



COMMERCIAL
REIT



Financial Results for 2H and FY 2022

30 January 2023



Agenda

- **FY 2022 Key Highlights**
- **Financial Summary & Capital Management**
- **Portfolio Review**
- **Commercial Segment**
- **Hospitality Segment**
- **Looking Ahead**
- **Appendices**

Important Notice

This presentation should be read in conjunction with the announcements released by OUE Commercial REIT (“OUE C-REIT”) on 30 January 2023 (in relation to its Interim Financial Information for the Six-Month Period and Financial Year Ended 31 December 2022).

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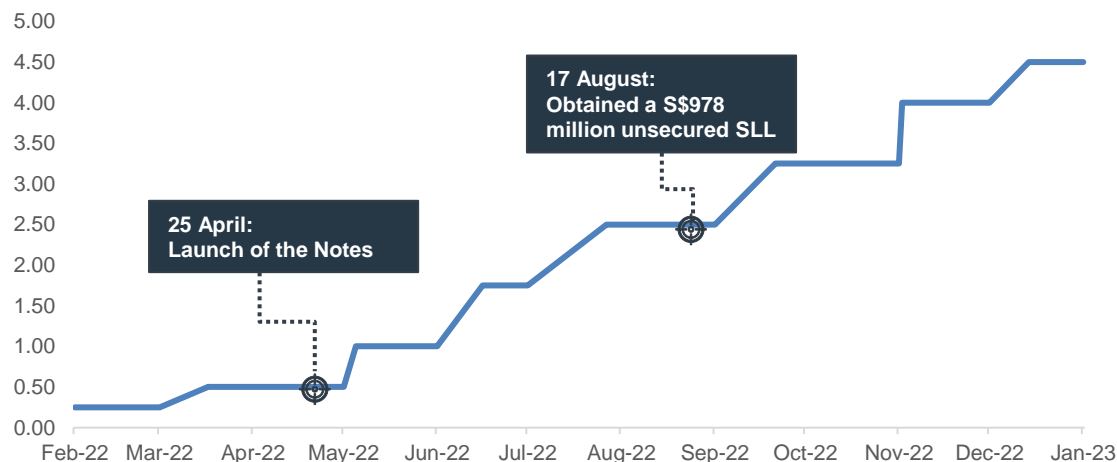
Investors should note that they will have no right to request the Manager to redeem their Units while the Units are listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units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

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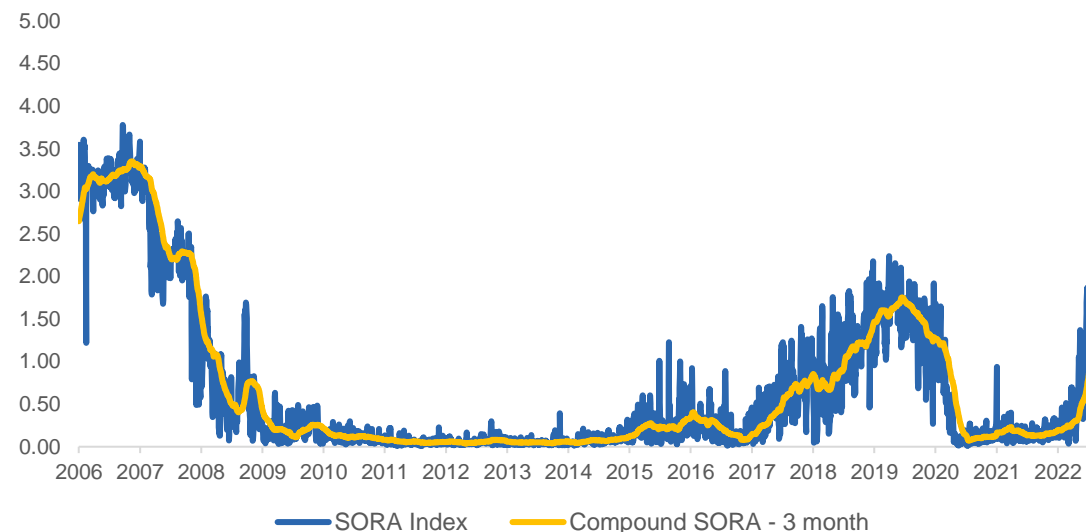
Key Highlights – Prudent Capital Management to Mitigate Refinancing Risk

- In May 2022, issued Singapore’s first S\$150 million bond with a coupon step-down of 25 basis points upon OUE C-REIT obtaining an investment grade rating within 18 months of issuance date, **a first in Singapore’s capital markets**.
- In August 2022, successfully obtained an unsecured S\$978 million sustainability-linked loan (“SLL”) to refinance existing secured borrowings, **the largest SLL among S-REITs to date**
- Achieved greater financial flexibility with the proportion of unsecured debt increasing to 69.4% and an average term of debt of 2.9 years as at 31 December 2022

Federal Funds Rate (upper bound)



Historical SORA Rates since 2006



Key Highlights – Continued Improvement in Operational Metrics across Segments



Office

- Singapore office committed occupancy remained high at 95.5% as at 31 December 2022
- Achieved second consecutive quarter of positive rental reversions for all Singapore office properties ranging from 3.2% to 8.3% in 4Q 2022
- Actively mitigating rising costs through service charge increases for the Singapore commercial portfolio from January 2023



Hospitality

- Hospitality segment RevPAR increased 18.4% QoQ to S\$310 in 4Q 2022 fuelled by Hilton Singapore Orchard's re-branding and the recovery in visitor arrivals and MICE sector
- Despite limited inventory, Hilton Singapore Orchard performance exceeded the minimum rent of S\$45.0 million in FY 2022



Retail

- Achieved positive rental reversion of 10.4% at Mandarin Gallery with committed occupancy (including short-term leases) increasing 2.0 percentage points ("ppt") QoQ to 95.4%
- Shopper traffic at Mandarin Gallery in 4Q 2022 improved to ~95% of pre-COVID levels, supported by the year-end festive period.
- Tenant sales remained at ~85% of pre-COVID levels during the quarter but grew 41.3% YoY

