OUE COMMERCIAL REIT

6th Annual General Meeting

21 May 2020

Important Notice

This presentation should be read in conjunction with the announcements released by OUE Commercial REIT ("OUE C-REIT") on 30 January 2020 (in relation to its Financial Results for 4th Quarter 2019), 26 March 2020 (in relation to the Re-Branding of Mandarin Orchard Singapore As Hilton Singapore Orchard) and 5 May 2020 (in relation to its Financial Results for 1St Quarter 2020).

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This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. These forward-looking statements speak only as at the date of this presentation. Past performance is not necessarily indicative of future performance. No assurance can be given that future events will occur, that projections will be achieved, or that assumptions are correct. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

Investors should note that they will have no right to request the Manager to redeem their Units while the Units are listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The information and opinions contained in this presentation are subject to change without notice.

COMMERCIAL REIT

Agenda

- Overview of OUE C-REIT
- FY2019 Highlights
- 1Q 2020 Highlights
- Commercial Segment
- Hospitality Segment
- Update on COVID-19
- Summary

Overview

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Overview of OUE C-REIT

S$2.0billion(1)

Market Capitalisation

Total assets under management

S$6.8billion(2)

7 High quality prime assets

6 properties in Singapore and 1 property in Shanghai

OUE Bayfront


One Raffles Place


OUE Downtown Office


Lippo Plaza


Mandarin Orchard Singapore

Crowne Plaza Changi Airport

Mandarin Gallery

Strong Support

OUE Group

47.7% stake(2)

Right of First Refusal (“ROFR”) over OUE Limited’s Assets

More than **2.0** mil sq ft in net lettable area

1,640 upscale hotel rooms

Investment Mandate

- ✓ Commercial
- ✓ Hospitality / Hospitality-related

(1) Based on unit closing price of S$0.375 as at 19 May 2020

(2) As of 31 March 2020

Premium Portfolio of Assets as at 31 Dec 2019





	OUE Bayfront	One Raffles Place	OUE Downtown Office	Lippo Plaza	Mandarin Gallery	Mandarin Orchard Singapore	Crowne Plaza Changi Airport	Total
Description	Premium Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place	Comprises two Grade A office towers and a retail mall located in Singapore's CBD at Raffles Place	Grade A office space, a mixed-used development with offices, retail and serviced residences at Shenton Way	Grade A commercial building located in Huangpu, one of Shanghai's established core CBD locations	Prime retail landmark on Orchard Road – preferred location for flagship stores of international brands	A world class hospitality icon in Singapore since 1971, MOS is the largest hotel along Orchard Road	Located at Singapore Changi Airport and close to Changi Business Park with seamless connectivity to Jewel Changi Airport	**NLA:** **Office: 1,869,003** **Retail: 307,561** **Overall: 2,176,564** **1,640 hotel rooms**
Attributable NLA (sq ft)	Office: 378,692 Retail: 21,132	Office: 598,814 Retail: 99,370	Office: 530,487	Office: 361,010 Retail: 60,776	Retail : 126,283	1,077 hotel rooms	563 hotel rooms	
Occupancy[1]	Office: 99.3% Retail: 100.0% Overall: 99.4%	Office: 95.1% Retail: 98.1% Overall: 95.6%	Office: 93.8%	Office: 89.9% Retail: 99.3% Overall: 91.3%	Retail: 98.3%	-	-	**Office: 94.6%** **Retail: 98.5%** **Overall: 95.2%**
Leasehold Tenure	OUE Bayfront & OUE Tower: 99 yrs from 12 Nov 2007 OUE Link: 15 yrs from 26 Mar 2010 Underpass: 99 yrs from 7 Jan 2002	Office Tower 1: 841 yrs from 1 Nov 1985 Office Tower 2: 99 yrs from 26 May 1983 75% of Retail mall: 99 yrs from 1 Nov 1985	99 yrs from 19 July 1967	50 yrs from 2 July 1994	99 yrs from 1 July 1957	99 yrs from 1 July 1957	74 yrs from 1 July 2009	**-**
Valuation[2]	S$1,181.0m (S$2,954 psf)	S$1,862.0m[3] (S$2,667 psf)	S$912.0m (S$1,719 psf)	RMB2,950.0m / RMB50,409 psm S$570.5m[4] (S$1,353 psf)	S$493.0m (S$3,904 psf)	S$1,228.0m (S$1.1m / key)	S$497.0m (S$0.9m / key)	**S$6,743.5m**

(1) Committed Occupancy as at 31 December 2019
(2) As at 31 December 2019
(3) Based on OUB Centre Limited's 81.54% interest in One Raffles Place. OUE C-REIT has an indirect 83.33% interest in OUB Centre Limited held via its wholly-owned subsidiaries
(4) Based on SGD:CNY exchange rate of 1:5.171 as at 31 December 2019

FY2019 Highlights

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FY2019 Highlights

- **Completed transformational merger with OUE Hospitality Trust ("OUE H-Trust") on 4 September 2019**
- ✓ Increased market capitalisation and trading liquidity
- ✓ Enhanced portfolio diversification and stronger balance sheet
- ✓ Expanded investment mandate to hospitality and hospitality-related assets, ability to invest in integrated developments

Financial Highlights

Revenue	Net Property Income	Amount to be Distributed (after retention)	Distribution per Unit
S$257.3 million	**S$205.0** million	**S$123.2** million	**3.31** cents
▲ **45.9%** YoY	▲ **48.3%** YoY	▲ **72.8%** YoY	▼ **4.9%** YoY

Portfolio & Financial Management

Commercial Segment Committed Occupancy	Singapore Office Rental Reversions	Hospitality Segment RevPAR	Aggregate Leverage
95.2%	**8.0% - 17.9%**	**S$216**	**40.3%**
31 Dec 2018: 94.7%		▲ **1.9%** YoY	31 Dec 2018: 39.3%

Commercial segment comprises OUE Bayfront, One Raffles Place (67.95% effective interest), the office components of OUE Downtown, Lippo Plaza (91.2% strata interest) and Mandarin Gallery
RevPAR: Revenue per available room

1Q 2020 Highlights

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1Q 2020 Key Highlights

Financial Highlights

Revenue	Net Property Income	Amount Available for Distribution
S$77.7 million	**S$62.1 million**	**S$37.6 million**
▲ 40.5% YoY	▲ 42.5% YoY	▲ 44.5% YoY

Portfolio Performance

Commercial Segment Committed Occupancy	Singapore Office Rental Reversions	Minimum rent for Hospitality Segment
94.3%	**7.9% - 16.7%**	**S$67.5 million p.a.**
1Q 2019: 94.0%		provides downside protection

Capital Management

Aggregate Leverage	Weighted Average Cost of Debt	% Fixed Rate Debt	Established
40.2%	**3.2%**	**76.6%**	**S$2.0 billion**
1Q 2019: 39.4%	1Q 2019: 3.5%	1Q 2019: 71.6%	Multi-Currency Debt Issuance Programme

