diagnostic score, not the ER2 verdict. It asks a narrower question than whether Keppel DC REIT is a good data-centre REIT. It asks whether the evidence supports a Gideon-style compounder that can earn high incremental returns, reinvest for a long time, protect minority owners, and still produce at least a 20% annualized shareholder return from the current entry price without relying on terminal multiple expansion. Under that test, the evidence does not clear.

The adapted REIT score is 61 out of 100: Business Quality is 56 out of 80 and the Valuation / 20% Return Underwriting score is 5 out of 20. The score-implied classification is Watchlist / buy only at a materially lower price, not investable now under this rubric. The asset-level story is credible. Keppel DC REIT owns scarce powered and connected data-centre capacity, especially Singapore-heavy fully-fitted colocation assets, and it is benefiting from strong cloud, AI, hyperscale and digital-infrastructure demand. The verified ER2 files show high NPI margins, high occupancy, positive renewal reversions, acceptable leverage, and a sponsor platform that can source assets. Those are real positives.

The score is capped because the per-unit compounding evidence is not as strong as the asset demand story. For a REIT, ordinary industrial ROIC and ROIIC are distorted by fair-value accounting, leverage, property appraisals, acquisition accounting, distributions, and unit issuance. The scoring therefore substitutes property yield, NPI margin, DPU per unit, NAV per unit, acquisition-inclusive per-unit DPU growth, leverage, ICR, and evidence of balance-sheet discipline. On those measures Keppel DC REIT is good, but not yet elite. TTM gross revenue is SGD460.139m, TTM NPI is SGD400.323m, TTM distributable income is SGD280.825m, and TTM DPU is 10.711 cents. The synthesis base case reaches SGD623.865m of revenue, SGD535.351m of NPI, SGD372.069m of distributable income, and 13.108 cents of DPU by 2031-03-31. That is a respectable five-year path, but it misses the REIT-adapted P/DPU 15 gate at the current price. At SGD2.23, the required horizon DPU is 14.867 cents, so the base case is 11.8% short. The bull case clears, but a bull case is not a base underwriting case.

The 20% return test is more demanding than the P/DPU 15 gate and fails more clearly. Using a conservative P/DPU 15 exit and linearly approximated distributions, the base case produces a low-single-digit annualized total return from SGD2.23, not a 20% return. The bear case is negative. The bull case is still only high-single-digit under a P/DPU 15 exit. A 20% shareholder return would require either a much lower entry price, much higher DPU than the base case, or a terminal multiple that the rubric does not allow as the main source of return.

2. Data Source Map

Evidence area	Primary source used	Treatment in score
Price	Live FMP AJBU.SI quote in this run	SGD2.23 current price
Historical REIT economics	`quant_foundation.md` and `data_package.md`	Official Keppel disclosures control because FMP segment endpoints were empty or stale
TTM controls	`quant_foundation.md` P4 and `data_package.md` Section 2	Gross revenue SGD460.139m, NPI SGD400.323m, DI SGD280.825m, DPU 10.711 cents
Segment quality	Three reviewed segment appendices	Fully-fitted colocation, fully-fitted single tenant, and shell and core drive the adapted return analysis
Management	`appendix_management.md`	Gate is YELLOW; credible team but external-manager incentives and related-party footprint cap the score
Moat and durability	`appendix_moat.md`	Moat gate is YELLOW and 2046 test is YELLOW
Valuation model	`appendix_synthesis.md`	REIT-adapted P/DPU 15 gate fails in base case; bull clears only under stronger assumptions
Market cap and EV	Not cleanly needed for the adapted score	Standard EV/NOPAT metrics are set to null because REIT fair-value and DPU metrics are more decision-relevant

The source confidence is Medium-High for reported REIT financials and Medium for customer-level and property-level economics. The official-source chain is strong for consolidated revenue, NPI, distributable income, DPU, leverage, ICR, asset-class revenue and asset-class NPI. It is weaker for property-level NPI, tenant-level economics, tenant credit, customer concentration by named client, full re-leasing economics, and acquisition-specific yields after all fees and financing. The score penalizes those gaps because they matter directly to acquisition-inclusive ROIIC and minority-unit compounding.

3. Key Financial and Quality Metrics

The controlling TTM period ends 2026-03-31 and uses FY2025 less 1Q2025 plus 1Q2026. That construction is important because 1Q2026 is a strong latest quarter and should not be ignored, but a single quarter should not be annualized as the entire valuation base. The verified TTM figures are gross revenue of SGD460.139m, NPI of SGD400.323m, distributable income of SGD280.825m, and DPU of 10.711 cents. The implied TTM NPI margin is 87.0%, and the TTM DI-to-NPI conversion is 70.15%.

At the asset-class level, fully-fitted colocation is the core economics. FY2025 colocation gross revenue was SGD328.115m and NPI was SGD297.914m, a 90.8% NPI margin. The colocation appendix calculates a rough property-income yield of about 7.1% on disclosed segment assets. That is not ROIC, but it is a useful REIT-adapted proxy: the assets generate attractive recurring property income, but the value to unitholders depends on acquisition prices, funding costs, unit issuance and distribution conversion. Fully-fitted single tenant is a lower-margin but longer-duration sleeve: FY2025 revenue was SGD80.715m, NPI was SGD58.607m, and the latest lease-type WALE was 9.4 years. Shell and core is smaller and recently weaker: FY2025 revenue declined to SGD32.532m, NPI was SGD26.739m, and NPI margin compressed to 82.2% after four years above 90%.

Balance-sheet metrics are acceptable. Aggregate leverage was 35.1% at 1Q2026, ICR was 7.2 times, and average cost of debt was 2.6%. FY2025 NAV per unit was SGD1.71. These figures argue against a near-term balance-sheet veto. They do not eliminate the central risk that the next wave of acquisitions may be funded through units, debt, manager fees and land-tenure payments at returns that are attractive for AUM but only modest for DPU per unit.

Per-unit growth is the gating metric. DPU was 9.851 cents in FY2021, 10.214 in FY2022, 9.383 in FY2023, 9.451 in FY2024, 10.381 in FY2025, and 10.711 cents on the TTM base. Distributable income grew much faster than DPU because the unit base expanded. That is normal for a REIT, but it means a high score cannot be awarded from total revenue or total NPI growth alone. A compounder score for this issuer has to ask whether acquisitions, issuance, fees and financing are accretive per unit after a cycle, not whether the asset base is larger.

4. Rubric Scorecard

Category	Score	Max	Rationale
Incremental Returns on Capital	13	25	Standard ROIC is not meaningful for a REIT; property-level economics are good, but acquisition-inclusive ROIIC cannot be calculated cleanly and per-unit DPU growth is only modest
Reinvestment Runway	16	20	Data-centre demand, AI inference, cloud growth, scarce power and sponsor pipeline support a long runway; funding and acquisition discipline constrain it
Durability of Moat	10	15	Asset-level moat is real, but management and moat appendices both remain YELLOW, and 2046 minority-unitholder compounding is not proven
Accounting and Financial Quality	8	10	Official disclosure is solid and cash distributions are real; property-level NPI, tenant-level economics and acquisition yields remain undisclosed
Capital Allocation Discipline	9	10	Balance sheet is disciplined and recent actions are coherent, but external-manager fees and related-party transactions prevent full credit

Category	Score	Max	Rationale
Price and 20% Return Underwriting	5	20	Base-case P/DPU 15 gate fails; 20% IRR cannot be underwritten at SGD2.23 without a lower entry price or bull assumptions

The Business Quality score is 56 out of 80. This is a good business-quality score for a REIT, but it is not a high-conviction Gideon compounder score. The largest deduction is in incremental returns on capital, because the evidence does not allow a clean acquisition-inclusive ROIIC calculation and because per-unit DPU growth has lagged total distributable-income growth. The second major deduction is in durability, because the moat is asset-level strong but listed-unit weaker. Minority owners do not own a pure claim on the best data-centre assets. They own externally managed units exposed to sponsor transaction pricing, fees, capital markets, land tenure and refinancing.

The valuation score is 5 out of 20. Cash distributions help, and the exit multiple used in the base return check is not aggressive. But the base total-return path is far below 20%. The current price already capitalizes a strong data-centre story, while the base case DPU does not clear the P/DPU 15 gate.

5. ROIIC and Reinvestment Analysis

For an ordinary operating company, the rubric would calculate NOPAT, invested capital, ROIC, and ROIIC. Applying those formulas mechanically to Keppel DC REIT would be misleading. Fair-value movements, investment-property appraisals, leverage, non-cash accounting, external management fees, distributions and unit issuance all distort the industrial-style numerator and denominator. The adapted question is therefore: does each dollar of acquisition, capex, land-tenure spend and balance-sheet capacity translate into higher NPI, higher distributable income, higher NAV per unit, and higher DPU per unit after dilution?

The answer is positive but not conclusive. FY2025 was a strong operating year. Gross revenue rose 42.2%, NPI rose 47.2%, distributable income rose 55.2%, and DPU rose 9.8%. 1Q2026 continued the operating momentum, with gross revenue up 18.4% year on year, NPI up 19.4%, DI up 20.7%, and DPU up 13.2%. These figures show that recent acquisitions and renewals are contributing. They also show the gap between total-income compounding and per-unit compounding. The same year that delivered a large DI increase delivered a much smaller DPU increase because new units and capital structure matter.

A high ROIIC score would require a clean bridge from acquisition spend, segment additions and unit issuance to incremental DPU and NAV per unit. The current package does not provide enough to do that cleanly. The data package gives FY2025 segment capex/additions of SGD67.772m, major transaction descriptions, preferential offering context, acquisition debt, and manager-fee unit issuance. It does not provide a deal-by-deal stabilized NPI yield after all acquisition fees, financing costs, land-tenure costs, capex, taxes and unit issuance. The score therefore refuses to award high ROIIC points on the basis of management claims or asset demand. The correct treatment is conservative: the property yield and NPI margins are attractive, but acquisition-inclusive ROIIC is insufficient evidence.

The base synthesis path implies useful but not exceptional per-unit compounding. TTM DPU of 10.711 cents grows to 13.108 cents by 2031-03-31, a roughly 4.1% annual DPU CAGR. That is respectable income growth, but it is not the profile of a 20% annualized compounder. The bull case reaches 16.711 cents and would support a much stronger conclusion, but the bull case relies on higher colocation growth, stronger margins, lower dilution and better conversion. It should not be used as the central score.

6. Runway Analysis

The runway score is the strongest part of the business-quality case. The demand backdrop is favorable. The segment appendices cite a market where AI, cloud, inference workloads, constrained power and long data-centre delivery timelines support owners of operating, powered, connected assets. Keppel DC REIT has exposure to Singapore, Japan, Europe and other selected markets, and its portfolio sits in the part of real estate most directly tied to digital infrastructure demand.