Key Highlights – Completion of Hilton Singapore Orchard Re-branding and AEI

- Completed the S\$150.0 million asset enhancement initiative (“AEI”) announced in March 2020
- Relunched as **Hilton Singapore Orchard, the Hilton brand’s flagship hotel in Singapore and its largest in Asia Pacific** with 634 rooms available in February 2022
- Full inventory of 1,080 rooms available since 1 January 2023 with the opening of Orchard Wing
- Strengthened the hotel’s positioning to capitalise on long-term growth drivers in the Singapore hospitality and MICE sector

Rationale for Re-branding

- ✓ Addition of new income-generating spaces to drive growth in sustainable returns and value
- ✓ Leverage on Hilton’s strong brand differentiation and the property’s prime location along Orchard Road
- ✓ Taps on Hilton’s global distribution network into the higher-yielding corporate segment and to drive more direct booking business
- ✓ Future-proofed with advance MICE amenities and sustainability initiatives

1,080 refurbished rooms and suites



16 state-of-the-art and versatile event spaces configured for MICE



5 revamped and fresh F&B offerings



Key Highlights – Gaining Momentum in our ESG journey



Stewarding the Environment

Continued to align financing needs with OUE C-REIT's sustainability commitment with our second SLL in 2022. **SLLs account for 57.7%** of OUE C-REIT's total debt as of 31 December 2022

Engaged with tenants to adopt **green practices and green lease agreements**. Green leases account for **21.1%** of OUE C-REIT's commercial segment net lettable area in Singapore as of 31 December 2022

Inaugural participation in the annual **Global Real Estate Sustainability Benchmark ("GRESB") assessment** in 2022



Strengthening Social Fabric

Achieved a **high overall satisfaction score** of 91.4% in the employee satisfaction survey in 2022

Maintained a fair and inclusive workplace with 40% or more of women in senior management and zero complaints of discrimination and harassment

Value continual learning by employees with a minimum 25 hours of training per employee per year

Developed and implemented succession and knowledge transfer plans to ensure business continuity

Work in partnership with various stakeholders to **engage and support the local community**



Building Trust



ACMF

Recognised as among the top ASEAN Asset Class publicly listed companies in the 2021 ASEAN Corporate Governance Scorecard (ACGS)



CENTRE FOR GOVERNANCE AND SUSTAINABILITY
治理与永续发展研究所
Formerly known as CENTRE FOR GOVERNANCE, INSTITUTE FOR GOVERNANCE AND ORGANISATIONAL
Sustainability, the governance and ethics for enterprise, government and responsibility.

Improved by six positions and ranked at 28th out of a total 44 REITs and Business Trusts



Ranked #32 in the **GIFT Index**

Financial Summary & Capital Management



2H 2022 Financial Performance

	2H 2022 (S\$m)	2H 2021 (S\$m)	YoY Change (%)
Revenue	125.7	116.3	8.0
Net Property Income	103.3	95.2	8.6
Share of Joint Venture Results	28.8	9.2	NM
Amount Available for Distribution ⁽¹⁾	52.1	64.4	(19.1)
Amount to be Distributed	56.7 ⁽²⁾	74.8 ⁽³⁾	(24.2)
Distribution per Unit (cents)	1.04	1.37	(24.1)

- Higher YoY revenue and net property income for 2H 2022 were mainly due to lower rental rebates partially offset by higher property expenses
- Higher share of joint venture results from OUE Bayfront mainly due to fair value gains. With lower income support from OUE Downtown Office and higher interest expense driven by macroeconomic factors, amount available for distribution was S\$52.1 million. With the partial distribution of divestment gain from OUE Bayfront of S\$4.6 million, 2H 2022 amount to be distributed was S\$56.7 million, translating to a distribution per Unit (“DPU”) of 1.04 cents, which was 24.1% lower YoY

NM: Not meaningful

(1) Net of retention for working capital requirements relating to the hospitality segment

(2) Including S\$4.6 million capital distribution from divestment of OUE Bayfront in March 2021

(3) Including release of S\$5.0 million of distribution retained in FY 2020 and S\$5.4 million capital distribution from divestment of OUE Bayfront in March 2021

FY 2022 Financial Performance

	FY 2022 (S\$m)	FY 2021 (S\$m)	YoY Change (%)
Revenue	241.5	249.9	(3.4)
Net Property Income	196.9	204.2	(3.6)
Share of Joint Venture Results	37.1	13.2	NM
Amount Available for Distribution⁽¹⁾	111.6	131.6	(15.2)
Amount to be Distributed	116.2⁽²⁾	142.0 ⁽³⁾	(18.2)
Distribution per Unit (cents)	2.12	2.60	(18.5)

- Decline in gross revenue was mainly due to the deconsolidation of OUE Bayfront's performance post the divestment of a 50% interest in the property on 31 March 2021, partially offset by lower rental rebates and property expenses, as well as higher turnover rent
- Higher share of joint venture results from OUE Bayfront mainly due to fair value gains. With lower income support for OUE Downtown Office as well as higher interest expense driven by macroeconomic factors, amount available for distribution was S\$111.6 million. Including the partial distribution of divestment gain from OUE Bayfront of S\$4.6 million, FY 2022 amount to be distributed was S\$116.2 million, DPU of 2.12 cents

NM: Not meaningful

(1) Net of retention for working capital requirements relating to the hospitality segment

(2) Including S\$4.6 million capital distribution from divestment of OUE Bayfront in March 2021

(3) Including release of S\$5.0 million of distribution retained in FY 2020 and S\$5.4 million capital distribution from divestment of OUE Bayfront in March 2021