Commercial segment comprises OUE Bayfront, One Raffles Place (67.95% effective interest), the office components of OUE Downtown (“OUE Downtown Office”), Lippo Plaza (91.2% strata interest) and Mandarin Gallery

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1Q 2020 Key Highlights

Re-branding of Mandarin Orchard Singapore

- Transformational re-branding to Hilton Singapore Orchard announced on 26 March 2020
- Addition of new income generating spaces to drive growth in sustainable returns and value
- Major refurbishments to take place from 2Q 2020 onwards to capitalise on weak operating environment due to COVID-19
- Re-branded hotel set to become Hilton's flagship in Singapore and the largest Hilton hotel in Asia Pacific
- Downside protection from the minimum rent embedded within the hotel master lease arrangement throughout phased renovation and ramping-up period

Capital Expenditure	Expected ROI on Stabilised Basis	Expected Commencement of Refurbishment	Expected relaunch of largest Hilton hotel in Asia Pacific
~S$90.0 million	**~10%**	**2Q 2020**	**2022**

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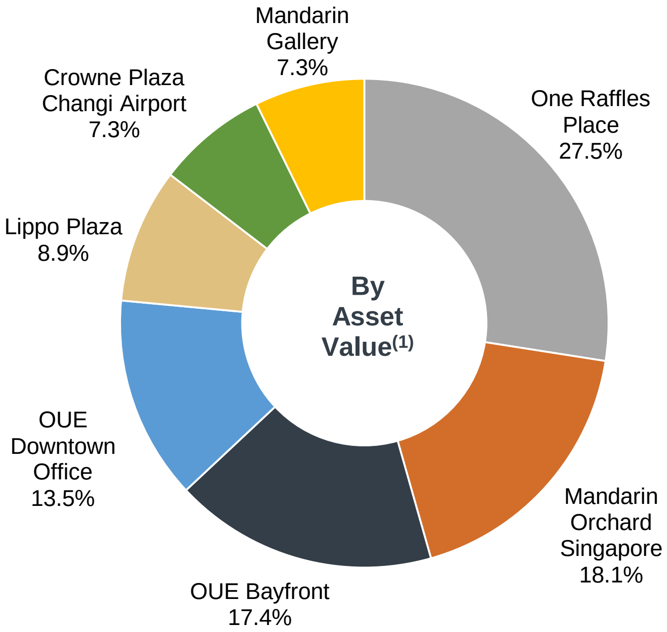
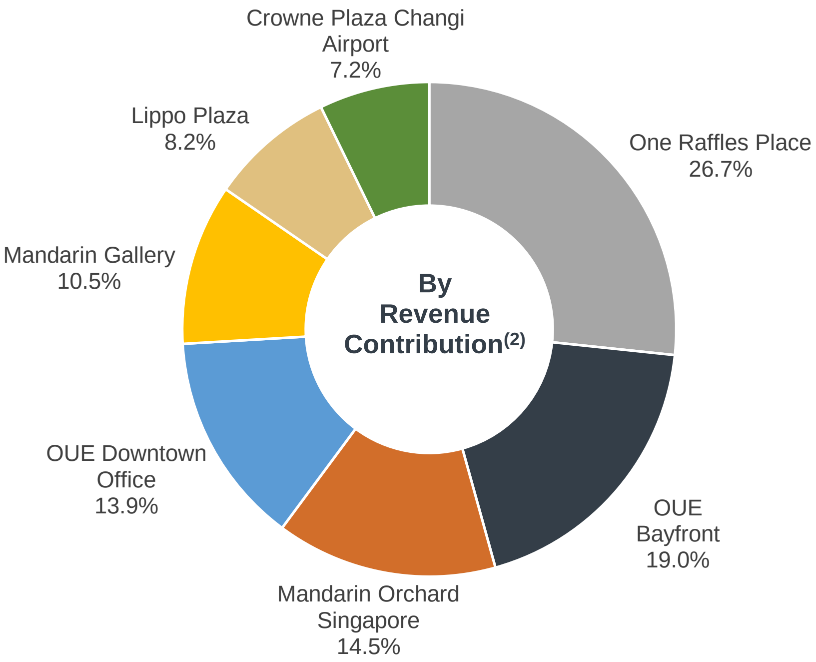
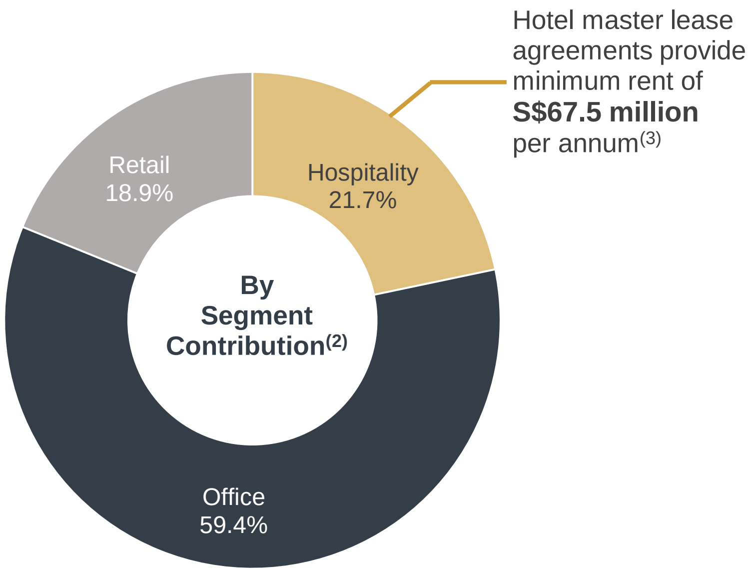
Portfolio Composition – 1Q 2020







- 91.1% of assets under management in Singapore
- No single asset contributes more than 26.7% to total revenue
- Hospitality segment revenue was supported by the minimum rent under the hotels' respective master lease agreements

Commercial segment comprises the office and/or retail contribution from OUE Bayfront, One Raffles Place (67.95% effective interest), OUE Downtown Office, Lippo Plaza (91.2% strata interest) and Mandarin Gallery

(1) Based on independent valuations as at 31 December 2019 and SGD:CNY exchange rate of 1:4.885