Fully-fitted colocation is the main runway engine. It represented 74.3% of FY2025 gross revenue and 77.7% of FY2025 NPI. It has high NPI margins, strong recent reversion evidence, and benefits most clearly from scarce, high-connectivity capacity. The base segment case assumes 7.0% revenue CAGR from the modeled TTM base to 2031, well below the acquisition-driven three-year historical CAGR and below the FY2025 step-up. That is a reasonable base case because it gives credit for data-centre demand without extrapolating a one-time acquisition and reversion year.

Fully-fitted single tenant provides duration, not explosive compounding. The 9.4-year WALE supports income visibility. Tokyo Data Centre 3, with a 14.5-year WALE in the property table, illustrates the type of long-duration asset that can support portfolio stability. The drawback is concentration and lower margin. The base case uses 4.5% revenue CAGR and a 73.0% horizon NPI margin, which is close to recent results. That is fair but not a high-return reinvestment engine by itself.

Shell and core is smaller and should not drive the group score. The segment has useful attributes, including tenant-funded fit-out and 5.8-year WALE, but FY2025 revenue and NPI declined, and NPI margin compressed materially. The base case underwrites stabilization, not heroic AI acceleration. This is the right stance until property-level NPI, tenant-level renewal economics, or announced acquisitions support a stronger view.

The runway is therefore real, but it is capital hungry. Growth will likely require acquisitions, enhancements, land-tenure spend, debt, recycling and unit issuance. That is why the runway score is high but not perfect. The market can be large and attractive while incremental per-unit value creation remains only moderate.

7. Moat Analysis

The moat appendix is the controlling source for this section, and it assigns a YELLOW moat gate and a YELLOW 2046 test. I agree with that framing. The asset-level moat is credible: scarce powered land, connectivity, uptime requirements, customer migration risk, regulatory and power constraints, sponsor operating knowledge, and positive renewal reversions. A tenant does not casually migrate mission-critical data-centre workloads. Downtime, latency, network architecture, security, regulatory compliance and capital cost all create switching friction.

The problem is that the listed REIT moat is weaker than the asset moat. The REIT captures property-level economics only after financing, manager fees, acquisition terms, capex, land tenure, taxes, unit issuance and distribution adjustments. Sponsor access can be an advantage because Keppel can source and operate assets that a standalone financial buyer might not access. Sponsor linkage also creates a minority-owner question: are assets transferred at prices that leave enough upside for public unitholders after fees and financing?

Pricing power exists but is not fully auditable. The evidence includes FY2024 portfolio reversion around 39%, a major 2Q2025 renewal above 50%, and about 51% reversion in 1Q2026. That is strong. But the package does not disclose tenant-level dollars, named client economics, property-level NPI, full re-leasing economics, or cross-connect ecosystem metrics. Top-client concentration was 42.1% of FY2025 rental income, and Internet Enterprise was 69.6% of 1Q2026 rental income by trade sector. That customer mix can be sticky, but hyperscale and internet-enterprise customers are also sophisticated counterparties with self-build and alternative-market options.

For the 2046 test, the business can still exist and be valuable. A specialized data-centre REIT owning powered, permitted, connected facilities for cloud, AI and enterprise customers is a plausible 2046 company. The unresolved question is whether public unitholders compound well for 20 years. The score therefore gives Keppel DC REIT a good durability mark, not an elite one.

8. Accounting and Capital Allocation Analysis

Accounting and disclosure quality are above average for a REIT. The ER2 package reconstructed five-year revenue, NPI, distributable income, DPU, occupancy, WALE, leverage, ICR, average cost of debt, asset-class revenue and NPI, property-level revenue and valuation snapshots, and recent corporate actions from official sources. FMP was appropriately treated as secondary because the FMP quarterly and segment data were stale, empty, or mismapped for REIT line items. The official-source discipline raises confidence in reported historical figures.

The key accounting limitation is granularity. Property-level NPI is not disclosed. Tenant-level dollar exposure is not disclosed. Quarterly asset-class revenue and NPI are not disclosed. Acquisition-specific stabilized yields after all fees, financing and dilution are not fully disclosed. These gaps are not fatal for ordinary REIT monitoring, but they matter for a compounder score because they prevent a clean acquisition-inclusive ROIIC calculation.

Capital allocation is coherent but not fully minority-first proven. The management appendix assigns a YELLOW gate. Positives include a credible CEO and CFO, majority-independent board wrapper, good disclosure, acceptable leverage, asset recycling, disciplined debt metrics, and recent DPU growth. Negatives include the external-manager fee structure, transaction fees, related-party acquisitions, sponsor influence, unit issuance for manager and acquisition fees, and the short current-CEO track record since July 2023. The fee structure rewards deposited property, NPI, acquisitions, disposals and development activity more directly than DPU per unit, NAV per unit or spread-over-cost-of-capital outcomes.

The balance sheet is not a hard veto today. Aggregate leverage of 35.1% and ICR of 7.2 times are acceptable. Debt cost of 2.6% in 1Q2026 is manageable. But the right risk is forward funding, not current distress. If the unit price falls, cap rates tighten, refinancing costs rise, or sponsor assets are sold at full prices, acquisitions can grow AUM while only modestly improving DPU per unit.

9. 20% Return Underwriting

The synthesis provides the cleanest valuation anchor. At the current price of SGD2.23, a P/DPU 15 hurdle requires 14.867 cents of horizon DPU. The base case reaches 13.108 cents, so the base P/DPU 15 gate fails with an 11.8% shortfall. The bear case reaches 9.322 cents. The bull case reaches 16.711 cents and clears, but the bull case depends on stronger colocation growth, high margins, limited dilution and strong distribution conversion.

For a shareholder IRR lens, I use a conservative P/DPU 15 exit multiple and approximate five years of cash distributions using the average of starting and ending DPU. This is a simple diagnostic, not a full monthly distribution model. Bear ending value is 9.322 cents times 15, or SGD1.398 per unit, plus roughly SGD0.501 of cumulative distributions. That implies a negative annualized return from SGD2.23. Base ending value is 13.108 cents times 15, or SGD1.966, plus roughly SGD0.596 of cumulative distributions. That implies only a low-single-digit annualized return. Bull ending value is 16.711 cents times 15, or SGD2.507, plus roughly SGD0.686 of cumulative distributions. That implies a high-single-digit annualized return. None approaches 20%.

The base-case maximum buy price for a 20% five-year IRR under this simple P/DPU 15 framework is roughly SGD1.03, calculated by discounting the base-case exit value plus distributions at 20% annually. The bull-case equivalent is roughly SGD1.28. These figures are not target prices; they are hurdle prices under an intentionally demanding compounder rubric. They explain why the valuation score is low even though the business is not poor.

The 20% return case therefore requires one of three things: a materially lower entry price, a base case that moves closer to today's bull assumptions, or terminal multiple expansion. The rubric does not allow the last item to drive an investable-now classification. The score therefore cannot classify the stock as investable now.

10. Hard Veto Checklist

Hard veto	Status	Evidence
ROIIC below cost of capital with no credible path	Watch	Acquisition-inclusive ROIIC cannot be calculated cleanly; property economics are good but per-unit DPU growth is modest
Reported returns are accounting artifact	Watch	Standard ROIC is not meaningful; score uses NPI, DPU, NAV/unit and leverage instead
Growth requires persistent external financing	Watch	REIT growth depends on debt, recycling and units; current leverage is acceptable but funding remains central
Share count rises without clear per-share value creation	Watch	FY2025 DI grew much faster than DPU; base case includes 1.6% annual unit growth
Large acquisitions without disclosed returns	Watch	Transaction logic is coherent, but deal-by-deal post-fee and post-dilution yields are not cleanly disclosed
FCF consistently lags earnings structurally	Not applicable	REIT distributable income and DPU are the controlling cash metrics
Customer concentration, regulation or leverage can impair equity	Watch	Top customer was 42.1% of FY2025 rental income; leverage acceptable but not irrelevant
20% return case requires terminal multiple expansion	Fail for investable-now	Base and bull do not reach 20% under P/DPU 15 exit from current price
Needs flawless execution to justify price	Watch	Base price gate fails; current price needs stronger-than-base per-unit growth
Moat cannot be explained simply	Pass	Scarce powered, connected, tenanted data-centre capacity with switching friction
Accounting or governance issues impair trust	Watch	Disclosure is good, but related-party footprint and external-manager fees cap confidence
Balance sheet could wipe out equity in downturn	Pass	35.1% leverage and 7.2x ICR are not distress metrics

There is no balance-sheet red flag that forces a hard reject on solvency grounds. The hard veto that matters is valuation: the 20% return case is not underwritten at the current price without moving beyond the base case.

11. Final Decision

Compounder Score note: 61/100; Watchlist / buy only at materially lower price because the asset-level data-centre story is credible but acquisition-inclusive ROIIC is not cleanly calculable and the 20% return case does not work at SGD2.23.

Business Quality Score note: 56/80; good REIT quality with strong NPI margins, demand runway, acceptable leverage and real asset-level moat, capped by per-unit DPU evidence, external-manager incentives, related-party footprint, and Moat/Management/2046 YELLOW gates.

20% Return UW Score note: 5/20; base-case horizon DPU of 13.108 cents misses the 14.867-cent P/DPU 15 requirement by 11.8%, and a 20% IRR would require a materially lower entry price or bull assumptions.

The final diagnostic classification is Watchlist / buy only at a materially lower price. Keppel DC REIT is not rejected as an operating asset story. It is rejected as an investable-now 20% compounder at the current quote. The evidence to upgrade would be specific: FY2026-FY2028 DPU and NAV per unit compounding after the acquisition wave, clear post-deal accretion after fees and financing, aggregate leverage remaining below the internal 40% posture, ICR staying disciplined, and evidence that strong colocation reversions flow through to DPU without excessive unit issuance. The evidence to downgrade would be DPU stagnation despite acquisitions, negative or fading reversions, occupancy deterioration, tenant or receivable stress, capex outrunning NPI, or related-party acquisitions that grow AUM while diluting per-unit economics.

12. Machine-Readable JSON

The companion file `compounder_score.json` contains the machine-readable score and key fields. The most important numeric fields are total_score 61, business_quality_score 56, valuation_underwriting_score 5, base_case_irr 0.028, bear_case_irr -0.032, bull_case_irr 0.074, max_buy_price_for_20pct_irr approximately SGD1.03, and source_confidence Medium-High.

Appendix CSA - Scoring Audit

Keppel DC REIT (AJBU.SI) - Scoring Audit

Date: 2026-07-02 Currency: SGD Current price: SGD2.23 TTM end: 2026-03-31 Forward horizon: 2031-03-31 Auditor role: Subagent CSA, Scoring Auditor

1. Original vs Audited Scores

Item	Original	Audited	Notes
Business Quality Score / 80	56	56	Preserved. The original scorer already adapted the rubric to REIT economics and capped quality for weak acquisition-inclusive ROIIC evidence, Management YELLOW, Moat YELLOW, and 2046 YELLOW.
Valuation / 20% Return UW Score / 20	5	5	Preserved. The original valuation score is already low and does not over-credit bull-case clearance.
Total Score / 100	61	61	Preserved. The score is conservative enough for the evidence and remains a Watchlist diagnostic, not an investable-now conclusion.
Classification	Watchlist / buy only at materially lower price	Watchlist / buy only at materially lower price	Preserved. The base case fails the price gate at SGD2.23 and the 20% return case requires a materially lower entry price or stronger-than-base assumptions.