Distribution Details

Payment of distribution for period from 1 July 2022 to 31 December 2022

Distribution Period	1 July 2022 to 31 December 2022
Distribution Per Unit	1.04 cents per Unit comprising: i. Taxable income distribution of 0.61 cents per Unit ii. Tax exempt income distribution of 0.21 cents per Unit iii. Capital distribution of 0.22 cents per Unit
Notice of Book Closure Date	30 January 2023
Book Closure Date	7 February 2023
Distribution Payment Date	28 February 2023

Balance Sheet

- NAV per Unit increased 3.5% YoY to S\$0.59 as of 31 December 2022 mainly due to gains in investment properties

S\$ million	As at 31 December 2022	As at 31 December 2021
Investment Properties	5,539.2	5,409.7
Total Assets	5,989.1	5,832.5
Borrowings	2,049.5	1,985.4
Total Liabilities	2,281.7	2,244.0
Net Assets Attributable to Unitholders	3,240.1	3,128.0
Units in Issue and to be Issued ('000)	5,470,950	5,449,685
NAV per Unit (S\$)	0.59	0.57

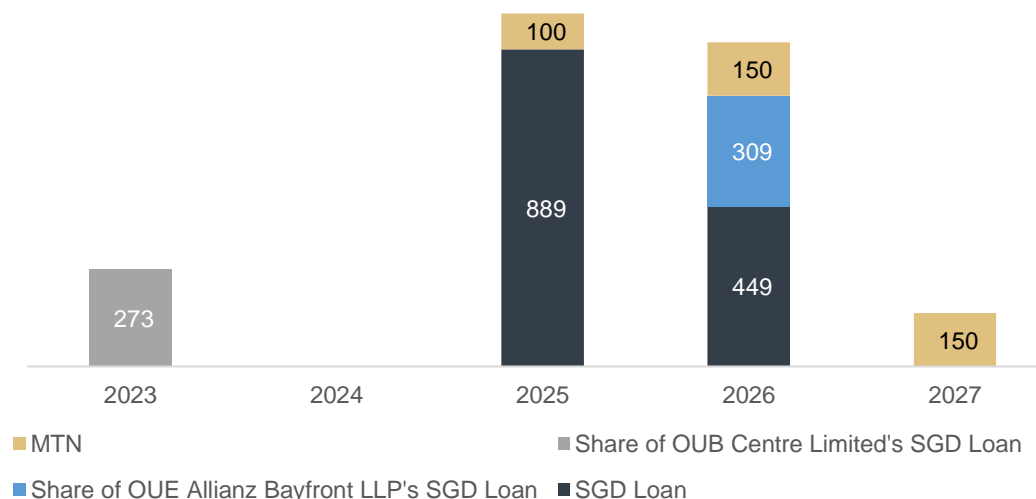
Proactive and Prudent Capital Management

- Aggregate leverage decreased 1.5 ppt to 38.8% as of 31 December 2022
- 71.5% of total debt hedged and stable weighted average cost of debt of 3.4% per annum
- No further refinancing requirements until September 2023 where only 11.8% (S\$273 million) of total debt is due, with none due in 2024

	As at 31 Dec 2022	As at 30 Sep 2022
Aggregate leverage	38.8%	40.3%
Total debt ⁽¹⁾	S\$2,321m	S\$2,371m
Weighted average cost of debt ⁽²⁾	3.4% p.a.	3.2% p.a.
Average term of debt	2.9 years	3.1 years
% fixed rate debt	71.5%	69.2%
% unsecured debt	69.4%	70.1%
Interest coverage ratio (“ICR”) ⁽³⁾	2.6x ⁽⁴⁾	2.9x ⁽⁵⁾
Adjusted ICR ⁽⁶⁾	2.5x ⁽⁴⁾	2.9x ⁽⁵⁾

Debt Maturity Profile (as at 31 Dec 2022)

S\$ million



- (1) Includes OUE C-REIT's share of OUB Centre Limited's loan and OUE Allianz Bayfront LLP's loan
- (2) Including the write-off of upfront fees from early refinancing, weighted average cost of debt is 3.7% p.a. as at 31 December 2022 and 3.6% p.a. as at 30 September 2022
- (3) As prescribed under Appendix 6 of the Monetary Authority of Singapore's Code on Collective Investment Schemes (last revised on 3 March 2022)
- (4) Including the write-off of upfront fees from early refinancing, both ICR and adjusted ICR are 2.4x as at 31 December 2022
- (5) Including the write-off of upfront fees from early refinancing, both ICR and adjusted ICR are 2.7x as at 30 September 2022
- (6) As above in (3) and including distributions on hybrid securities in the denominator

Portfolio Review



Stable Valuation as at 31 December 2022

- Portfolio valuation increased 2.6% to S\$6,173.4 million as at 31 December 2022, mainly due to the Singapore office properties and Hilton Singapore Orchard
- While Lippo Plaza's valuation declined 11.3% in SGD, the decline in local currency was a smaller 1.5%

	S\$ million		Change (%)	Capitalisation Rate	Unit Valuation
	As at 31 Dec 2022	As at 31 Dec 2021			
OUE Bayfront (100% interest)	1,321.0	1,270.0	4.0	Office: 3.50%	S\$3,307 psf
OUE Bayfront (50% interest)	660.5	635.0	4.0	As above	As above
One Raffles Place⁽¹⁾	1,909.0	1,867.7	2.2	Office: 3.40% – 3.55% Retail: 4.43%	S\$2,708 psf
OUE Downtown Office	930.0	902.0	3.1	3.90%	S\$1,755 psf
Lippo Plaza	509.8 ⁽²⁾ (RMB 2,640.0 m)	574.5 ⁽³⁾ (RMB 2,681.0 m)	(11.3)	4.0% ⁽⁴⁾	RMB45,112 psm GFA
Mandarin Gallery	453.9	453.9	-	5.25%	S\$3,594 psf
Hilton Singapore Orchard	1,250.0	1,130.0	10.6	5.25%	S\$1.2m / key
Crowne Plaza Changi Airport	460.2	455.2	1.1	4.75%	S\$0.8m / key
Total (including attributable interest in OUE Bayfront)	6,173.4	6,018.3	2.6	-	-
Total (excluding OUE Bayfront)	5,512.9	5,383.3	2.4	-	-