(2) For 1Q 2020

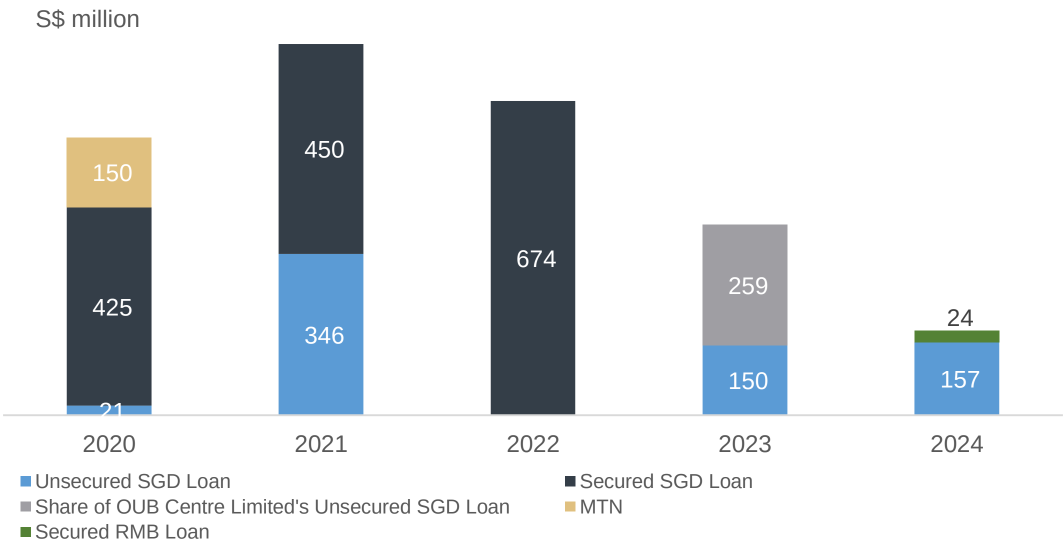
(3) Mandarin Orchard Singapore and Crowne Plaza Changi Airport's master lease agreements are subject to a minimum rent of S$45.0 million and S$22.5 million per annum respectively, totalling S$67.5 million per annum

Capital Management as at 31 Mar 2020

- S$2.0 billion multi-currency debt issuance programme established on 20 March 2020 enables OUE C-REIT to tap on diversified sources of funding
- 2020 debt to be refinanced ahead of maturity, with average cost of debt expected to remain stable

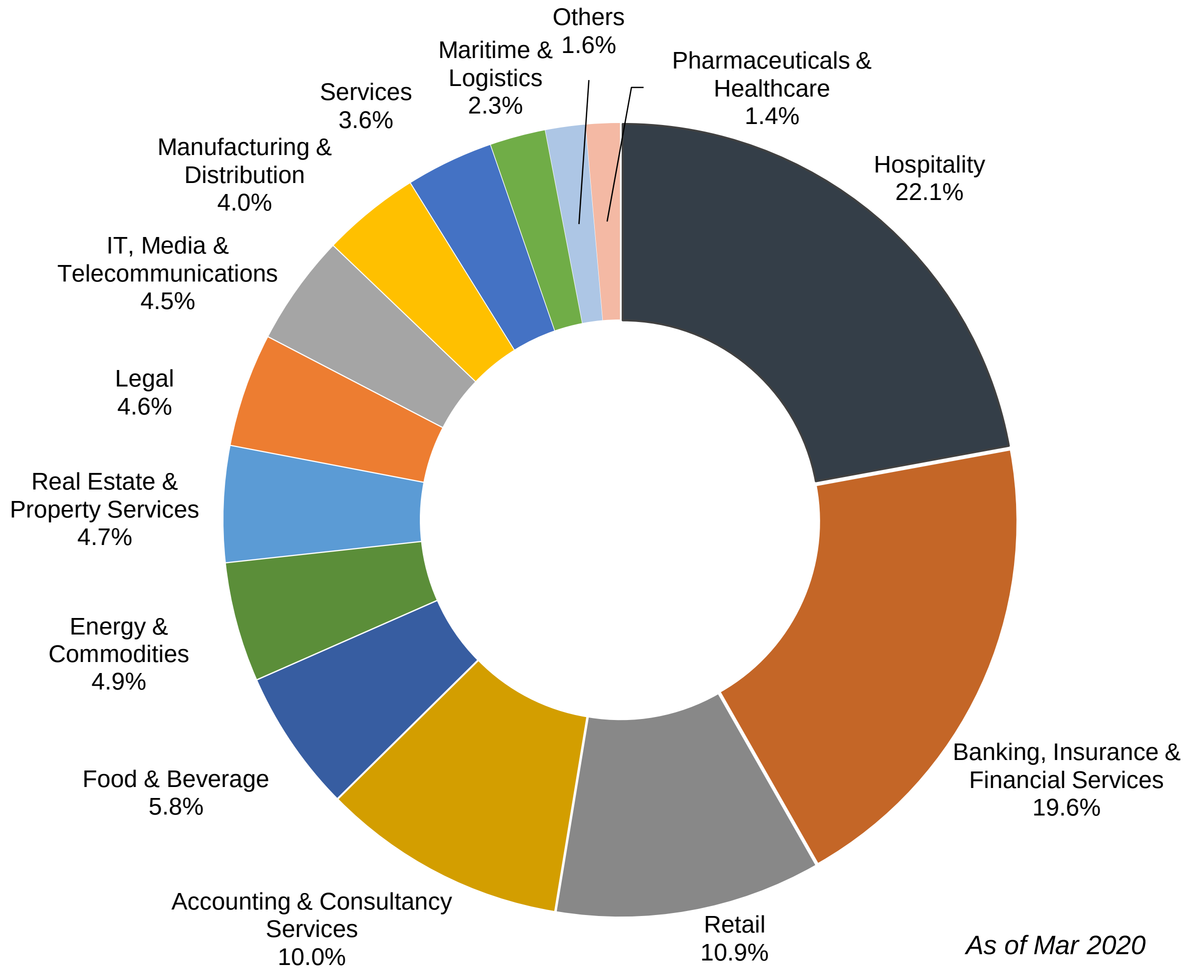
	As at 31 Mar 2020	As at 31 Dec 2019
Aggregate Leverage	40.2%	40.3%
Total debt	S$2,656m[(1)]	S$2,648m[(2)]
Weighted average cost of debt	3.2% p.a.	3.4% p.a.
Average term of debt	1.9 years	2.2 years
% fixed rate debt	76.6%	75.0%
% unsecured debt	40.7%	40.6%
Average term of fixed rate debt	2.1 years	1.9 years
Interest coverage ratio[(3)]	2.9x	2.9x