The original Compounder Score is 61/100, made up of Business Quality 56/80 and Valuation / 20% Return Underwriting 5/20. The original score-implied classification is "Watchlist / buy only at materially lower price." The original JSON reports base-case IRR of 2.8%, bear-case IRR of negative 3.2%, bull-case IRR of 7.4%, and maximum buy price for a 20% IRR of about SGD1.03. The markdown and JSON agree on the core score, classification, current price, TTM end, horizon date, base DPU, required DPU, and principal data gaps. I found no markdown-versus-JSON score conflict that requires replacing the original score hierarchy.

This audit preserves the original score rather than reducing it. That is not a rubber stamp. The important point is that the original scorer already took the conservative path on the items that matter most for a REIT: it did not treat ordinary corporate ROIC as decisive, did not pretend acquisition-inclusive ROIIC was cleanly calculable, did not award a high 20% underwriting score because the bull case clears a P/DPU 15 value, and did not let broad data-centre demand offset per-unit DPU evidence. A further numerical cut would be possible only if the original score had granted points for unsupported tenant-level economics, property-level NPI, named customer dollars, or deal-by-deal post-dilution acquisition yields. It did not.

2. Score Reductions and Reasons

There are no additional numerical reductions in this audit. The original reductions are preserved because they are supported by the source files.

Incremental returns on capital stays at 13/25. This is the most important cap. Keppel DC REIT is a REIT, so a mechanical corporate ROIC or ROIIC calculation would be a false precision exercise. The better adapted measures are NPI margin, property-income yield, DPU per unit, NAV per unit, leverage, ICR, acquisition accretion, and per-unit compounding after issuance. The data package and synthesis support attractive property economics: TTM gross revenue is SGD460.139m, TTM NPI is SGD400.323m, and TTM NPI margin is about 87.0%. But those same files show that total-income growth has not translated one-for-one into DPU per unit. DPU was 9.851 cents in FY2021 and 10.711 cents on the TTM anchor, while the REIT also grew AUM, debt and units through acquisitions.

The reinvestment runway score is preserved at 16/20. Data-centre demand, AI inference, cloud growth, scarce powered capacity, positive reversions and the Keppel platform are real positives. Fully-fitted colocation is a strong asset class with FY2025 revenue of SGD328.115m, FY2025 NPI of SGD297.914m and 90.8% NPI margin. The score is not raised because the runway is capital hungry and externally funded. A large opportunity set does not automatically create high minority-unitholder returns if acquisitions require unit issuance, manager fees, land-tenure costs and debt at only moderate

spreads.

Durability of moat stays at 10/15. The moat appendix assigns Moat YELLOW and 2046 YELLOW. That is the right calibration. The assets have switching costs, scarce power, connectivity, high occupancy and positive renewal reversions. The listed REIT unit has a weaker moat than the best assets because sponsor-related acquisitions, tenant concentration, equity issuance, refinancing, capex, land tenure and external-manager fees can absorb the economic rent before it reaches DPU per unit.

Accounting and financial quality stays at 8/10. Official-source disclosure is good enough to reconstruct consolidated and asset-class histories, leverage, ICR, occupancy, WALE, rental sector mix, DPU and the latest TTM controls. It is not good enough to underwrite a full property-by-property or tenant-by-tenant economic model. That gap matters but is already captured.

Capital allocation stays at 9/10 only because this category is narrow and current balance-sheet discipline is acceptable. Aggregate leverage was 35.1% at 1Q2026, ICR was 7.2x and average cost of debt was 2.6%. A perfect or near-perfect score would be too generous if read as a decade-long minority-owner endorsement, but the broader Business Quality score is still capped by Management YELLOW and by the missing post-dilution acquisition ROIIC bridge.

Valuation / 20% underwriting stays at 5/20. It is already low. The synthesis calculates the REIT-adapted P/DPU 15 gate at the current price: SGD2.23 divided by 15 requires 14.867 cents of horizon DPU. The base case reaches 13.108 cents, an 11.8% shortfall. The bull case reaches 16.711 cents and clears the P/DPU 15 value, but the scorer correctly did not treat bull-case clearance as an investable-now base case.

3. Unsupported Claims

The original score does not rest on the unsupported claims that would normally force a cut. It does not assert clean tenant-level economics. The data package states tenant names and tenant-level dollars are not disclosed, and the management appendix explains that confidentiality is commercially understandable but leaves customer concentration and credit underwriting incomplete. The moat appendix also notes that pricing power is observable but not fully auditable at the customer level.

It also does not assert property-level NPI by named data centre. The data package is explicit: property-level attributable gross revenue and valuation snapshots exist, but property-level NPI remains undisclosed. Any model that built property-level NPI dollars would be fabricating precision. The compounder score avoided that error by staying at the asset-class level.

The original score does not assert a clean acquisition-inclusive ROIIC. That is the decisive audit point. Recent acquisitions appear strategically coherent and early FY2025/1Q2026 results are positive, but the files do not disclose a clean deal-by-deal bridge from purchase price, financing mix, manager fees, land-tenure costs, capex and unit issuance to stabilized incremental DPU and NAV per unit. The score therefore cannot earn elite ROIIC credit. The original score correctly records acquisition-inclusive ROIIC as null and uses it as a cap rather than filling the gap with management narrative.

The original score does not over-claim a network-effect moat. The moat appendix says strict network effects are weak because cross-connect density, carrier count, ecosystem revenue and cloud on-ramp economics are not quantified. That is important because data-centre demand and interconnection stickiness can be real without becoming a software-style network effect.

4. Calculation Errors

I found no material arithmetic error that requires changing the score.

The P/DPU 15 gate is correct. At a current price of SGD2.23, required horizon DPU is SGD2.23 / 15 = SGD0.14867 per unit, or 14.867 cents. The base horizon DPU is 13.108 cents. Base value at 15x DPU is SGD1.966, which is 11.8% below the current price. The synthesis labels this correctly as arithmetic PASS and valuation FAIL.

The DPU bridge is internally coherent. TTM distributable income is SGD280.825m and TTM DPU is 10.711 cents, implying about 2,621.8m units. The base case grows horizon distributable income to SGD372.069m, assumes 1.6% annual unit growth to 2,838.4m units, and reaches 13.108 cents of DPU. The unit-growth assumption is not hidden, and that matters because flat-unit assumptions would overstate the REIT return case.

The case hierarchy is also coherent. Bear DPU is 9.322 cents, base DPU is 13.108 cents and bull DPU is 16.711 cents. The probability-weighted DPU is 12.882 cents, below base because the bear weight is larger than the bull weight. That supports the score's refusal to use bull-case economics as the central underwriting case.

Standard NOPAT, EV/NOPAT, SBC and corporate FCF tests are not the right controlling metrics for this REIT. The audit treats the null fields in the original JSON as a feature, not a defect, where the null reflects a deliberate REIT adaptation. The remaining missing cash-flow evidence is still a gap: the data package has only limited historical cash-flow extraction and flags FY2021-FY2023 cash-flow history as not fetched. That prevents a stronger cash-coverage score, but it does not break the DPU/NPI valuation math.

5. Missing Data

The most important missing evidence is acquisition-inclusive per-unit return evidence. The files do not provide clean post-fee, post-financing, post-dilution yields for each material acquisition. Without that, an auditor cannot prove that the REIT's acquisition program compounds minority-owner value at Gideon-level rates. This is why Incremental Returns on Capital cannot be raised and why Capital Allocation cannot be interpreted as a full PASS.

Property-level NPI by named data centre is also missing. That limits visibility into which assets actually drive the high consolidated NPI margin and which assets may be weaker than the aggregate. The asset-class data is useful, but it can hide variation between Singapore-heavy colocation assets and smaller or shorter-WALE foreign properties.

Tenant-level dollars and tenant names are missing. The REIT discloses concentration percentages, trade-sector mix, occupancy and WALE, but not named tenant economics or tenant dollar exposure. That limits diligence on customer bargaining power, credit risk, renewal probability and whether positive reversions are broad-based or concentrated in a small set of leases.

Quarterly asset-class revenue and NPI are missing. The segment appendices therefore use FY2025 asset-class bases and consolidated TTM scaling where necessary. That is a reasonable approach, but it is not the same as disclosed TTM segment dollars.

Historical FCF-like REIT cash coverage is incomplete. The data package flags full FY2021-FY2023 cash-flow history as not fetched or omitted. Since DPU is the primary equity cash metric, this is not fatal, but a higher Accounting and Financial Quality score would require a deeper cash conversion and maintenance capex coverage history.

6. Hard-Veto and Threshold Test Audit

The 20% return hurdle fails. The original JSON reports base-case IRR of 2.8%, bear-case IRR of negative 3.2%, and bull-case IRR of 7.4%. None reaches 20%. The base case also fails the simpler P/DPU 15 gate, and the bull case only supports a positive valuation spread under stronger assumptions. A 20% annualized outcome would require a materially lower entry price, a much higher base DPU path, or terminal multiple expansion. The rubric does not allow terminal multiple expansion to be the core source of the investable-now conclusion.

The Management gate is YELLOW. The manager is credible, disclosure is good, and the balance sheet is not stressed. But the external-manager structure, deposited-property and NPI-linked fees, acquisition and development fees, related-party transaction footprint, manager-fee unit issuance and short current-CEO in-seat history prevent a full PASS. The scoring should not give full acquisition-underwriting credit until DPU and NAV per unit prove post-deal accretion over FY2026-FY2028.

The Moat gate is YELLOW and the 2046 test is YELLOW. Asset-level scarcity is real, especially for powered and connected colocation assets. The public REIT unit is not a pure claim on that scarcity. Power upgrades, land tenure, tenant concentration, capex, refinancing and sponsor transaction pricing can all dilute the asset moat before it reaches public unitholders.

The original classification follows the threshold logic. Total score is below 80, Business Quality is below 65/80, Valuation is far below 15/20, base IRR is far below 20%, bear IRR does not protect capital, and the return case does not clear without stronger-than-base assumptions. Watchlist / buy only at materially lower price is the right score-implied label.

7. Final 20% Hurdle Pass/Fail

Final 20% hurdle: FAIL.

The company can be a good data-centre REIT and still fail the Gideon return hurdle at SGD2.23. The base-case five-year DPU CAGR from 10.711 cents to 13.108 cents is roughly 4.1%. That is a respectable REIT distribution-growth path, not a 20% compounder path. Cash distributions help total return, but not enough to bridge the gap. The maximum buy price for a 20% IRR in the original score is about SGD1.03 under the base P/DPU 15 framework. That number is not a target price; it is a

hurdle-price diagnostic. It explains why the stock can stay on a watchlist while failing investable-now underwriting.