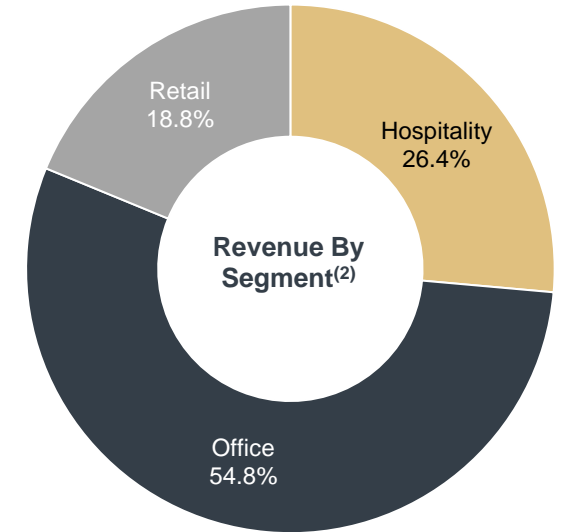
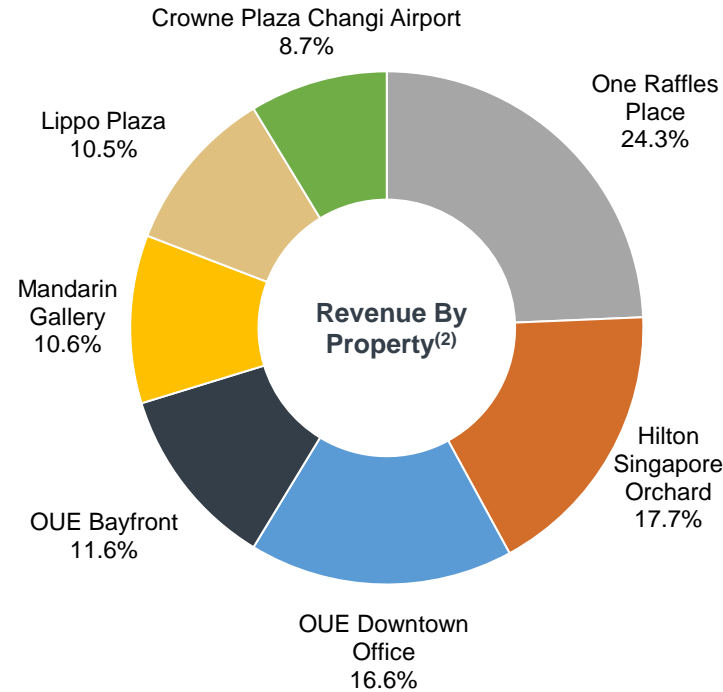
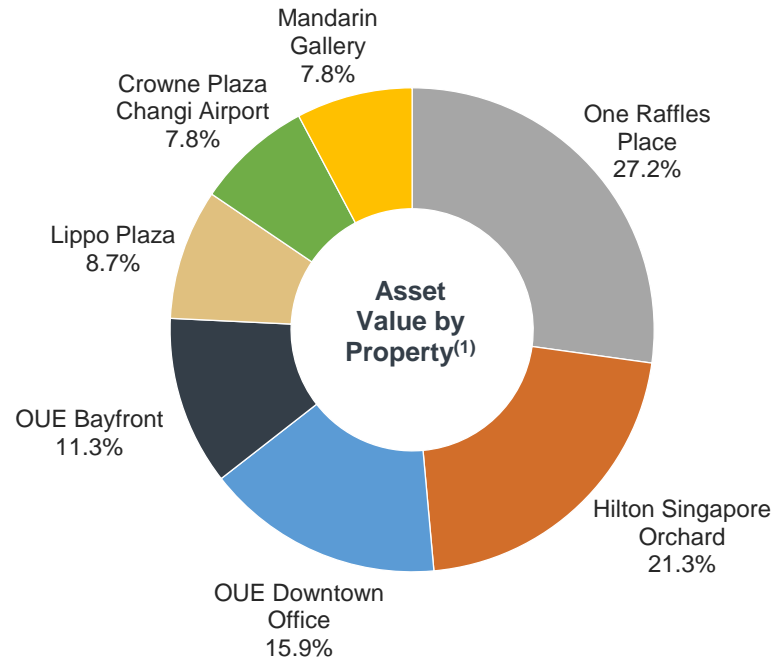
(1) Based on OUB Centre Limited's 81.54% interest in One Raffles Place. OUE C-REIT has an 83.33% indirect interest in OUB Centre Limited

(2) Based on independent valuation as at 31 December 2022 and SGD:CNY exchange rate of 1:5.179

(3) Based on independent valuation as at 31 December 2021 and SGD:CNY exchange rate of 1:4.666