Debt Maturity Profile as at 31 March 2020

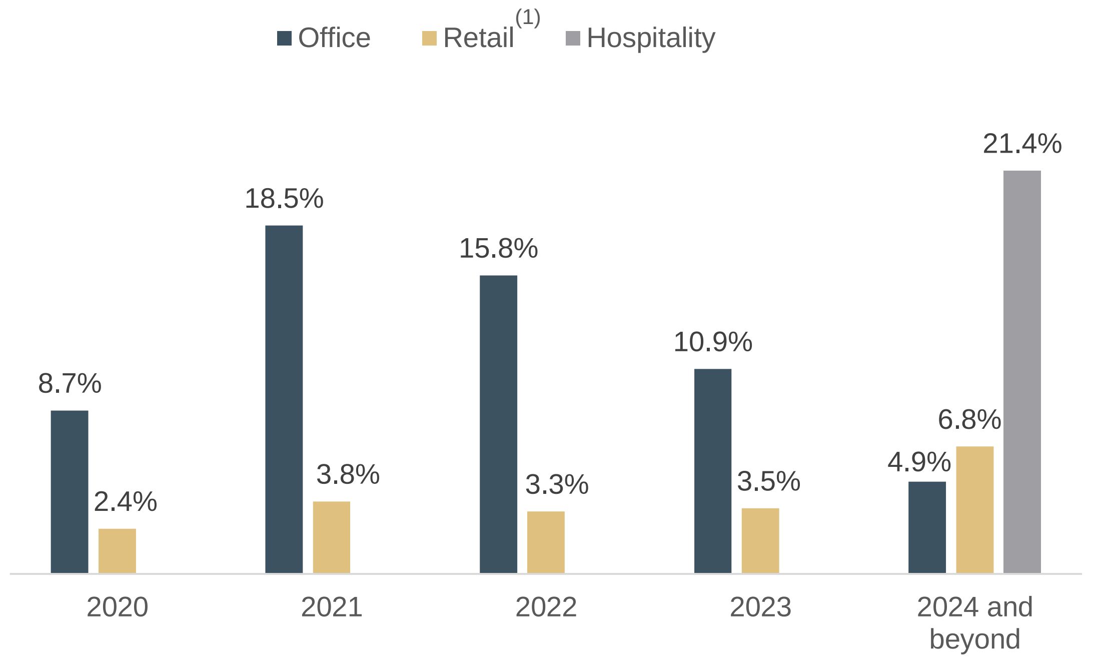


(1) Based on SGD:CNY exchange rate of 1:4.885 as at 31 Mar 2020 and includes OUE C-REIT's share of OUB Centre Limited's loan
(2) Based on SGD:CNY exchange rate of 1:5.171 as at 31 Dec 2019 and includes OUE C-REIT's share of OUB Centre Limited's loan
(3) Interest coverage ratio ("ICR") as prescribed under Appendix 6 of the Monetary Authority of Singapore's Code on Collective Investment Schemes (last revised on 16 April 2020). ICR for 31 December 2019 has been restated accordingly

Tenant Base and Lease Expiry Profile – All Segments



As of Mar 2020



WALE[2] of 3.6 years by Gross Rental Income

As at 31 Mar 2020

(1) Refers to contribution from Mandarin Gallery and all other retail components within OUE C-REIT's portfolio
(2) "WALE" refers to the weighted average lease term to expiry. Based on committed tenancies and excludes turnover rent


Commercial
Segment
OUE
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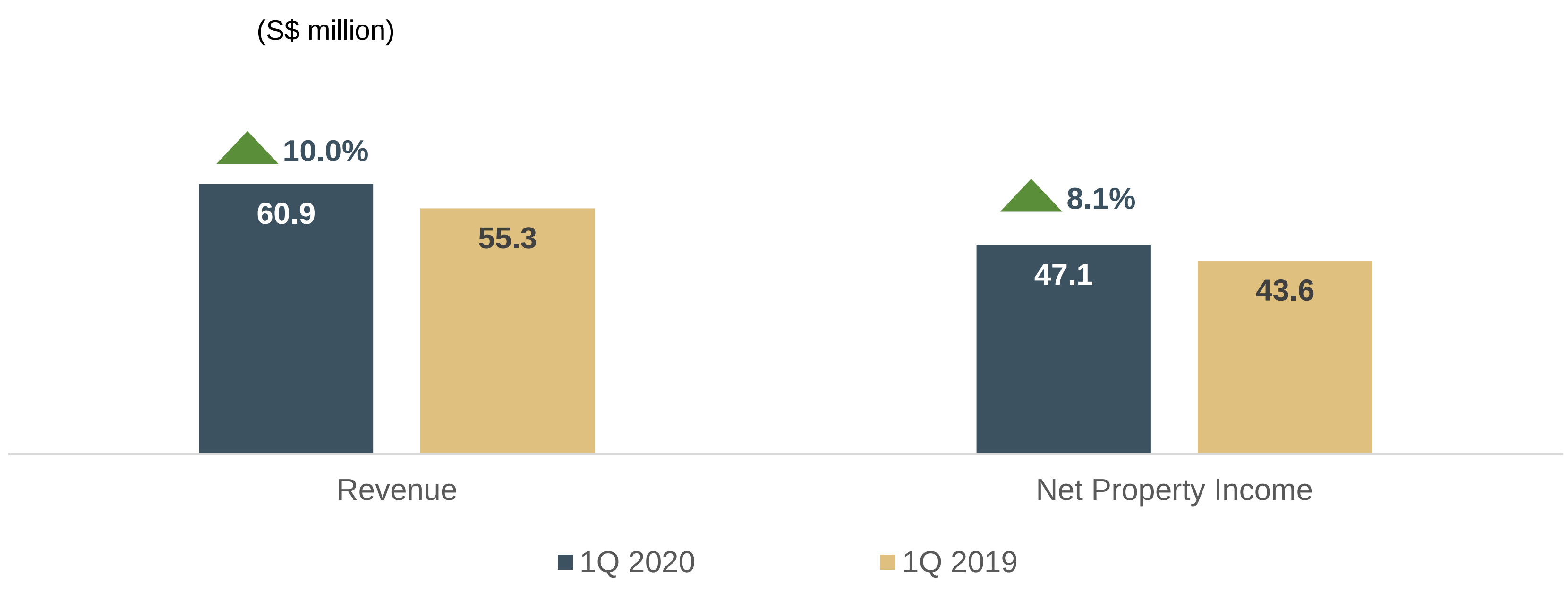
Portfolio Performance – Commercial 1Q 2020



- The increases in revenue and net property income for 1Q 2020 were mainly due to contribution from Mandarin Gallery upon completion of the merger with OUE H-Trust in 2019
- Overall commercial segment committed occupancy was 94.3% as at 31 March 2020. On a “same-store basis” excluding Mandarin Gallery, the commercial segment committed occupancy remained stable year-on-year (“YoY”) at 94.1% as at 31 March 2020