8. Dream Business / Dream Investment Classification

Classification: neither a dream business nor a dream investment under the Gideon compounder rubric.

Keppel DC REIT has dream-asset ingredients: scarce data-centre capacity, Singapore-heavy colocation exposure, strong NPI margins, positive reversions, high occupancy and a demand backdrop supported by cloud and AI. But a dream business, in this framework, needs cleaner evidence of high incremental returns and durable minority-owner compounding. The externally managed REIT structure, related-party footprint, acquisition reliance, missing tenant/property detail and Management/Moat/2046 YELLOW gates keep it below that bar.

It is not a dream investment at the current price because the base case fails the P/DPU 15 gate and the 20% return test. The single biggest reason the company does not qualify is that asset-level demand does not yet translate into enough per-unit DPU and NAV/unit compounding at SGD2.23 after funding, fees, dilution and acquisition economics.

9. Stage 7 Scorecard Notes

Compounder Score note: 61/100; preserved after audit. Keppel DC REIT is a credible data-centre REIT, but the score remains Watchlist because acquisition-inclusive ROIIC is not cleanly calculable and the base 20% return case does not work at SGD2.23.

Business Quality Score note: 56/80; preserved after audit. Strong NPI margins, acceptable leverage, positive reversions and a real asset-level moat are capped by modest per-unit DPU evidence, external-manager incentives, related-party transactions, missing tenant/property economics, and Management/Moat/2046 YELLOW gates.

20% Return UW Score note: 5/20; preserved after audit. Base horizon DPU of 13.108 cents misses the required 14.867 cents for P/DPU 15 by 11.8%, and neither base nor bull case underwrites a 20% IRR from SGD2.23 without a materially lower entry price or stronger assumptions.

10. Auditor JSON

The companion `compounder_score_audit.json` file contains the audited scorecard fields for Stage 7. The audited score is 61/100, Business Quality is 56/80, Valuation / 20% Return Underwriting is 5/20, final 20% hurdle pass is false, classification is Watchlist / buy only at materially lower price, confidence is Medium-High, and the dream-business / dream-investment classification is neither.

Appendix RT - Red Team

Keppel DC REIT - Red Team Appendix

Company: Keppel DC REIT Ticker: AJBU.SI Date: 2026-07-02 Current price: SGD2.23 TTM end: 2026-03-31 Forward horizon: 2031-03-31 Source rule: this red team uses the verified ER2 artifacts in this folder. No local data warehouse cache was used.

1. Red-team verdict

The thesis does not survive as BUY at SGD2.23. It can remain on a WATCH list only if the investor is explicitly waiting for either a materially lower entry price or proof that FY2026-FY2028 DPU and NAV per unit are compounding faster than the current base case. The asset story is good: scarce powered data-centre capacity, Singapore-heavy colocation exposure, high NPI margins, positive recent reversions, acceptable leverage, and a credible sponsor platform. The equity story is weaker: the current price already needs a cleaner per-unit outcome than the base case produces, and the audited score confirms that the 20% return case is not underwritten.

The synthesis base case is not sloppy. It ties to the verified artifacts and produces 2031-03-31 revenue of SGD623.865m, NPI of SGD535.351m, distributable income of SGD372.069m, and DPU of 13.108 cents. The problem is that a clean base case is still not enough. At SGD2.23, the REIT-adapted P/DPU 15 gate requires 14.867 cents of horizon DPU. The base case misses by 11.8%. That failure should not be softened. It is not a rounding issue, and it is not solved by describing AI demand as strong. The current price asks investors to underwrite a base-to-bull outcome while the evidence supports a good REIT with unresolved conversion, dilution, and sponsor-economics risk.

The audited diagnostic score lands at 61/100, with Business Quality 56/80 and Valuation / 20% Return Underwriting 5/20. The final 20% hurdle pass is false. Management, Moat, and 2046 are all YELLOW. Those are not decorative caveats. Together they say that the asset-level moat has not yet been converted into a minority-unitholder compounder. The red-team burden is therefore not to find a recession scenario. The thesis breaks first if ordinary friction prevents revenue and NPI growth from reaching DPU per unit: tenant concentration, power and capex, acquisition funding, unit growth, finance cost, and external-manager fees.

2. What breaks first

The first break point is fully-fitted colocation growth and margin. This is the largest, highest-quality, and most valuation-sensitive bucket. In the synthesis, colocation revenue rises from a modeled TTM anchor of SGD342.074m to SGD479.8m by 2031-03-31, with NPI margin normalizing to 89.0%. That is the hinge of the whole model. It assumes the FY2025 acquisition and reversion spike fades, but still leaves a healthy 7.0% five-year revenue CAGR and SGD427.0m of horizon NPI from colocation. If colocation underdelivers, the group model does not have another segment large enough to absorb the miss.

The bear does not need to argue that data-centre demand collapses. The sharper bear case is that hyperscale customers capture more of the scarcity rent. The top customer represented 42.1% of FY2025 rental income, customer count declined to 72 by 1Q2026, hyperscaler rental income reached 69.3% in FY2025, and Internet Enterprise was 69.6% of 1Q2026 rental income mix. That is strategically coherent, but it is not diversified. A sticky hyperscaler is also a powerful buyer with self-build alternatives, regional options, and the ability to demand capex concessions. If a major renewal lands below expectation, the same concentration that supports credit quality becomes the channel through which pricing power leaks away.

Occupancy and WALE make the issue monitorable. Portfolio occupancy has drifted from 98%-plus in FY2021-FY2023 to 95.8% in FY2025 and 95.6% at 1Q2026. WALE by rental income was only 4.6 years at 1Q2026 because colocation is the dominant rental-income bucket, and fully-fitted colocation itself had a 3.0-year WALE. Management says only about 6% of rental income is up for renewal per annum in 2026 and 2027, which reduces immediate cliff risk, but the red-team point is that the market gets only a partial sample before the model needs confidence. The positive 39% to 51% reversion data is real; it is also sample-sensitive and not tied to disclosed tenant-level dollars.

The second break point is DPU conversion. The base case uses a 69.5% distributable-income-to-NPI conversion ratio, slightly below the TTM ratio of 70.15%. That is not obviously aggressive, but it still leaves little room for stress. The sensitivity table says a 300 bp conversion swing changes DPU by roughly 1.132 cents across the downside/upside range, or about 0.566 cents for a one-sided move. A conversion miss alone may not explain the full P/DPU 15 shortfall, but it can keep an otherwise

good NPI result below the hurdle. This is where finance cost, manager fees, trust expenses, tax, loss allowances, land-tenure costs, and maintenance or upgrade capex matter.

The third break point is unit growth and dilution. The base case assumes annual unit growth of 1.6%, taking units from roughly 2,621.8m to 2,838.4m. That already adds about 216.6m units. This is not a punitive assumption; it is the normal consequence of a REIT that distributes most cash flow and funds acquisitions, manager fees, land extensions, and balance-sheet discipline with a mix of debt, recycling, and equity. The risk is that 1.6% proves too low if the REIT continues to pursue large data-centre acquisitions while its unit price does not provide a low-cost equity currency. The sensitivity table shows a 5% higher horizon unit count drops base DPU from 13.108 cents to 12.484 cents. That would push the required DPU gap wider and make the P/DPU 15 failure more decisive.

The fourth break point is sponsor acquisition economics. The management appendix is clear that the strategy is coherent but sponsor-linked. FY2025 included Tokyo DC 3, remaining Singapore interests, land-tenure extensions, Kelsterbach recycling, and the NetCo securities sale agreement. The 2025 results look good at the top line: gross revenue up 42.2%, NPI up 47.2%, distributable income up 55.2%, and DPU up 9.8%. The red-team issue is the asymmetry between total growth and per-unit growth. DPU rose far less than DI because the trust grew through acquisitions and issuance. The external-manager fee structure rewards deposited property, NPI, acquisitions, divestments, and development activity more directly than DPU per unit or NAV per unit. That does not make management bad. It means a BUY case cannot assume that every sponsor or third-party deal compounds minority value.

The related-party footprint is too material to dismiss. FY2025 interested person transactions included large acquisition, rental, guarantee, manager-fee, facility-management, support-service, and expense-recovery amounts involving Keppel, Temasek group entities, and subsidiaries. Governance wrappers exist, and the board structure is not broken, but independent valuations and procedural review do not prove that public unitholders capture the spread after financing, fees, dilution, land costs, and capex. The underwriting gap is not whether the assets are real. It is whether a public unitholder buying at SGD2.23 receives enough DPU and NAV-per-unit growth after the platform takes its fees and after new capital is issued.

3. Most likely optimistic Stage 5 number

The most-likely-optimistic Stage 5 number is not the headline revenue of SGD623.865m. Revenue can plausibly reach that level if acquisitions, renewals, and escalators continue. The more fragile number is base-case horizon DPU of 13.108 cents because it combines several assumptions that each look reasonable in isolation but have no cushion in combination: colocation revenue CAGR of 7.0%, colocation NPI margin of 89.0%, group NPI of SGD535.351m, DI/NPI conversion of 69.5%, and only 1.6% annual unit growth.

If only one of those variables disappoints, the result may still be WATCH. If two disappoint together, the base case breaks. A realistic miss could look like this: colocation revenue grows closer to 5% than 7% because the FY2025 reversion and acquisition step cannot repeat; group NPI margin is closer to 84%-85% because weak assets and re-leasing costs absorb rent growth; DI/NPI conversion falls toward 67% because finance cost and capex are heavier; unit growth runs 2.0%-2.5% because acquisitions require more equity. None of those assumptions implies distress. Together they move the equity from "quality REIT at a full price" to "asset story with mediocre per-unit compounding."

The bull DPU of 16.711 cents is also fragile, but it is already labeled as bull. It requires 10.03% revenue CAGR, 10.50% NPI CAGR, 88.87% combined NPI margin, 70.5% conversion, and only 1.2% annual unit growth. The bull case can happen, but it depends on strong colocation pricing and accretive capital access continuing together. The red-team objection is that the stock at SGD2.23 should not be bought on a bull case when the base case already fails by 11.8%.

4. Score-derived 20% claim most likely wrong

The audited score is appropriately conservative, so the vulnerable claim is not that the 20% hurdle passes. It does not. The score-derived claim most likely to prove wrong is the implied comfort that 61/100 still deserves "Watchlist / buy only at materially lower price" rather than a cleaner PASS at the current price. A score of 61/100 can sound respectable if read casually. In this case, the details are harsher: Business Quality is only 56/80, Valuation / 20% Return Underwriting is 5/20, total score is below 80, business quality is below 65/80, valuation score is far below 15/20, and final_20pct_hurdle_pass is false.