(4) Blended capitalisation rate

Diversified Portfolio Provides Resilience and Stable Growth



■ ~91% of assets under management in Singapore

■ No single asset contributes more than 24.3% to the portfolio revenue

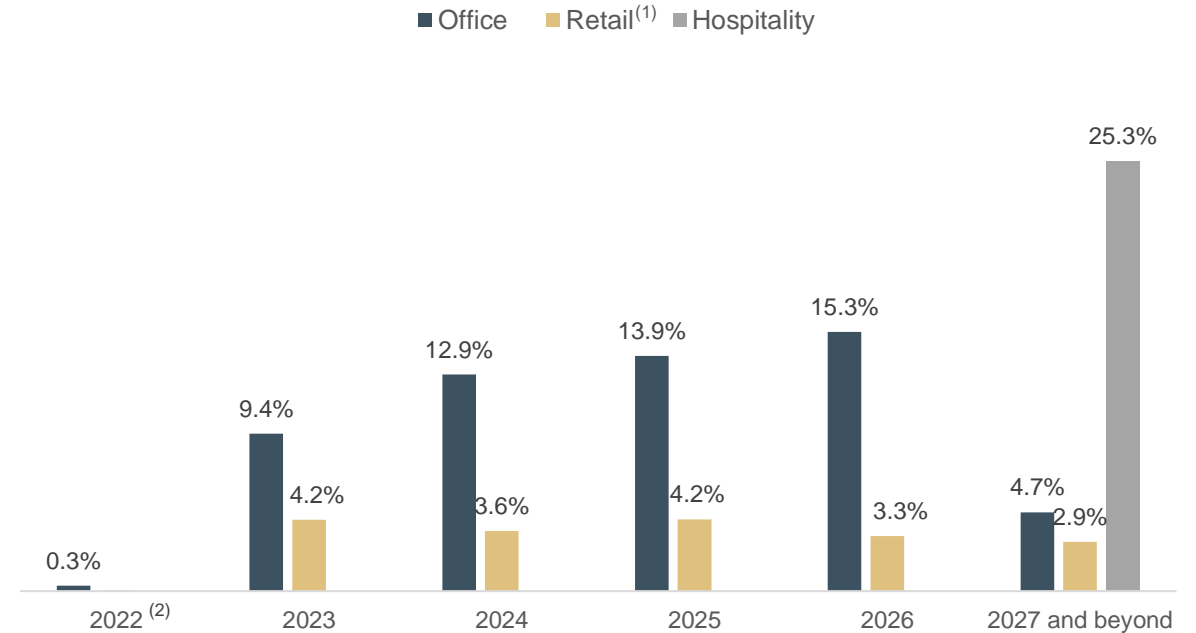
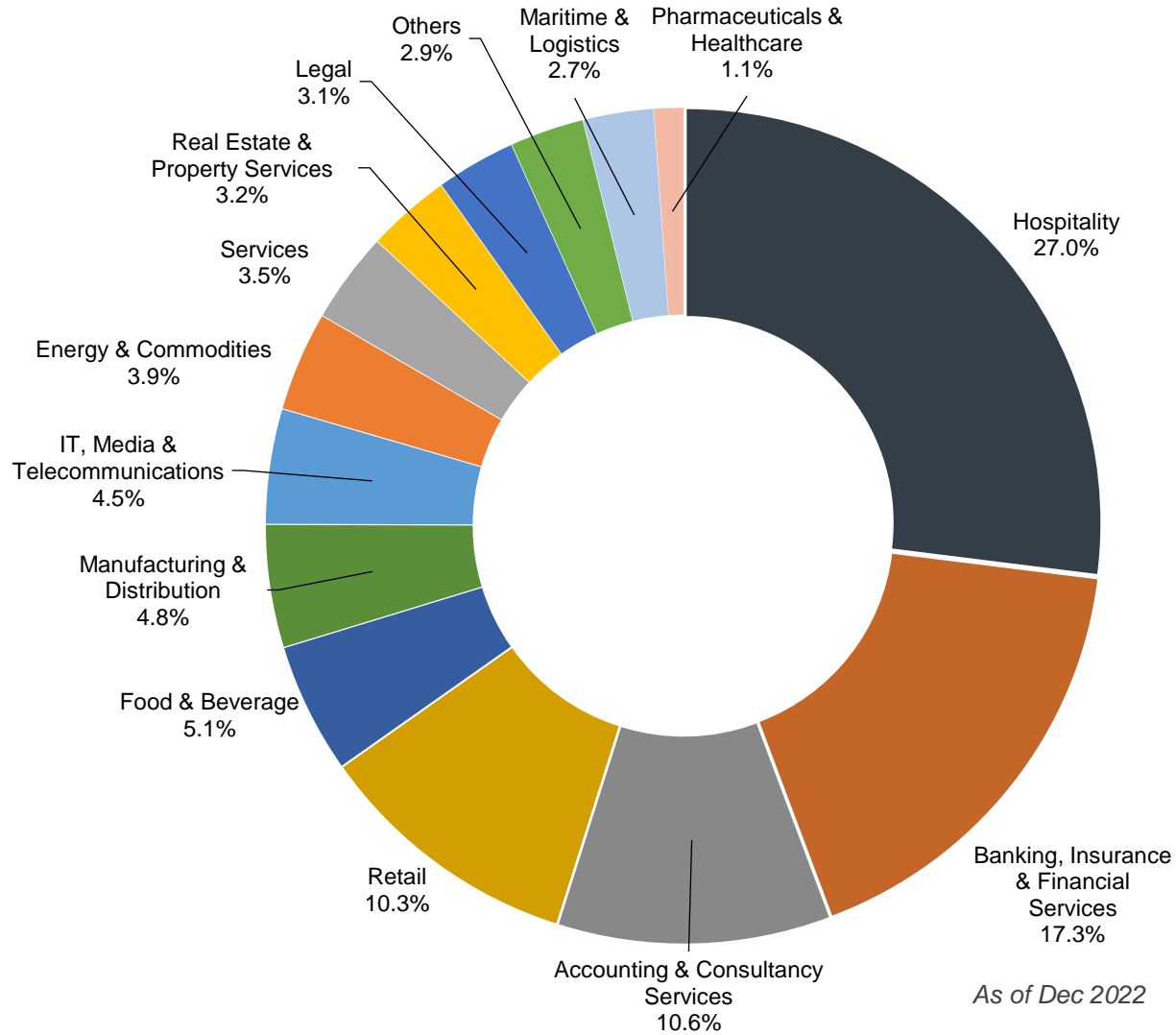
■ 54.8% of portfolio contribution is underpinned by the office segment

(1) Based on independent valuations as at 31 December 2022 and OUE C-REIT's proportionate interest in the respective properties as at 31 December 2022, assuming SGD:CNY exchange rate of 1:1.179 as at 31 December 2022

(2) Based on FY 2022 revenue and OUE C-REIT's proportionate interest in the respective properties

(3) Hilton Singapore Orchard 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

Well-diversified Tenant Mix with Stable Lease Expiry Profile



WALE⁽³⁾ of 3.3 years by Gross Rental Income (“GRI”)