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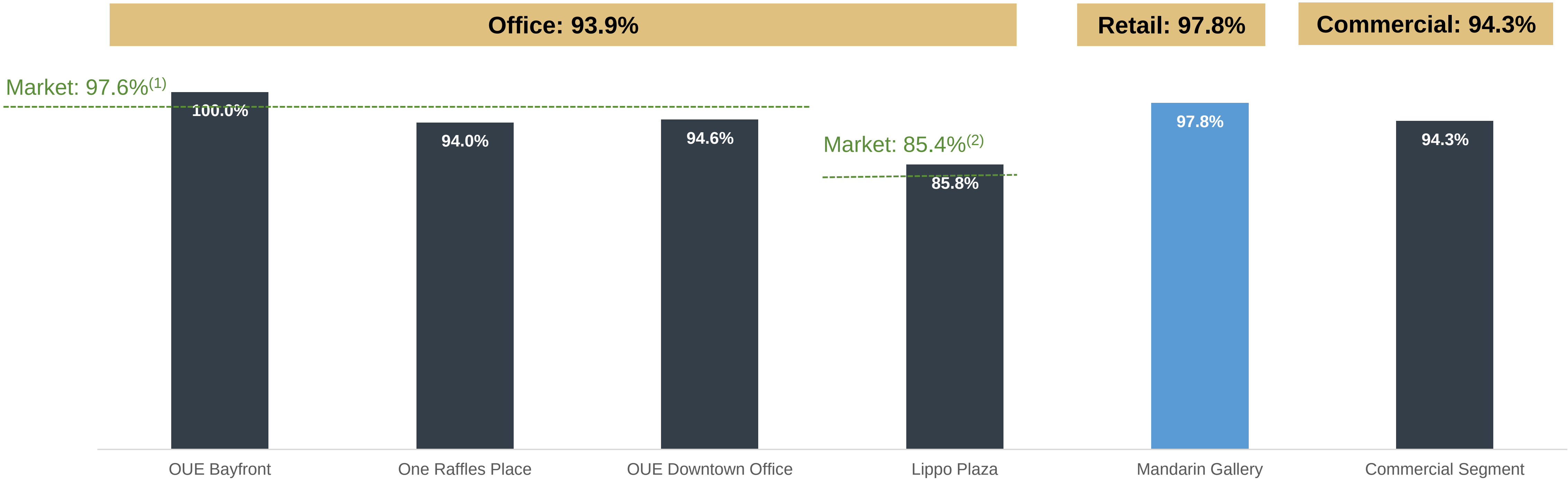
Healthy Commercial Segment Occupancy

- Commercial segment committed occupancy of 94.3% as at 31 March 2020, with increased committed office occupancy at OUE Bayfront and OUE Downtown Office
- Lippo Plaza's committed office occupancy declined 4.1 percentage points ("ppt") quarter-on-quarter ("QoQ") to 85.8% as at 31 March 2020, in line with overall Shanghai CBD Grade A office occupancy of 85.4% for the same period
- Mandarin Gallery's committed occupancy recorded a slight decrease of 0.5 ppt QoQ to 97.8%

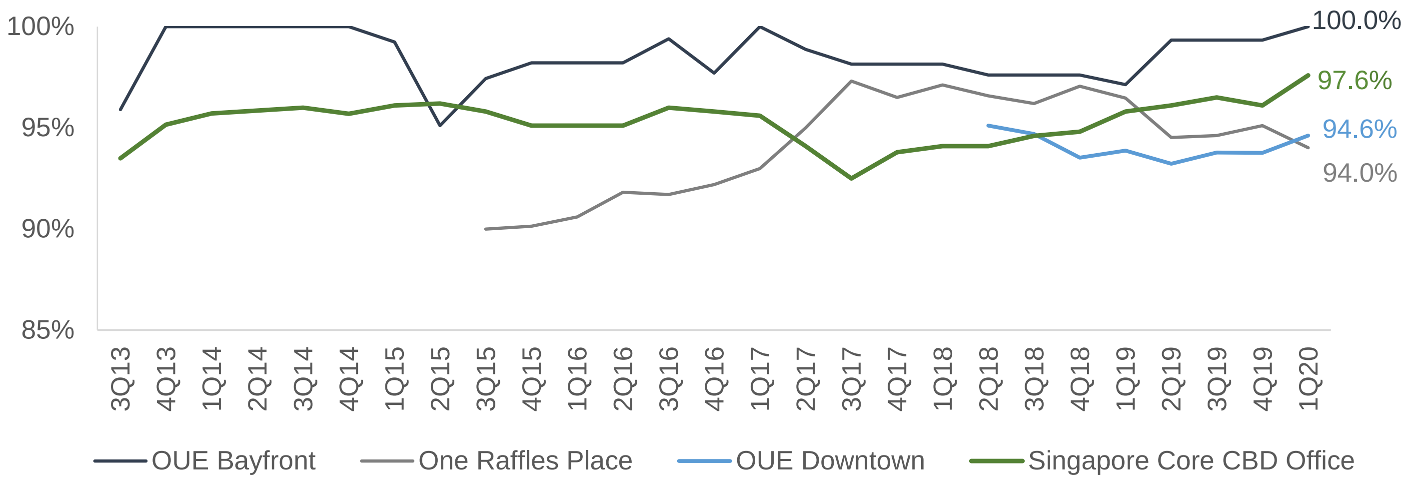


As at 31 Mar 2020

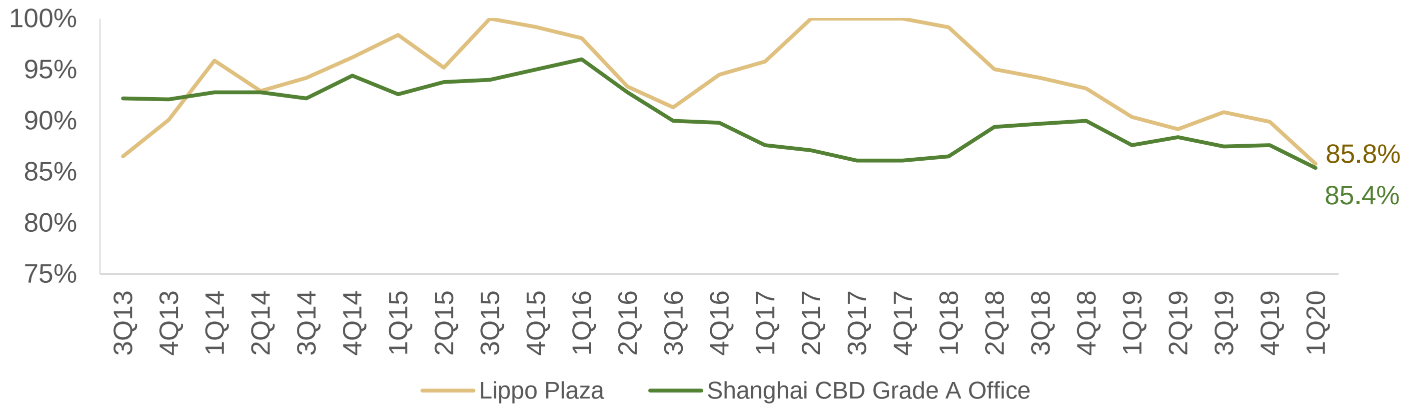
(1) Source: CBRE Singapore MarketView 1Q 2020 for Singapore Grade A office occupancy of 97.6%
(2) Source: Colliers Shanghai Office Property Market Overview 1Q 2020 for Shanghai CBD Grade A office occupancy of 85.4%