The red-team view is that the score may overstate practical investability if the reader treats the data-centre theme as a quality substitute. The files explicitly lack tenant-level dollars, tenant names, property-level NPI, and clean acquisition-inclusive ROIIC. The scoring audit preserved the score because the original scorer did not fabricate those items. That is correct. But

from a decision standpoint, missing evidence matters most exactly where the bull case needs proof: renewal economics for large tenants, asset-level upgrade economics, and post-fee, post-financing, post-dilution acquisition returns. The absence of that evidence should make the current-price hurdle stricter, not looser.

5. Specific thesis breakers

Colocation growth/margin: Exit the quality thesis if fully-fitted colocation stops being both high-growth and high-margin. The early warning signs are portfolio occupancy below 94.0% for two consecutive reporting periods, fully-fitted colocation NPI margin below 87.0% for a full year or trailing twelve-month proxy, or renewal reversions below 15% in FY2026-FY2027 despite the current scarcity narrative. The current base case relies on colocation remaining the engine; below those thresholds, the engine is no longer proving the model.

DPU conversion: Exit the current-price thesis if TTM DPU does not reach at least 11.8 cents by the FY2027 reporting cycle, or if distributable-income-to-NPI conversion falls below 68.0% for two consecutive half-year or quarterly updates without a clearly temporary reason. The 2031 base DPU of 13.108 cents already fails the required 14.867 cents. If the near-term run rate is not stepping toward the mid-12s by FY2027, the model is not on a path to close the gap.

Unit growth and dilution: Exit if the unit base grows more than 2.5% annually over any rolling two-year period while DPU per unit grows less than 4.0% annually over the same period. This threshold catches the REIT version of value leakage: total NPI and DI may rise, AUM may rise, and acquisitions may be strategically defensible, but public unitholders are not being paid per unit.

Sponsor acquisition economics: Exit if any material sponsor-linked or related-party acquisition is announced without a clear post-fee, post-financing, post-dilution accretion bridge to DPU and NAV per unit. A purchase can be "strategic" and still be unattractive at the public-unit level. The burden should be on the manager to show cap rate, financing mix, expected stabilized NPI, fee load, funding source, and per-unit accretion.

Tenant concentration and credit: Exit if the top customer rises above 45% of rental income, total unique customers continue falling below 70, or any Guangdong-like receivable/loss-allowance issue spreads to another meaningful tenant or geography. Concentration is acceptable only when renewals and credit quality are improving. It is not acceptable if the REIT becomes more dependent on fewer customers while disclosure remains anonymized.

Power/capex: Exit if maintenance, asset enhancement, land-tenure, power, or cooling-related spending rises faster than NPI without a visible DPU benefit, or if management signals that multiple assets need major AI-density upgrades without disclosed return thresholds. The moat appendix is right that AI raises the capex and power bar; it is not enough that AI increases demand.

Financing cost: Exit if average cost of debt moves above 3.5% while aggregate leverage is above 38%, or if ICR drops below 5.5x without a near-term recovery plan. The current 35.1% leverage, 7.2x ICR, and 2.6% cost of debt are acceptable. The bear case is not current leverage stress; it is that future growth needs debt and equity on terms that reduce DPU accretion.

6. What would change the view

The upgrade path is narrow and measurable. Keppel DC REIT would need to show that the 2024-2026 acquisition and renewal cycle is converting into per-unit compounding, not just asset growth. The cleanest evidence would be FY2026-FY2028 DPU compounding at 6%-8% annually, NAV per unit rising alongside DPU, aggregate leverage staying below 38%, ICR above 6.0x, and unit growth held below 1.5% annually unless directly tied to disclosed, accretive acquisitions. It would also help if management provided better post-acquisition accretion bridges and clearer tenant-concentration trend data, even if tenant names remain confidential.

At the current price, however, the thesis is not there. The base case reaches 13.108 cents of DPU versus a required 14.867 cents. The stock therefore needs either a lower entry price or better evidence than the current artifacts provide. The red-team conclusion is PASS at SGD2.23 for a new BUY decision. WATCH is acceptable only for an investor waiting for proof that DPU per unit, NAV per unit, and acquisition accretion are moving ahead of the base case. The strongest bear case is not that Keppel DC REIT owns bad assets. It is that good assets, owned through an externally managed and acquisition-dependent REIT, do not compound public unitholder cash flow fast enough from this starting valuation.

Appendix D - Data Package (Raw Historicals)

Keppel DC REIT - Production Mode Data Package

Date: 2026-07-02 Company: Keppel DC REIT Ticker: AJBU.SI Fiscal year convention: December 31 year-end Latest reported period: 1Q FY2026, period ended 2026-03-31, announced 2026-04-16 TTM anchor: FY2025 less 1Q FY2025 plus 1Q FY2026, because official latest-quarter disclosure is quarterly and official FY2025 is the full-year base. Forward horizon: 2031-03-31 Currency: Singapore dollars unless stated otherwise. SGD000 means S$ thousands.

This package is built as the single source of truth for downstream ER2 appendices. Keppel DC REIT is a Singapore REIT and local-exchange issuer, so official Keppel DC REIT IR and SGX-style statements control wherever FMP is empty, stale, sparse, or maps REIT line items differently. FMP was pulled live in this run using the local FMP helper and is retained as a status and discrepancy source, not as the controlling segment source. The quantitative foundation and QFR controls remain binding: TTM gross revenue SGD460.139m, TTM NPI SGD400.323m, TTM distributable income SGD280.825m, and TTM DPU 10.711 cents.

0a. Industry classification and disclosure inventory

Industry classification: Singapore-listed data-centre REIT, FMP industry `REIT - Industrial`, FMP sector `Financial Services`, local exchange ticker AJBU.SI, SGX reporting format, SFRS(I) financial statements, half-year distribution cadence, and REIT-specific operating metrics. The controlling source set is Keppel DC REIT's official financial statements, annual reports, business updates, results presentations, and SGX/IR announcements. FMP live profile and quote are populated, FMP annual income, balance sheet, cash flow, ratios, and key metrics are populated, but FMP product and geographic segmentation endpoints returned empty arrays and the FMP quarterly income statement is stale for 1Q2026. Because the issuer is a REIT and official REIT disclosures are richer than FMP segment fields, the industry disclosure checklist is triggered.

Official sources fetched live and saved under `raw` for this data package include FY2021 through FY2025 annual reports or financial statements, FY2025 financial statements, FY2025 annual report, 1Q2026 operational update, 1Q2025 operational update, 1H2025 financial statements and presentation, 3Q2025 operational update, FY2024 financial statements and presentation, FY2023 financial statements and annual report, FY2022 financial statements and annual report, and FY2021 financial statements and annual report. FMP files saved for this run include live profile, quote, annual and quarterly income statement, annual balance sheet, annual cash flow, annual ratios, annual key metrics, annual and quarterly revenue-product segmentation, and annual and quarterly revenue-geographic segmentation.

Search inventory used in official PDFs: gross revenue, net property income, distributable income, DPU, asset class, colocation, fully-fitted, single tenant, shell and core, geographical area, occupancy, WALE, lease expiry, rental income, top 10 clients, trade sector, aggregate leverage, ICR, interest coverage, average cost of debt, debt maturity, fixed, floating, hedged, capex, additions, acquisition, divestment, valuation, portfolio value, AUM, sponsor, hyperscale, artificial intelligence, AI, reversion, land premium, and pipeline.

Dataset / table family	Official source searched	Search terms or table names	Years available	Included in data package?	If excluded, why	Downstream relevance
Consolidated REIT economics	FY2021 to FY2025 financial statements and 1Q2026 update	Gross revenue, NPI, DI, DPU	FY2021-FY2025 plus 1Q2026 and TTM	Yes	Not excluded	Consolidated base, synthesis, distributions
Asset-class economics	FY2021 to FY2025 financial statements	Segmental information, by type of asset class	FY2021-FY2025	Yes	Not excluded	Segment appendices and model buckets
Geography revenue	FY2025 financial statements, annual reports	By geographical area, gross revenue	FY2024-FY2025 clean in current source, older years available in prior statements	Yes for FY2024-FY2025	Older geography history not expanded to all years due time	Geographic exposure and concentration
Portfolio KPIs	Annual reports and quarterly presentations	Occupancy, WALE, rental income, top 10 clients	FY2021-FY2025 plus 1Q2026	Yes	Not excluded	Moat, leasing, concentration risk
Debt and liquidity	Financial statements and quarterly presentations	Aggregate leverage, ICR, average cost of debt, debt maturity, hedged loans	FY2021-FY2025 plus 1Q2026	Yes	Not excluded	Balance sheet, capital allocation, risk
Capex and transactions	Segmental information, cash flow, annual events	Capex, additions, acquisition, divestment	FY2021-FY2025 plus recent events	Yes	Not excluded	Capital allocation, growth runway

Dataset / table family	Official source searched	Search terms or table names	Years available	Included in data package?	If excluded, why	Downstream relevance
Tenant dollars	Annual reports and quarterly presentations	Top 10 clients, rental income by trade sector	Percent of rental income only	Yes, percent only	True non-disclosure of tenant names and tenant dollars	Customer concentration and renewal risk
Property-level portfolio appendix	1Q2026 operational update pages 19-20	Property name, attributable gross revenue, valuation, occupancy, WALE	1Q2026 snapshot using FY2025 rental income basis unless otherwise stated	Yes	Property-level NPI remains undisclosed	Prevents fabricated property NPI models while preserving disclosed revenue and valuation snapshot

KPI family	Granularity	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim / TTM	Source path
Gross revenue	Consolidated SGDm	271.065	277.322	281.207	310.287	441.362	TTM 460.139	FY financial statements, 1Q2026 update
Net property income	Consolidated SGDm	248.154	252.545	244.951	260.286	383.260	TTM 400.323	FY financial statements, 1Q2026 update
Distributable income	Consolidated SGDm	171.606	184.872	167.718	172.733	268.051	TTM 280.825	FY financial statements, 1Q2026 update
DPU	Cents per unit	9.851	10.214	9.383	9.451	10.381	TTM 10.711	FY financial statements, 1Q2026 update
Occupancy	Portfolio percent	98.3	98.5	98.3	97.2	95.8	1Q2026 95.6	Annual reports and 1Q2026 update
WALE	By lettable area years	7.5	8.4	7.6	6.3	6.7	1Q2026 6.5	Annual reports and 1Q2026 update
Aggregate leverage	Percent	34.6	36.4	37.4	31.5	35.3	1Q2026 35.1	Annual reports and 1Q2026 update
ICR	Times	10.8	7.6	4.7	5.3	7.5	1Q2026 7.2	Annual reports and 1Q2026 update
AUM / portfolio value	SGDbn	3.4	3.7	3.7	5.0 AUM, 4.8315 portfolio value	6.3 AUM, 6.07 portfolio valuation plus debt securities	Latest AUM not updated in 1Q source	Annual reports and presentations

1. Reporting structure and taxonomy

Keppel DC REIT does not report conventional product revenue. Its official recurring economics are disclosed by REIT line item, asset-class bucket, geography, lease type, portfolio occupancy, lease expiry, tenant sector, tenant concentration, distributable income, and debt metrics. The current model buckets are official buckets: fully-fitted colocation, fully-fitted single tenant, and shell and core. The 1Q2026 presentation relabels these as fully-fitted colocation, fully-fitted single tenant, and shell and core, with rental income mix of 73.3 percent, 20.7 percent, and 6.0 percent respectively. This is a presentation label refinement, not a substantive segment change. FY2021-FY2024 statements used colocation, fully-fitted, and shell and core. FY2025 separates fully-fitted colocation and fully-fitted single tenant. To preserve comparability, this package maps FY2021-FY2024 `colocation` to fully-fitted colocation and `fully-fitted` to fully-fitted single tenant.