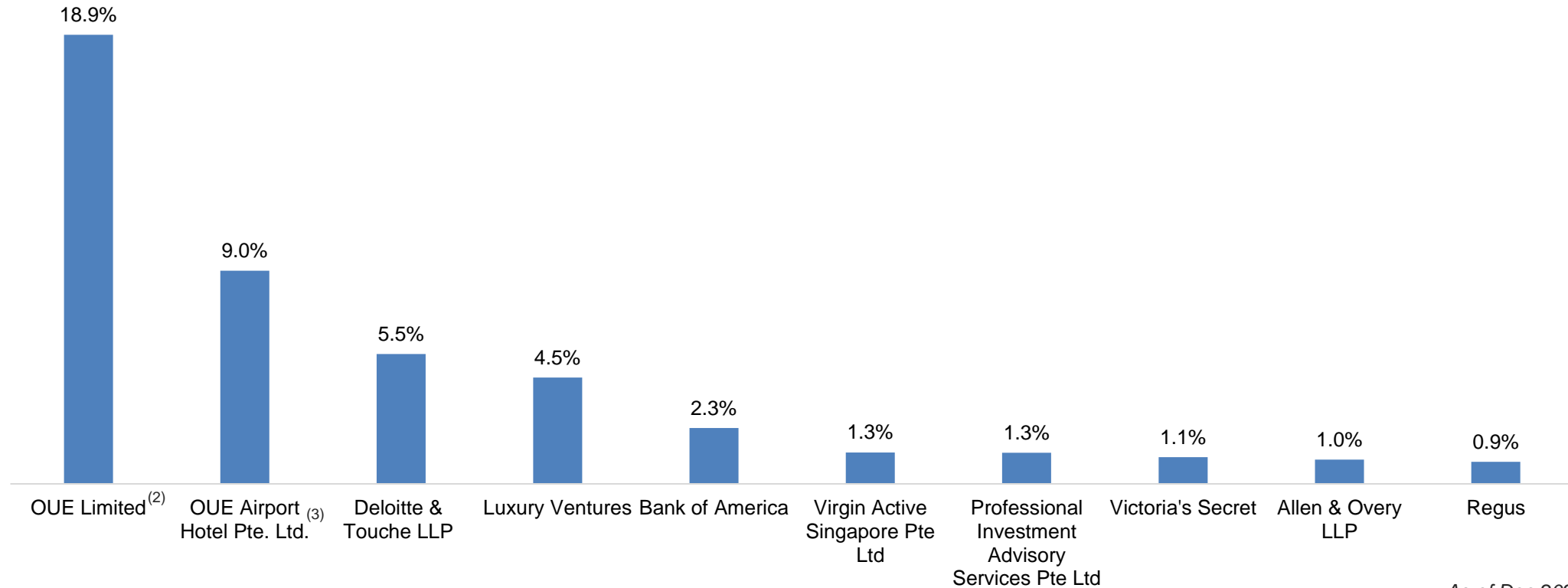
As at 31 Dec 2022

Note: Tenant by trade sector and lease expiry profile is based on GRI (excluding provision of rental rebates and turnover rent), and OUE C-REIT’s proportionate interest in the respective properties

- (1) Refers to contribution from Mandarin Gallery and all other retail components within OUE C-REIT’s portfolio
- (2) As at 31 December 2022, leases expiring on 31 December 2022 contributing 0.3% of portfolio GRI had not been renewed
- (3) “WALE” refers to the weighted average lease term to expiry.

Portfolio Top 10 Tenants

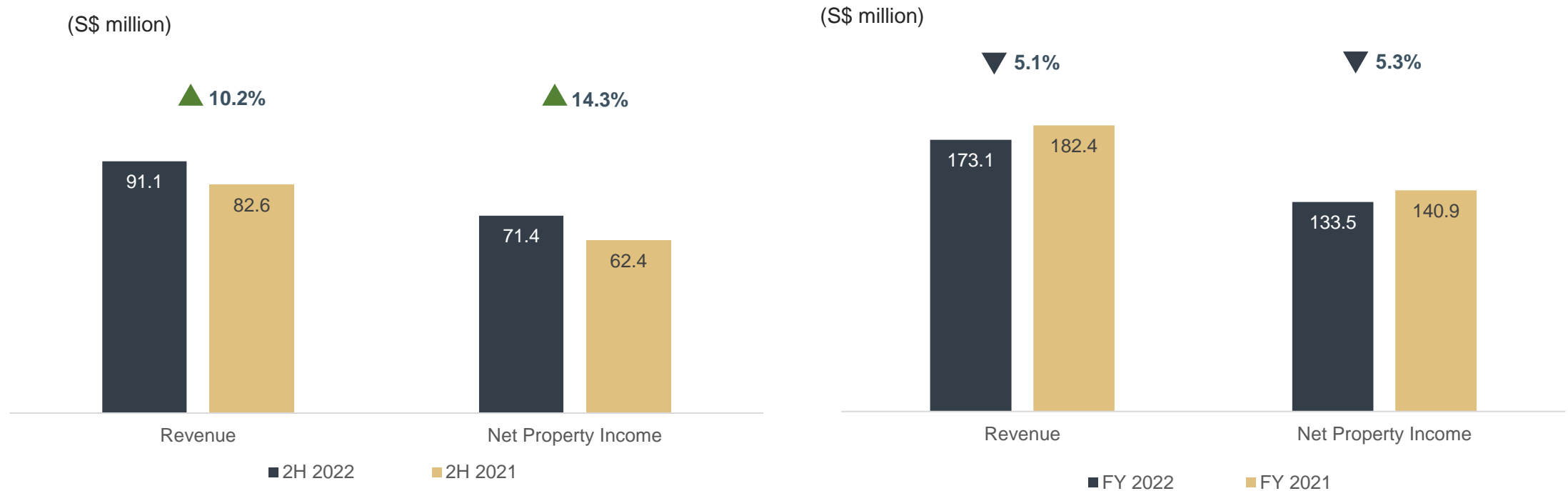
Top 10 Tenants contribute 45.8% of Total Portfolio Gross Rental Income⁽¹⁾