Resilient and Steady Office Occupancy

Singapore



Shanghai



Source: CBRE, Colliers Shanghai

Committed Office Rents In Line Or Above Market

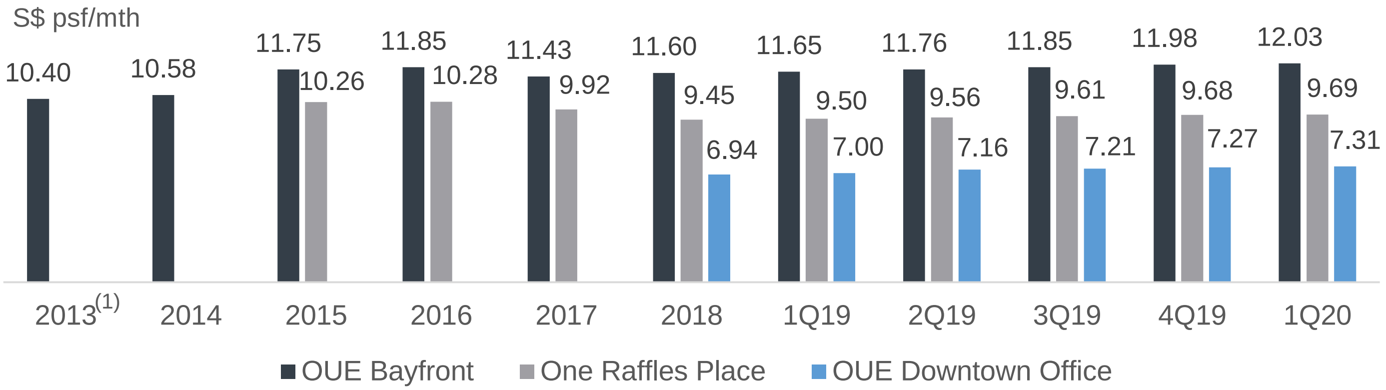
- OUE C-REIT's office properties continued to achieve rents which were in line or above their respective market rents
- Achieved positive rental reversions across Singapore office properties in 1Q 2020, ranging from 7.9% to 16.7%

1Q 2020	Average Expired Rents	Committed Rents[1]	Sub-market	Comparable Sub-market Rents	
				Colliers[2]	Savills[3]
Singapore					
OUE Bayfront	S$12.64	S$12.80 – S$15.30	New Downtown/ Marina Bay	S$12.27	S$12.98
One Raffles Place	S$9.71	S$10.00 – S$11.30	Raffles Place	S$10.51	S$10.17
OUE Downtown Office	S$7.20	S$8.40 – S$8.90	Shenton Way/ Tanjong Pagar	S$10.31	S$8.91 – S$9.26
Shanghai					
Lippo Plaza	RMB8.63	RMB8.10 – RMB9.50	Puxi	RMB9.15	RMB8.95

(1) Committed rents for renewals and new leases
(2) Source: Colliers Singapore Office Quarterly 1Q 2020 for Singapore comparable sub-market rents; Colliers Shanghai Office Property Market Overview 1Q 2020 for Shanghai comparable sub-market rents
(3) Source: Savills Singapore Office Briefing 1Q 2020 for Singapore comparable sub-market rents; Savills Shanghai Office Market in Minutes Update 3Q 2019 for Shanghai comparable sub-market rents
Note: For reference, CBRE Research's 1Q 2020 Grade A Singapore office rent is S$11.50 psf/mth. Sub-market rents are not published

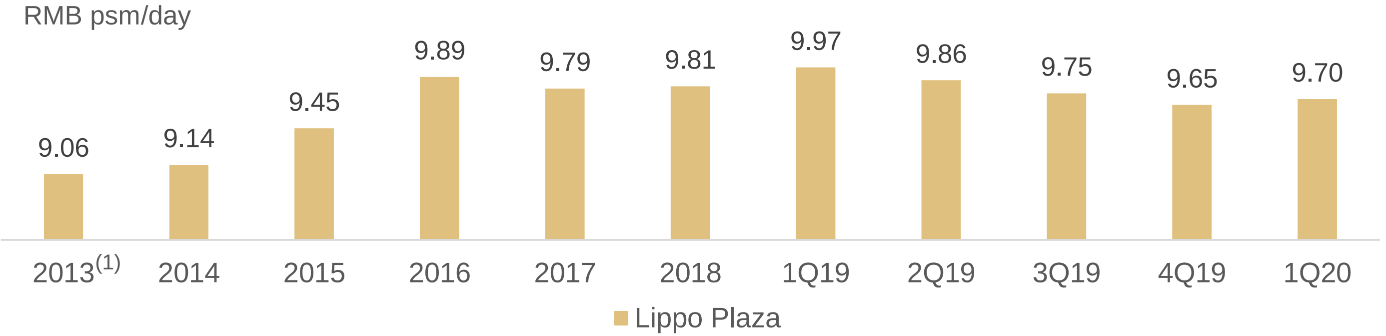
Average Passing Rents

Singapore (Office)



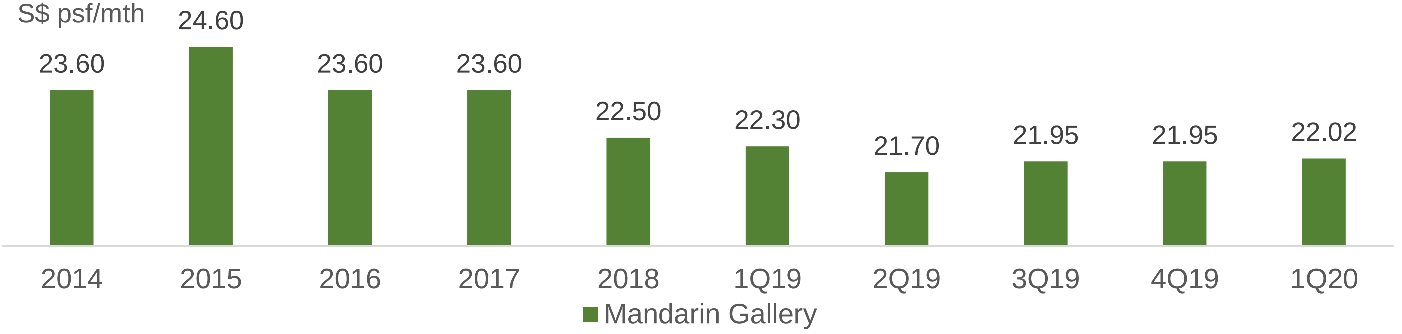
- Average passing office rent for all Singapore office properties improved as at 1Q 2020 due to consecutive quarters of positive rental reversions

Shanghai (Office)