Reportable segment profit before tax includes fair-value movements and finance items and is not a clean NOI substitute. For operating model work, gross revenue and net property income control. FMP product and geography segmentation endpoints are empty, so any downstream product/property dollars not supported by official disclosure should be rejected. Geography is material because Singapore dominates gross revenue after the KDC SGP 7 and 8 acquisition, with China, Japan, Germany, Ireland, the Netherlands, and other countries disclosed in FY2025 financial statements. Quarterly geography dollars are not disclosed.

Model bucket	Official disclosure label	FY2025 gross revenue SGD000	FY2025 percent of gross revenue	FY2025 NPI SGD000	Primary source	Notes
Fully-fitted colocation	Fully-fitted colocation	328,115	74.3	297,914	FY2025 financial statements page 26	Largest operating bucket
Fully-fitted single tenant	Fully-fitted single tenant	80,715	18.3	58,607	FY2025 financial statements page 26	Longer leases, lower NPI margin in FY2025

Model bucket	Official disclosure label	FY2025 gross revenue SGD000	FY2025 percent of gross revenue	FY2025 NPI SGD000	Primary source	Notes
Shell and core	Shell and core	32,532	7.4	26,739	FY2025 financial statements page 26	Smaller bucket, long hyperscale leases can be relevant
Total	Segment total	441,362	100.0	383,260	FY2025 financial statements page 26	Ties consolidated gross revenue and NPI

Geography	FY2025 gross revenue SGD000	FY2024 gross revenue SGD000	FY2025 percent	Official source	Notes
Singapore	316,088	177,495	71.6	FY2025 financial statements page 27	Largest concentration
China	24,100	23,929	5.5	FY2025 financial statements page 27	Guangdong treatment affects revenue and expenses
Japan	11,018	2,679	2.5	FY2025 financial statements page 27	Reflects Tokyo acquisitions
Germany	11,678	17,615	2.6	FY2025 financial statements page 27	Declined year on year
Ireland	36,906	35,438	8.4	FY2025 financial statements page 27	Stable European bucket
The Netherlands	17,668	16,459	4.0	FY2025 financial statements page 27	Stable European bucket
Other countries	23,904	36,672	5.4	FY2025 financial statements page 27	Aggregated bucket
Total	441,362	310,287	100.0	FY2025 financial statements page 27	Ties consolidated revenue

2. Consolidated historicals, REIT-adapted metrics, and TTM controls

The consolidated history is official-source controlled. FMP annual revenue for FY2025 is SGD456.673m versus official gross revenue of SGD441.362m; the SGD15.311m difference equals official finance income. FMP net income ties PATMI at SGD427.820m, total assets tie at SGD6.881bn, and total loans and borrowings tie at SGD2.390bn, but FMP cash flow differs materially from official operating cash flow. Therefore FMP is a secondary cross-check, not the controlling REIT economic source.

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	Latest 1Q2026 / TTM	Source
Gross revenue SGDm	271.065	277.322	281.207	310.287	441.362	1Q 120.956, TTM 460.139	Official FY statements, 1Q2026 update
Net property income SGDm	248.154	252.545	244.951	260.286	383.260	1Q 105.173, TTM 400.323	Official FY statements, 1Q2026 update
NPI margin percent	91.5	91.1	87.1	83.9	86.8	TTM 87.0	Calculated from official gross revenue and NPI
Distributable income SGDm	171.606	184.872	167.718	172.733	268.051	1Q 74.613, TTM 280.825	Official FY statements, 1Q2026 update
DPU cents	9.851	10.214	9.383	9.451	10.381	1Q 2.833, TTM 10.711	Official FY statements, 1Q2026 update
Profit attributable to unitholders SGDm	313.656	230.905	118.530	300.669	427.820	Not disclosed for 1Q update	Official FY statements, FMP tie for FY2025
Cash from operations SGDm	Not extracted	Not extracted	Not extracted	223.735	262.829	Not disclosed in 1Q update	FY2025 statement, prior years not expanded
Investment property capex cash flow SGDm	Not extracted	Not extracted	Not extracted	35.409	38.923	Not disclosed in 1Q update	FY2025 statement
Aggregate leverage percent	34.6	36.4	37.4	31.5	35.3	35.1	Annual reports and 1Q2026 update
ICR times	10.8	7.6	4.7	5.3	7.5	7.2	Annual reports and 1Q2026 update
Average cost of debt percent	1.6	2.2	3.3	3.3 full year, 3.1 4Q	3.0	2.6	Annual reports and 1Q2026 update

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	Latest 1Q2026 / TTM	Source
Occupancy percent	98.3	98.5	98.3	97.2	95.8	95.6	Annual reports and 1Q2026 update
WALE by area years	7.5	8.4	7.6	6.3	6.7	6.5	Annual reports and 1Q2026 update

TTM control table:

Line item	FY2025 official SGD000	Less 1Q2025 official SGD000	Add 1Q2026 official SGD000	TTM ended 2026-03-31 SGD000	Source and arithmetic
Gross revenue	441,362	-102,179	120,956	460,139	FY2025 less 1Q2025 plus 1Q2026
Property expenses	-58,102	14,069	-15,783	-59,816	FY2025 less 1Q2025 plus 1Q2026
Net property income	383,260	-88,110	105,173	400,323	FY2025 less 1Q2025 plus 1Q2026
Finance income	15,311	-3,855	3,811	15,267	FY2025 less 1Q2025 plus 1Q2026
Finance costs	-48,943	12,457	-15,053	-51,539	FY2025 less 1Q2025 plus 1Q2026
Distributable income	268,051	-61,839	74,613	280,825	FY2025 less 1Q2025 plus 1Q2026
DPU cents	10.381	-2.503	2.833	10.711	FY2025 less 1Q2025 plus 1Q2026

Self-check: the most recent quarter's official 1Q2026 update states gross revenue SGD120.956m, NPI SGD105.173m, distributable income SGD74.613m, and DPU 2.833 cents. The FY2025 official financial statements state gross revenue SGD441.362m, NPI SGD383.260m, distributable income SGD268.051m, and DPU 10.381 cents. The three KPI families used most heavily here, operating economics, leasing/tenant metrics, and capital management metrics, all come from official Keppel DC REIT documents fetched in this run.

3. Segment / asset-class / geography historicals and NPI economics

Asset-class history is complete for FY2021-FY2025 from the segmental-information note. The taxonomy note matters: FY2021-FY2024 use `Colocation` and `Fully-fitted`; FY2025 uses `Fully-fitted colocation` and `Fully-fitted single tenant`. This package maps them consistently to fully-fitted colocation and fully-fitted single tenant. Reportable segment profit before tax is not used as the segment operating proxy because it includes valuation movements and finance items.

Asset class gross revenue SGD000	FY2021	FY2022	FY2023	FY2024	FY2025	FY2025 mix	Source
Fully-fitted colocation	184,287	170,722	168,330	198,652	328,115	74.3	FY segmental information
Fully-fitted single tenant	55,819	69,708	74,568	74,424	80,715	18.3	FY segmental information
Shell and core	30,959	36,892	38,309	37,211	32,532	7.4	FY segmental information
Total	271,065	277,322	281,207	310,287	441,362	100.0	Ties consolidated gross revenue

Asset class NPI SGD000	FY2021	FY2022	FY2023	FY2024	FY2025	FY2025 NPI margin	Source
Fully-fitted colocation	163,088	148,667	146,266	173,053	297,914	90.8	FY segmental information
Fully-fitted single tenant	56,070	69,066	63,357	53,087	58,607	72.6	FY segmental information
Shell and core	28,996	34,812	35,328	34,146	26,739	82.2	FY segmental information
Total	248,154	252,545	244,951	260,286	383,260	86.8	Ties consolidated NPI

Latest lease-type rental income	WALE years	Percent of rental income	Source	Modeling implication
Fully-fitted colocation	3.0	73.3	1Q2026 operational update page 12	Shorter duration but largest revenue driver
Fully-fitted single tenant	9.4	20.7	1Q2026 operational update page 12	Longer contracts support income visibility
Shell and core	5.8	6.0	1Q2026 operational update page 12	Smaller but can be hyperscale-oriented
Total / portfolio	6.5 by area, 4.6 by rental income	100.0	1Q2026 update	Expiry schedule matters for rent reversion

Geography history is included where the current official source gives a clean two-year table. The FY2025 revenue geography tie is important because Singapore is now the dominant concentration after acquisitions, while Japan newly appears as a separate contribution.

Geography	FY2024 gross revenue SGD000	FY2025 gross revenue SGD000	FY2025 share	Direction	Source
Singapore	177,495	316,088	71.6	Up sharply	FY2025 statement geography table
China	23,929	24,100	5.5	Stable	FY2025 statement geography table
Japan	2,679	11,018	2.5	Up from acquisition	FY2025 statement geography table
Germany	17,615	11,678	2.6	Down	FY2025 statement geography table
Ireland	35,438	36,906	8.4	Stable up	FY2025 statement geography table
The Netherlands	16,459	17,668	4.0	Stable up	FY2025 statement geography table
Other countries	36,672	23,904	5.4	Down	FY2025 statement geography table
Total	310,287	441,362	100.0	Up 42.2 percent	Ties consolidated

4. Product/property/sub-segment disclosure inventory and granular disclosed KPIs

Keppel DC REIT does not disclose product-level dollars and does not disclose property-level NPI for each named property. It does disclose a property-level attributable gross revenue and valuation snapshot in the 1Q2026 portfolio appendix. The official granularity is asset class, geography, lease type, tenant sector, top-client percentage concentration, occupancy, WALE, contract expiry profile, property-level attributable gross revenue, and portfolio valuation by location. No property-level NPI dollars or tenant-level revenue dollars should be fabricated. Tenant names are intentionally anonymised because data-centre leases and colocation arrangements contain confidentiality provisions.