Commercial Segment



Commercial Segment Performance – 2H & FY 2021

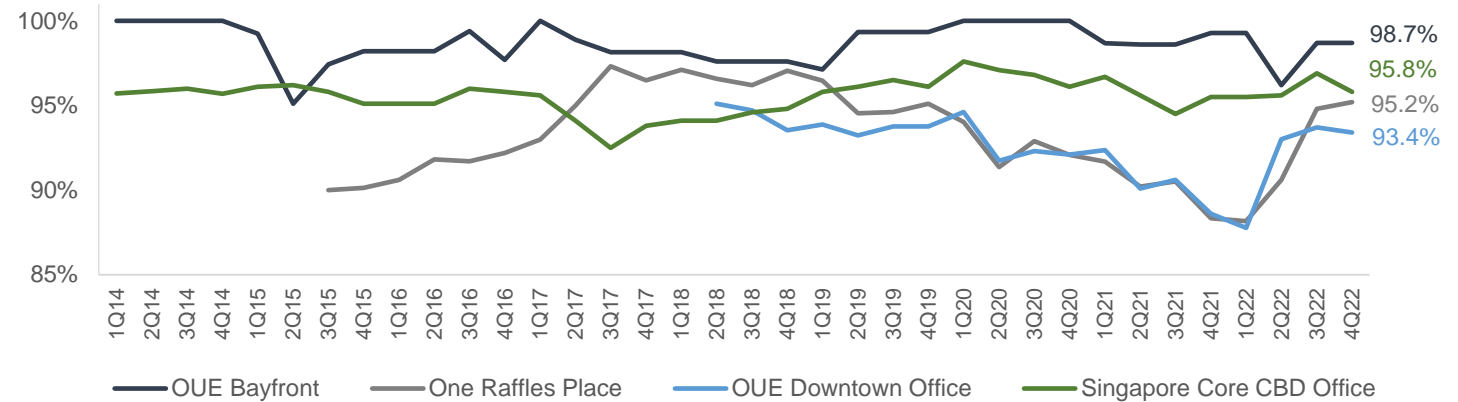


- For 2H 2022, revenue and NPI were S\$91.1 million and S\$71.4 million, 10.2% and 14.3% higher YoY, respectively
- For FY 2022, the lower YoY performance was mainly due to deconsolidation of OUE Bayfront's performance post the divestment of a 50% interest in the property on 31 March 2021, partially offset by lower rental rebates and lower property expenses

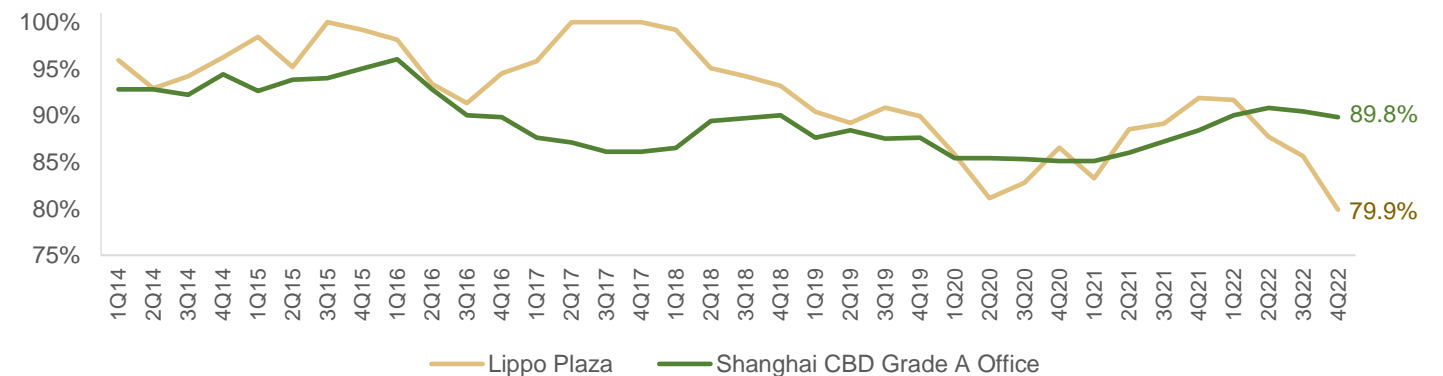
Office Segment Occupancy

- Singapore office portfolio committed occupancy stood at 95.5% as at 31 December 2022
- OUE Bayfront's committed office occupancy remained stable at 98.7%, maintaining ahead of the wider market
- Committed office occupancy of One Raffles Place increased 0.4 ppt to 95.2%
- OUE Downtown Office slid 0.3 ppt to 93.4%
- Lippo Plaza's committed office occupancy declined 5.7 ppt to 79.9% due to cautious leasing sentiment and competitive leasing environment

Singapore



Shanghai



Office Segment Rental Performance

- Second consecutive quarter of positive rental reversions for Singapore office properties in 4Q 2022
- Lippo Plaza continues to face strong leasing competition amidst significant new supply and business uncertainties. The Manager continues to prioritise occupancy

4Q 2022	Average Expired Rents	Rental Reversions	Sub-market	Comparable Sub-market Rents	
				Colliers ⁽¹⁾	Savills ⁽²⁾
Singapore					
OUE Bayfront	S\$13.22	8.3%	New Downtown/ Marina Bay	S\$12.44	S\$12.31
One Raffles Place	S\$10.15	5.5%	Raffles Place	S\$10.53	S\$9.68
OUE Downtown Office	S\$8.56	3.2%	Shenton Way/ Tanjong Pagar	S\$9.44	S\$8.50 – S\$8.75
Shanghai					
Lippo Plaza	RMB9.36	-11.5%	Puxi	RMB9.16	RMB9.80 ⁽³⁾