- Lippo Plaza's average passing office rent was RMB9.70 psm/day as of March 2020

Mandarin Gallery



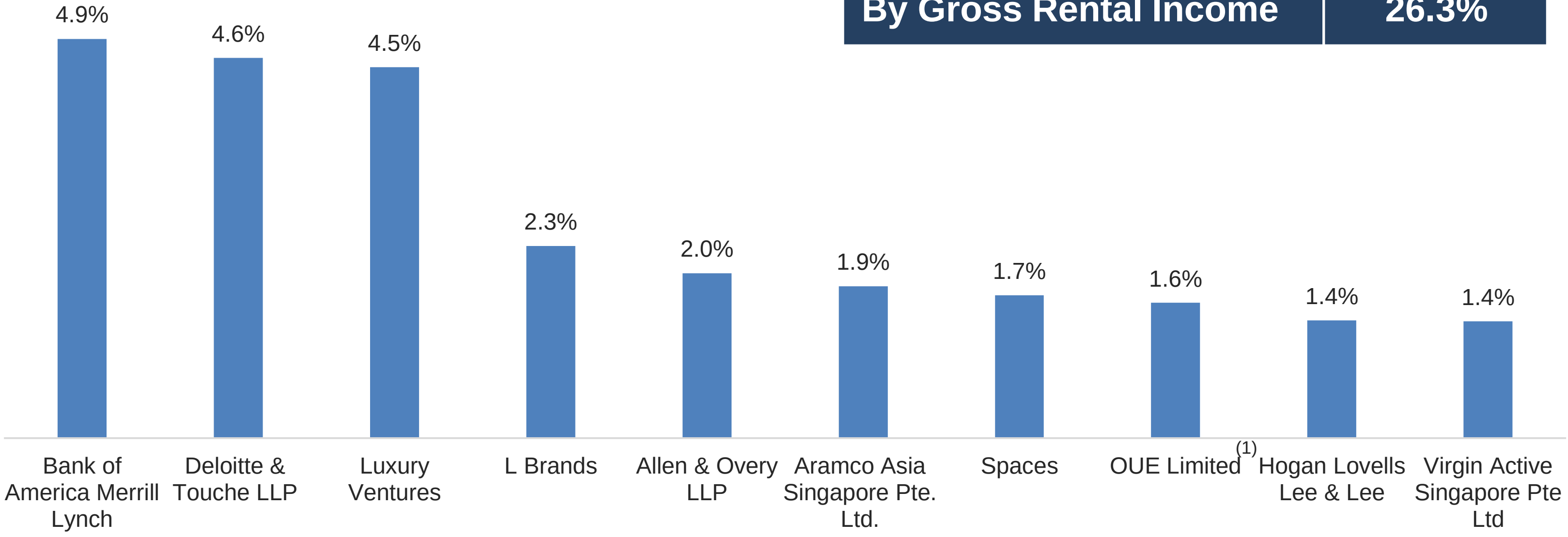
- Average retail rent at Mandarin Gallery remained stable in 1Q 2020

(1) Proforma average passing rents as at 30 September 2013 as disclosed in OUE C-REIT's Prospectus dated 17 January 2014

Top 10 Tenants – Commercial Segment

Top 10 Tenants

By Gross Rental Income	26.3%



As of Mar 2020

(1) Including the hotel master lease arrangements for Mandarin Orchard Singapore and Crowne Plaza Changi Airport, where OUE Limited is the master lessee, OUE Limited's contribution to the portfolio by gross rental income is 23.4%

Hospitality Segment

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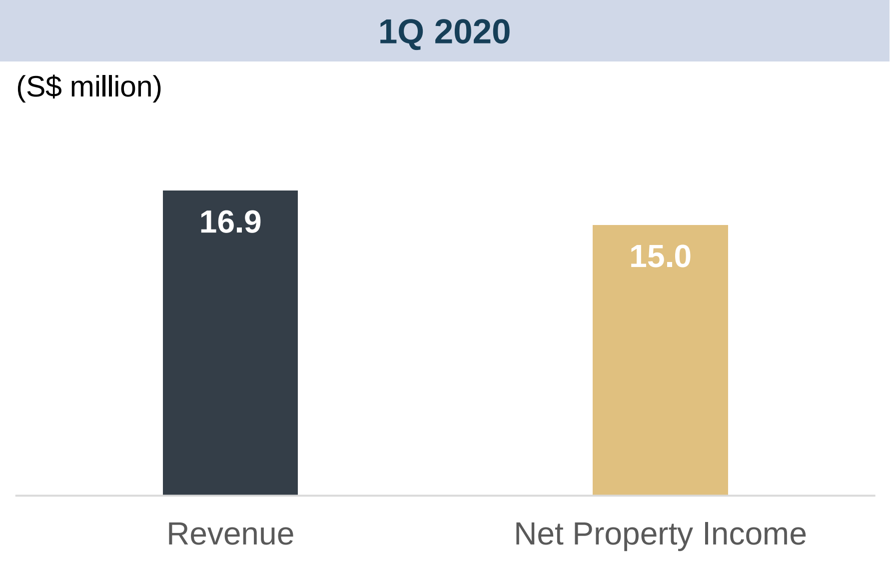
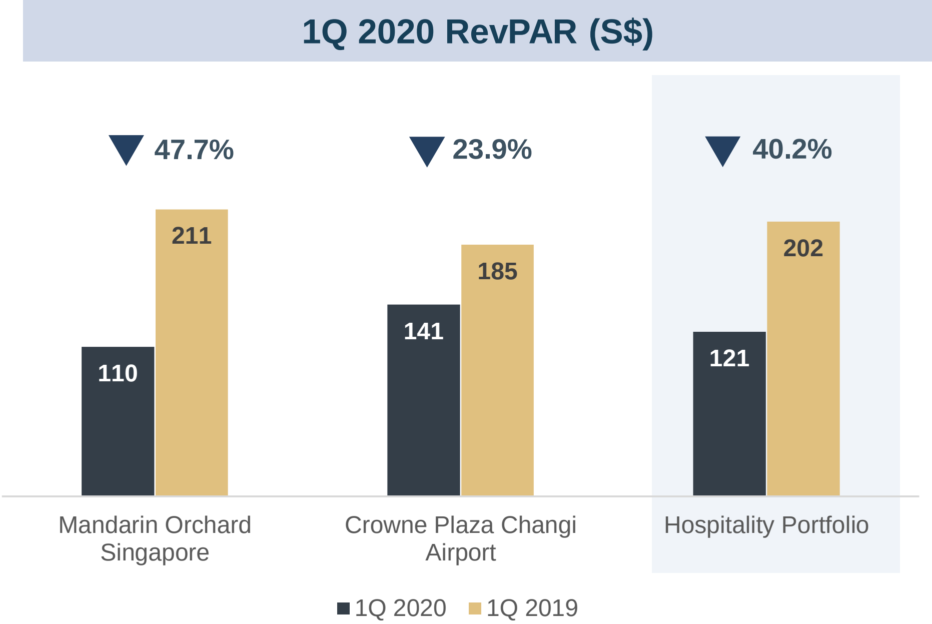
Portfolio Performance – Hospitality 1Q 2020





