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INVESTMENT IN A STARTUP COMPANY, NAUTILUS DATA TECHNOLOGIES, INC.

Keppel Telecommunications & Transportation Ltd (the “**Company**” or “**KT&T**”) wishes to announce that its wholly-owned subsidiary, Keppel Data Centres Pte. Ltd. (“**KDC**”), had on 14 September 2017, subscribed for 9,901,617 shares of series C preferred stock in Nautilus Data Technologies, Inc. (“**Nautilus**”), a Delaware corporation, representing approximately 24.1% (or approximately 17.1% (assuming the exercise of all warrants and options in Nautilus, and the conversion of all preferred stock into common stock)) of the total issued shares of Nautilus, for an aggregate consideration of US\$10 million. This subscription is part of the series C preferred stock issued by Nautilus on the same day (the “**Series C Investment**”).

Nautilus is a startup company based in the United States and is engaged in the business of developing water cooled data centres, including pre-fabricated, vessel-based facilities that can be rapidly deployed globally.

The aggregate cash consideration of US\$10 million was arrived on a willing buyer, willing seller basis, taking into account the book value and net tangible assets of Nautilus, the issue price for prior preferred share issuances by Nautilus and potential commercial/technological collaboration between KDC and/or its affiliates and Nautilus. Based on the unaudited accounts of Nautilus as at 30 May 2017, the book value and net tangible assets of Nautilus was US\$11.98 million (without taking into account the completion of the Series C Investment).

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

The above transaction is not expected to have any material impact on the earnings per share and net tangible asset per share of KT&T for the current financial year.