Disclosure family	Granularity	Dollar disclosure?	Latest values	Source	Data-package treatment
Asset-class revenue and NPI	Fully-fitted colocation, fully-fitted single tenant, shell and core	Yes	FY2025 revenue 328.115m, 80.715m, 32.532m	FY2025 financial statements	Included as model buckets
Geography revenue	Singapore, China, Japan, Germany, Ireland, Netherlands, other	Yes	FY2025 total SGD441.362m	FY2025 financial statements	Included
Property-level attributable gross revenue and valuation	Individual data centres	Yes for attributable gross revenue and valuation, no for property-level NPI	1Q2026 appendix discloses property revenue, valuation, occupancy and WALE	1Q2026 operational update pages 19-20	Included below; do not treat as property-level NPI
Tenant-level dollars	Individual customers	No	Percent rental income only	Annual reports and 1Q2026 update	Include concentration percentages only
Rental income by trade sector	Sector percent	Percent only	1Q2026 Internet Enterprise 69.6 percent	1Q2026 update	Included as sector mix
Contract type	Lease type percent and WALE	Percent only	1Q2026 colocation 73.3 percent of rental income	1Q2026 update	Included
Portfolio value	Location and portfolio	Yes, valuation	FY2025 valuation SGD6.07bn, debt securities SGD0.15bn	FY2025 annual report	Included
Cap rates	Asia Pacific range only, Europe uses DCF	Partly	FY2024 APAC cap rate range 3.10 to 7.25 percent	FY2024 presentation	Included qualitatively only

The 1Q2026 portfolio appendix includes a bounded property-level snapshot. It is useful for concentration, valuation and lease-duration checks, but it is not a property-level NPI table. The footnote basis is Keppel DC REIT's effective interests for FY2025 rental income unless otherwise stated; valuations are based on latest independent valuations and respective interests as at 2025-12-31 unless otherwise stated, with KDC Singapore 3 and 4 updated to 100 percent interest as at 2026-03-31.

Property	Market	Occupancy percent	Attributable gross revenue SGDm	Valuation SGDm	Lease type	WALE years	Source
Keppel DC Singapore 1	Singapore	50.9	16.5	307.0	Fully-fitted colocation	1.0	1Q2026 appendix page 19
Keppel DC Singapore 2	Singapore	91.1	18.0	188.0	Fully-fitted colocation	3.3	1Q2026 appendix page 19
Keppel DC Singapore 3	Singapore	100.0	37.0	426.0	Fully-fitted colocation	2.5	1Q2026 appendix page 19
Keppel DC Singapore 4	Singapore	94.5	52.5	590.0	Fully-fitted colocation	4.0	1Q2026 appendix page 19
Keppel DC Singapore 5	Singapore	100.0	52.5	497.0	Fully-fitted colocation	3.1	1Q2026 appendix page 19
Keppel DC Singapore 7	Singapore	100.0	58.0	744.0	Fully-fitted colocation	2.6	1Q2026 appendix page 19
Keppel DC Singapore 8	Singapore	100.0	49.7	796.0	Fully-fitted colocation	3.8	1Q2026 appendix page 19
DC1	Singapore	100.0	26.7	290.7	Fully-fitted single tenant	10.0	1Q2026 appendix page 19
Gore Hill Data Centre	Australia	80.0	2.9	181.8	Fully-fitted colocation / shell and core	0.5	1Q2026 appendix page 19
Guangdong Data Centre 1	China	100.0	11.3	109.2	Fully-fitted single tenant	10.7	1Q2026 appendix page 19
Guangdong Data Centre 2	China	100.0	11.3	108.9	Fully-fitted single tenant	11.4	1Q2026 appendix page 19
Guangdong Data Centre 3	China	100.0	0.5	11.2	Shell and core	11.4	1Q2026 appendix page 19
Tokyo Data Centre 1	Japan	100.0	6.3	196.2	Shell and core	5.6	1Q2026 appendix page 19
Tokyo Data Centre 3	Japan	100.0	4.6	678.6	Fully-fitted single tenant	14.5	1Q2026 appendix page 19
Basis Bay Data Centre	Malaysia	40.2	1.4	16.9	Fully-fitted colocation	1.2	1Q2026 appendix page 19
maincubes Data Centre	Germany	100.0	10.0	179.7	Fully-fitted single tenant	7.0	1Q2026 appendix page 20
Keppel DC Dublin 1	Ireland	96.5	23.2	171.4	Fully-fitted colocation	3.3	1Q2026 appendix page 20
Keppel DC Dublin 2	Ireland	98.1	13.7	170.5	Fully-fitted colocation	4.7	1Q2026 appendix page 20
Milan Data Centre	Italy	100.0	4.5	60.8	Shell and core	1.8	1Q2026 appendix page 20
Almere Data Centre	Netherlands	100.0	10.7	171.3	Fully-fitted single tenant	2.4	1Q2026 appendix page 20
Amsterdam Data Centre	Netherlands	95.1	3.5	43.9	Shell and core	4.1	1Q2026 appendix page 20
Eindhoven Campus	Netherlands	100.0	3.5	40.3	Shell and core	4.1	1Q2026 appendix page 20
Cardiff Data Centre	United Kingdom	100.0	5.5	22.8	Shell and core	0.2	1Q2026 appendix page 20
GV7 Data Centre	United Kingdom	100.0	5.2	28.8	Fully-fitted single tenant	0.9	1Q2026 appendix page 20
London Data Centre	United Kingdom	100.0	4.5	83.8	Shell and core	13.2	1Q2026 appendix page 20

Granular KPI	FY2023	FY2024	FY2025	1Q2026	Source	Notes
Portfolio occupancy percent	98.3	97.2	95.8	95.6	Annual reports, 1Q2026 update	Still high despite active repositioning
WALE by lettable area years	7.6	6.3	6.7	6.5	Annual reports, 1Q2026 update	By rental income lower due colocation mix

Granular KPI	FY2023	FY2024	FY2025	1Q2026	Source	Notes
WALE by rental income years	Not in extracted summary	4.6	4.9	4.6	Presentations and annual report notes	Important for renewal cadence
Rental income from hyperscalers percent	Not in extracted summary	61.1	69.3	Not disclosed in 1Q extract	FY2025 annual report	Strategic pivot toward hyperscale
Rental income from Internet Enterprise percent	Not in extracted summary	61.1 sector proxy	Not in extracted section	69.6	1Q2026 update	Sector mix, not identical to hyperscaler mix
Total unique customers	Not in extracted summary	77	75	72	Annual report and 1Q2026 update	Customer count declined with portfolio mix
Top customer rental income percent	Not in extracted summary	39.2	42.1	Not cleanly extracted but top-client table present	Annual reports and 1Q2026 update	Very high concentration

The latest disclosed 1Q2026 trade-sector mix is Internet Enterprise 69.6 percent, IT Services 13.7 percent, Telecoms 13.6 percent, Financial Services 2.4 percent, and Corporate 0.7 percent. That is economically important: the REIT is increasingly a hyperscale and Internet-enterprise data-centre vehicle, not a broad industrial REIT. The concentration table also means renewal risk and counterparty risk cannot be treated as diversified office or logistics REIT risk.

5. Most recent quarterly trend and last four reported periods

Company FY ends December 31. Most recently completed fiscal quarter at time of writing: 1Q FY2026, covering 2026-01-01 to 2026-03-31, reported on 2026-04-16 via Keppel DC REIT 1Q2026 key business and operational updates.

Period	Gross revenue SGD000	NPI SGD000	Distributable income SGD000	DPU cents	Source and fiscal-period label
1Q2025	102,179	88,110	61,839	2.503	1Q FY2025 update, period ended 2025-03-31
2Q2025 implied	109,130	94,703	65,289	2.630	1H2025 less 1Q2025
3Q2025 implied	111,131	97,400	68,173	2.537	9M2025 less 1H2025
4Q2025 implied	118,922	103,047	72,750	2.711	FY2025 less 9M2025
1Q2026	120,956	105,173	74,613	2.833	1Q FY2026 update, period ended 2026-03-31

Reported cumulative period	Gross revenue SGD000	NPI SGD000	Distributable income SGD000	DPU cents	Key notes	Source
1Q2025	102,179	88,110	61,839	2.503	Baseline quarter for TTM subtraction	1Q2025 update
1H2025	211,309	182,813	127,128	5.133	Strong growth versus 1H2024, major renewal reversion	1H2025 financial statements and presentation
9M2025	322,440	280,213	195,301	7.670	Continued cumulative growth	3Q2025 update
FY2025	441,362	383,260	268,051	10.381	Full-year record DPU since listing	FY2025 financial statements
1Q2026	120,956	105,173	74,613	2.833	18.4 percent gross revenue growth and 19.4 percent NPI growth year on year	1Q2026 update

The latest quarter is not a flat carry-forward. 1Q2026 gross revenue grew 18.4 percent year on year, NPI grew 19.4 percent, DI grew 20.7 percent, and DPU grew 13.2 percent. The 1Q2026 deck attributes higher revenue to Tokyo Data Centre 3, contract renewals and escalations, and offsets from the Kelsterbach divestment; it also notes higher finance costs due to new acquisition loans drawn in 4Q2025. The latest debt snapshot still shows aggregate leverage at 35.1 percent and ICR at 7.2 times, so the growth has not yet pushed leverage close to regulatory stress levels.

6. Management commentary on forward growth, leasing, acquisitions, capex, AI/data-centre demand, financing and sponsor pipeline

No FMP earnings-call transcript was used for this REIT data package. Management commentary below is from official Keppel DC REIT presentations, annual reports, and financial statements fetched in this run. Where exact words are used, the quote is short and anchored to the fetched official source; otherwise the item is paraphrased.

Source date	Source	Topic	Verified quote or paraphrase	Forward modeling implication
2026-04-16	1Q2026 operational update	Leasing and renewal visibility	Management states strong income visibility is underpinned by major contract renewals in 2024 and 2025, with about 6 percent of rental income up for renewal per annum in 2026 and 2027.	Near-term renewal cliff is limited, but rental reversion remains key.
2026-04-16	1Q2026 operational update	Growth strategy	Official deck says the REIT is well positioned to pursue disciplined growth through hyperscale acquisitions.	Growth model should assume sponsor and third-party pipeline discipline, not purely organic growth.
2026-04-16	1Q2026 operational update	AI demand	Official outlook states that AI inference is expected to become a sustained demand driver for data centres.	Supports demand durability, especially APAC hyperscale demand.
2026-04-16	1Q2026 operational update	Energy risk	Official deck says net electricity costs account for less than 3 percent of operating expenses and power procurement contracts are in place through end-2026.	First-order electricity exposure is limited for current cost base, but second-order client and market risks remain.
2026-03 annual report	FY2025 annual report	Hyperscale focus	Annual report says rental income from hyperscalers rose to 69.3 percent as at 2025-12-31.	Portfolio is increasingly concentrated in hyperscale demand and counterparty dynamics.
2026-03 annual report	FY2025 annual report	Capital recycling	Chairman commentary says divestments sharpen portfolio mix and can unlock about SGD0.2bn for redeployment.	Capital recycling is a live funding and return lever.
2025-07-21	1H2025 results presentation	Leasing	Official deck says the REIT achieved reversion above 50 percent for a major renewal in 2Q2025.	Positive reversion is the clearest organic growth lever.
2025-07-21	1H2025 results presentation	Pipeline	Official deck says the manager continues to pursue third-party acquisitions in Japan, South Korea, and Europe with a focus on hyperscale data centres.	Forward model should include optional inorganic growth, but only where funding and leverage allow.
2025-01-24	FY2024 results presentation	AI-ready assets	Official deck references KDC SGP 7 and 8 as AI-ready hyperscale data centres.	Singapore concentration is linked to AI-ready hyperscale demand, not generic industrial space.
2025-01-24	FY2024 results presentation	Reversion	Official deck says FY2024 portfolio reversion was about 39 percent and continued reversions exceeded 30 percent in 4Q2024.	Rents can reprice upward, but sustainability depends on market power and client retention.