- Both hotel properties saw a strong start to the year but as strict travel restrictions were progressively imposed from end January 2020, there was significant loss of demand from tourist arrivals as well as postponement and cancellation of planned MICE and social events. Although there was replacement demand from those on self-isolation as well as workers affected by border shutdowns, the operating environment remained weak

- 1Q 2020 RevPAR at Mandarin Orchard Singapore declined 47.7% to S$110, while Crowne Plaza Changi Airport recorded a lower decline of 23.9% to S$141. Revenue for the hospitality segment in 1Q 2020 was at minimum rent of S$16.9 million

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Re-branding of Mandarin Orchard Singapore to Hilton Singapore Orchard

- ☑ **Transformational re-branding with addition of new income-generating spaces to drive growth in sustainable returns and value**
- ☑ **Rebranding will allow the hotel to leverage on Hilton's strong brand recognition and global sales & distribution network**
- ☑ **Re-branded hotel set to become Hilton's flagship in Singapore and the largest Hilton hotel in Asia-Pacific**
- ☑ **Major refurbishments to take place from 2Q 2020 onwards to capitalise on weak operating environment due to COVID-19**
- ☑ **Expected re-launch of hotel in 2022**

Income assurance for Unitholders

Downside protection from master lease throughout phased renovation and ramping-up period

Approximately 10% expected return on investment on a stabilised basis

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Rationale for Re-branding of Mandarin Orchard Singapore

1. Enhance the hotel’s competitive positioning

2. Leverage on Hilton’s strong global distribution network and established partnerships

3. Opportunity to drive more direct booking business on the back of established guest loyalty program

4. Positions the hotel to better tap on long term growth drivers in the Singapore hospitality sector

Value Creation of Mandarin Orchard Singapore Re-branding

- Expected capital expenditure for the re-branding exercise is approximately S$90.0 million
- The Manager intends to draw down on existing loan facilities to fully fund the capital expenditure progressively over the renovation period
- Based on the projected incremental net property income on a stabilised basis, the expected return is approximately 10.0%

Expected Start Date	▪ 2Q 2020
Expected Completion	▪ End 2021
Contribution to Capital Expenditure	▪ Approximately S$90.0 million
Expected Return	▪ Approximately 10%

Update on COVID-19

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Impact on Operations

SG Office (53.1% of 1Q 2020 Revenue)

- Disruption in leasing activities such as viewings, handovers and fitting-out
- Longer leasing lead time as occupiers focus on cost containment, and re-evaluate space requirements. Expansions and relocations on hold while renewals are prioritised

SG Hospitality (21.7% of 1Q 2020 Revenue)

- Travel restrictions on inbound travellers have affected demand for accommodation, with postponement or cancellation of planned MICE and social events
- Food & beverage outlets remain open for deliveries and takeaways
- Alternative sources of demand include guests on self-isolation as well as workers affected by border shutdowns

SG Retail (17.1% of 1Q 2020 Revenue)

- Safe-distancing measures and travel restrictions on inbound travellers have affected tourist demand and shopper footfall
- The “circuit breaker” announced by the Singapore Government ordering all non-essential trades to close temporarily from 7 April 2020 will impact tenants’ operations

Shanghai Office & Retail (8.1% of 1Q 2020 Revenue)

- Extension of the Lunar New Year holiday (effectively extending office closures) in February. Curtailed retail malls’ operating hours, strongly encouraged work-from-home arrangements and other social distancing measures which disrupted businesses
- With the relaxation of measures from end March, businesses have gradually resumed normal operations

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Tenant Support Measures

- Total rental rebates of approximately S$18.8 million, of which an estimated S$13.3 million relates to the property tax rebates from the Singapore Government
- The Manager will continue to monitor the situation closely, and will explore further initiatives to support OUE C-REIT's tenants as required

SG Office

Passing on in full 30% property tax rebate from the Singapore Government

SG Hospitality

Passing on in full 100% property tax rebate from the Singapore Government

SG Retail

- Passing on in full 100% property tax rebate from the Singapore Government
- Full rental waiver for April 2020 to eligible retail tenants and other targeted relief measures depending on tenants' needs
- Eligible tenants have also been extended flexible rental payment schemes

Shanghai Office & Retail

Rental rebates and flexible payment schemes have been extended to all eligible tenants

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Priorities and Mitigation for 2020

- ✓ Preserve sustainable long term returns for Unitholders
- ✓ Focus on cost management and cash conservation, and maintaining financial flexibility
- ✓ Tenant retention through proactive lease management

Operations

- Suspension of non-essential capital and operating expenditure across OUE C-REIT's properties
- More flexible leasing terms to selected tenants to sustain occupancy
- Cost containment measures have been implemented to manage staff costs and overheads at OUE C-REIT's hotels; Singapore Government's assistance packages such as wage and tax reliefs have also provided some support

Capital Management

- As at 31 March 2020, approximately S$596 million of borrowings due in the latter part of 2020 will be refinanced ahead of maturity. Average cost of debt is expected to remain stable
- Balance sheet remains healthy, with available credit facilities to tap on where necessary
- Debt headroom of approximately S$570 million and S$1.3 billion, to limits of 45% and 50%, respectively

Summary


Keppel
OUE
HSBC
THE FULLERTON BAY HOTEL
THE FULLERTON BAY HOTEL
CUSTOMS HOUSE

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Summary

Office (59.4% of 1Q 2020 Revenue)

- Operating performance is expected to remain resilient for Singapore (53.1% of 1Q 2020 revenue)
- Focus on tenant retention to sustain occupancy at Lippo Plaza in Shanghai (6.3% of 1Q 2020 revenue)

Hospitality (21.7% of 1Q 2020 Revenue)

- Supported by minimum rent component of S$67.5 million per annum under the hotel master lease arrangements

Retail (18.9% of 1Q 2020 Revenue)

- Retail operating environment is expected to remain challenging due to significant business disruption
- Impact will depend on the extent and duration of safe distancing measures, as well as the speed of recovery of consumption

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Summary

Overall

- The Manager will continue to monitor the situation closely, and is prepared to introduce further initiatives to support OUE C-REIT’s tenants as required.
- As the COVID-19 situation is fluid and still evolving, the full impact on OUE C-REIT depends on several factors including the duration of the pandemic, potential for further extension of the circuit breaker or other movement control orders, as well as the trajectory of the recovery when the pandemic is under control.
- The Manager will continue to focus on its efforts on proactive asset management and manage our capital prudently to maintain financial flexibility, so as to preserve sustainable long term returns for Unitholders.

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Thank You