7. Capital allocation history: capex/acquisitions/divestments, debt/equity/unit issuance, distributions

Capital allocation is acquisition-heavy and portfolio-rebalancing-heavy. The REIT has raised equity, drawn acquisition debt, extended land tenure, acquired hyperscale assets in Singapore and Tokyo, and divested or agreed to divest smaller/non-core assets and securities. For model purposes, distributions are the recurring capital-return mechanism; buybacks are not a relevant capital-allocation line item for this REIT.

Year	Segment capex / additions SGD000	Distribution / DI SGD000	DPU cents	Major acquisitions and investments	Divestments / recycling	Funding and unit issuance notes	Source
FY2021	89,809	171,606	9.851	Guangdong DC investments, London DC announced or completed around period, AEIs	iseek Data Centre divested	Private placement in August 2021 raised about SGD204.3m	FY2021 statements and annual report
FY2022	55,213	184,872	10.214	Guangdong, London, Eindhoven, Intellicentre 3 East contributions	None material extracted	Borrowings and hedging expanded with acquisitions	FY2022 statements and annual report

Year	Segment capex / additions SGD000	Distribution / DI SGD000	DPU cents	Major acquisitions and investments	Divestments / recycling	Funding and unit issuance notes	Source
FY2023	33,436	167,718	9.383	Portfolio largely steady, acquisition search continued	None material extracted	Higher finance costs pressured DPU	FY2023 statements and annual report
FY2024	52,278	172,733	9.451	Tokyo DC1, KDC SGP 7 and 8, Australia Data Centre Note	Intellicentre Campus divested, Basis Bay announced Jan 2025	Equity fund raising for KDC SGP 7 and 8	FY2024 statements and presentation
FY2025	67,772	268,051	10.381	Tokyo DC3, remaining interests in KDC SGP 7 and 8, lease extension for KDC SGP1	Kelsterbach DC, NetCo bonds and preference shares sale agreement	New acquisition loans drawn in 4Q2025, preferential offering units	FY2025 statements and annual report
1Q2026	Not disclosed	74,613	2.833	Full quarter benefit of acquisitions and Feb 2026 completion of remaining KDC SGP3 and 4 interests	No new completed divestment in extracted 1Q table	Leverage 35.1 percent and cost of debt 2.6 percent	1Q2026 update

Distributions are declared half-yearly, while 1Q and 3Q updates provide operational and DPU information. In FY2025, DPU rose 9.8 percent to 10.381 cents, while adjusted DPU was 10.629 cents after adjusting for the new preferential offering unit entitlement timing. For downstream valuation, the unadjusted DPU is the actual distribution figure and adjusted DPU is a comparability supplement, not a substitute for paid distribution.

8. Balance sheet and debt snapshot: leverage, ICR, debt maturities, hedge/fixed-rate mix, liquidity

Item	FY2025 / latest value	FY2024 comparator	Source	Interpretation
Total assets	SGD6.881bn	SGD5.543bn	FY2025 financial statements	Expanded with acquisitions
Unitholders funds	SGD4.230bn	SGD3.427bn	FY2025 financial statements	Equity base increased
NAV per unit	SGD1.71	SGD1.53	FY2025 financial statements	Improved despite unit issuance
External borrowings	SGD2.376bn	SGD1.684bn	FY2025 financial statements	Acquisition debt increased
Total loans and borrowings	SGD2.390bn	SGD1.715bn	FY2025 financial statements	Ties FMP balance sheet
Aggregate leverage	35.3 percent at FY2025, 35.1 percent at 1Q2026	31.5 percent at FY2024	FY2025 statements, 1Q2026 update	Below 40 percent internal threshold and below 50 percent regulatory limit
ICR	7.5 times at FY2025, 7.2 times at 1Q2026	5.3 times at FY2024	FY2025 statements, 1Q2026 update	Comfortable but lower than FY2021
Average cost of debt	3.0 percent FY2025, 2.6 percent 1Q2026	3.3 percent FY2024	FY2025 annual report, 1Q2026 update	Rate tailwind in latest quarter
Unutilised facilities	SGD774.3m at FY2025	Not in table here	FY2025 financial statements	Liquidity buffer
Debt headroom	About SGD2.0bn to 50 percent regulatory limit at 1Q2026	About SGD550m to 40 percent internal threshold	1Q2026 update	Meaningful acquisition capacity if equity and rates cooperate
Hedged / fixed loans	71.2 percent of loans hedged at FY2025	74 percent of loans hedged at FY2023	Annual reports	Hedging moderates rate sensitivity
1Q2026 total debt	About SGD2.4bn	Not applicable	1Q2026 update	Currency mix includes SGD, EUR, GBP, RMB, AUD, JPY

1Q2026 debt profile by currency / type	Percent of total debt	Source	Notes
JPY	39.6	1Q2026 update debt maturity slide	Tokyo acquisitions changed debt mix
SGD	29.7	1Q2026 update debt maturity slide	Singapore exposure remains large
EUR	21.1	1Q2026 update debt maturity slide	European assets and funding
GBP	3.5	1Q2026 update debt maturity slide	UK exposure
RMB	4.9	1Q2026 update debt maturity slide	China exposure
AUD	1.2	1Q2026 update debt maturity slide	Australia exposure
Floating EUR	11.3	1Q2026 update debt slide	Specific floating exposure called out in extracted text

The balance sheet supports near-term growth but is not costless. Aggregate leverage rose from 31.5 percent at FY2024 to 35.3 percent at FY2025 because acquisition activity accelerated. 1Q2026 leverage improved slightly to 35.1 percent, while ICR slipped from 7.5 times at FY2025 to 7.2 times because finance costs rose with acquisition loans. This combination is acceptable for a REIT but must be tracked in any buy-case synthesis: the business can grow through hyperscale acquisitions, but the distribution growth path is sensitive to funding cost, equity issuance price, and cap-rate discipline.

9. Recent corporate actions last 12 months

- 2025-07: 1H2025 results presentation reported portfolio reversion around 51 percent and stated management would pursue third-party acquisitions in Japan, South Korea, and Europe focused on hyperscale data centres.
- 2025-08-11: Keppel DC REIT entered into a sale and purchase agreement to divest notes and preference shares issued by M1 Network Private Limited, referred to as NetCo Bonds and preference shares, to an unrelated third party.
- 2025-09: 3Q2025 update period included execution around land tenure and portfolio optimisation, including the completed 30-year land tenure lease extension for Keppel DC Singapore 1 as described in the annual report event summary.
- 2025-11-19: Keppel DC REIT completed the acquisition of Tokyo Data Centre 3 with a 98.47 percent effective interest for JPY82.1bn, approximately SGD707.0m.
- 2025-12-16: Keppel DC REIT entered sale and purchase agreements to acquire remaining interests in Keppel DC Singapore 3 LLP and Keppel DC Singapore 4 LLP.
- 2025-12-29: Keppel DC REIT paid SGD350.0m lease extension consideration linked to Keppel DC Singapore 7 and 8 / Singapore land-tenure economics.
- 2026-02-12: The remaining interests in Keppel DC Singapore 3 and Keppel DC Singapore 4 were completed, according to FY2025 annual report notes.
- 2026-04-16: 1Q2026 operational update reported DPU 2.833 cents, aggregate leverage 35.1 percent, cost of debt 2.6 percent, ICR 7.2 times, and continued focus on disciplined hyperscale growth.

10. Open data gaps

Gap	Label	Sources and search terms checked	Why it matters	Required downstream handling
Property-level NPI by named data centre	True non-disclosure	Annual reports and financial statements searched for property NPI and each asset name; 1Q2026 appendix discloses property-level attributable gross revenue and valuation but not property-level NPI	Prevents property-level NPI modeling by dollars	Use asset-class NPI and geography buckets; use Section 4 property table only for disclosed revenue, valuation, occupancy and WALE
Tenant-level dollars and named tenants	True non-disclosure	Annual reports and 1Q2026 searched for top clients, rental income, trade sector	Customer concentration is high but anonymised	Use percent rental income and sector mix only
Quarterly asset-class and geography dollars for TTM	True non-disclosure	1Q2026, 1Q2025, 1H2025, 3Q2025 updates searched for asset-class dollars and geography dollars	Prevents TTM segment dollars by bucket	Use FY2025 asset-class base and consolidated TTM
Cap rates by every region and property	True non-disclosure / partially disclosed	FY2024 presentation and annual reports searched for cap rate and valuation	Valuation sensitivity and NAV	Use disclosed APAC cap-rate range only where available
Full five-year geography table in this package	Not fetched / omitted	Current FY2025 statement gives FY2024-FY2025; older annual reports likely contain earlier geography tables	Useful for geographic migration over time	Add if DR requires deeper geography history
Full historical cash-flow table FY2021-FY2023	Not fetched / omitted	FY statements contain cash-flow statements; only FY2024-FY2025 captured in QF control	FCF-like REIT cash coverage	Use official operating cash flow if synthesis needs it

Gap	Label	Sources and search terms checked	Why it matters	Required downstream handling
FMP segment/product data	True non-disclosure from FMP endpoint	FMP live revenue-product and revenue-geographic segmentation annual and quarter returned empty arrays	Confirms official-source override	Do not backfill from cache
ROIC	Not applicable / estimated if forced	REIT fair-value accounting, leverage, and property valuations distort ordinary industrial ROIC	Gideon framework normally asks for ROIC	Use NPI yield, leverage, ICR, NAV, DPU growth instead
Tenant re-leasing economics beyond disclosed reversions	True non-disclosure	Presentations searched for reversion, contract expiry, renewal	Determines durability of high DPU growth	Model conservative renewal assumptions except disclosed reversions

Data-package conclusion: Keppel DC REIT has an unusually clean official operating history for a REIT at the asset-class level, and the 1Q2026 appendix gives a useful property-level attributable gross revenue and valuation snapshot. It still does not give property-level NPI or tenant-level dollar detail that a bottom-up property model would prefer. The cleanest downstream segmentation is therefore fully-fitted colocation, fully-fitted single tenant, and shell and core, with geography, property-level snapshot metrics, and tenant mix as cross-checks rather than independently forecast dollar segments. The most important current facts are the FY2025 step-up in Singapore and fully-fitted colocation revenue, the FY2025-to-1Q2026 TTM controls, the high but declining occupancy, the hyperscale concentration, and the balance sheet that remains below stress thresholds despite a more acquisition-heavy posture.