(1) Source: Colliers Singapore Office Quarterly 4Q 2022 for Singapore comparable sub-market rents; Colliers Shanghai Grade A Office Market Overview and Forecast 4Q 2022 for Shanghai comparable sub-market rents

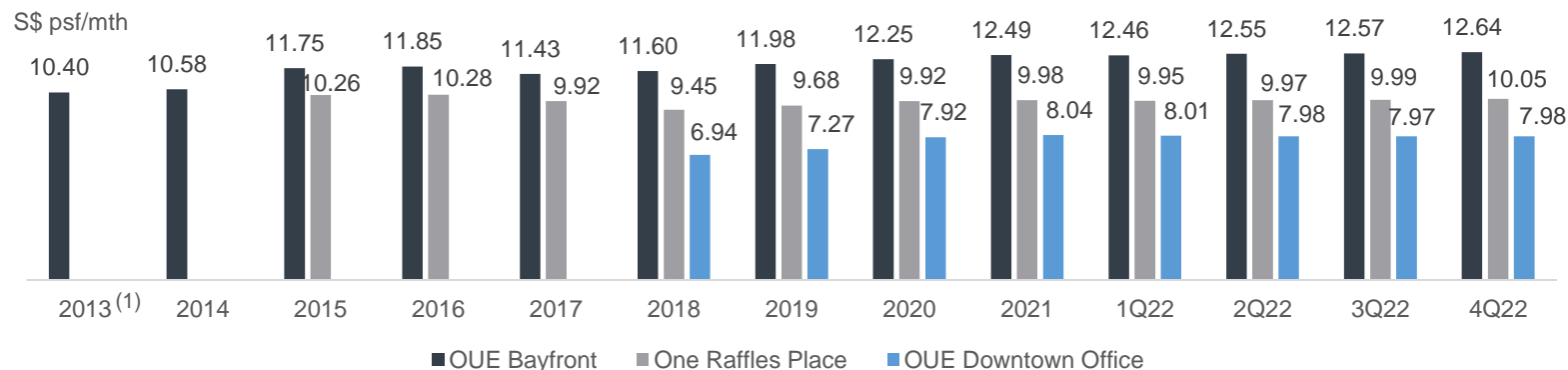
(2) Source: Savills Singapore Office Briefing 3Q 2022 for Singapore comparable sub-market rents; Savills Shanghai Grade A Office Market 3Q 2022 for Shanghai comparable sub-market rents

(3) Shanghai Grade A office rent for prime districts of Nanjing Road West, Huaihai Middle Road and Lujiazui as defined by Savills

Note: For reference, CBRE Research's 4Q 2022 Core CBD Grade A Singapore office rent is S\$11.70 psf/mth. Sub-market rents are not published

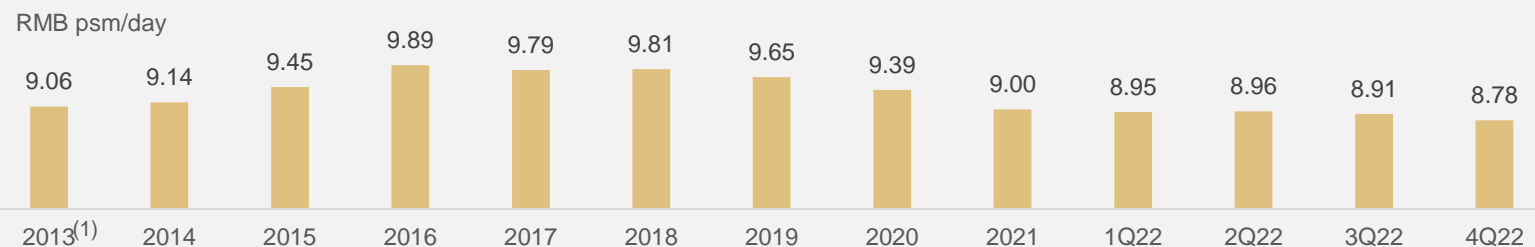
Average Passing Rents

Singapore (Office)



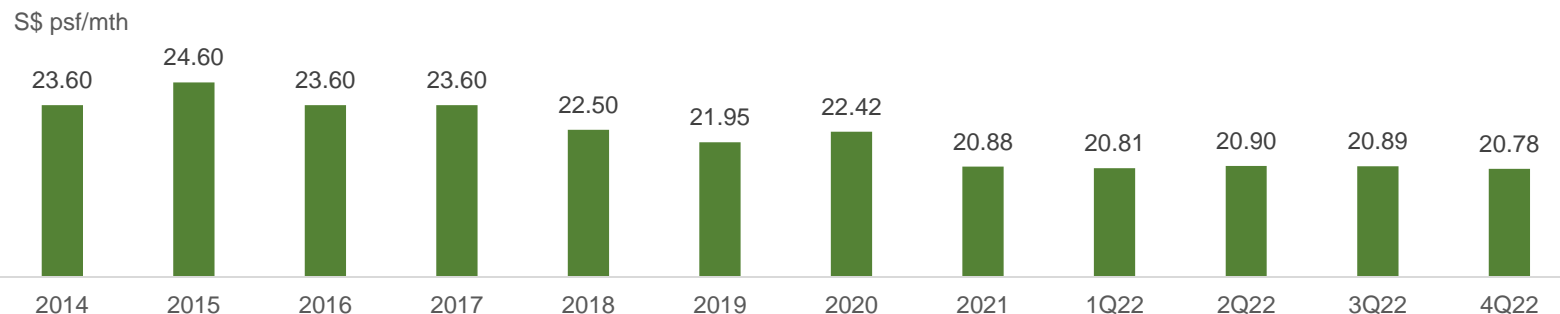
- Average passing rents remained stable as at December 2022, with OUE Bayfront reaching a high of S\$12.64 psf per month due to positive rental reversions in past quarters

Lippo Plaza (Office)



- Average passing office rent for Lippo Plaza declined 1.5% to RMB8.78 psm per day

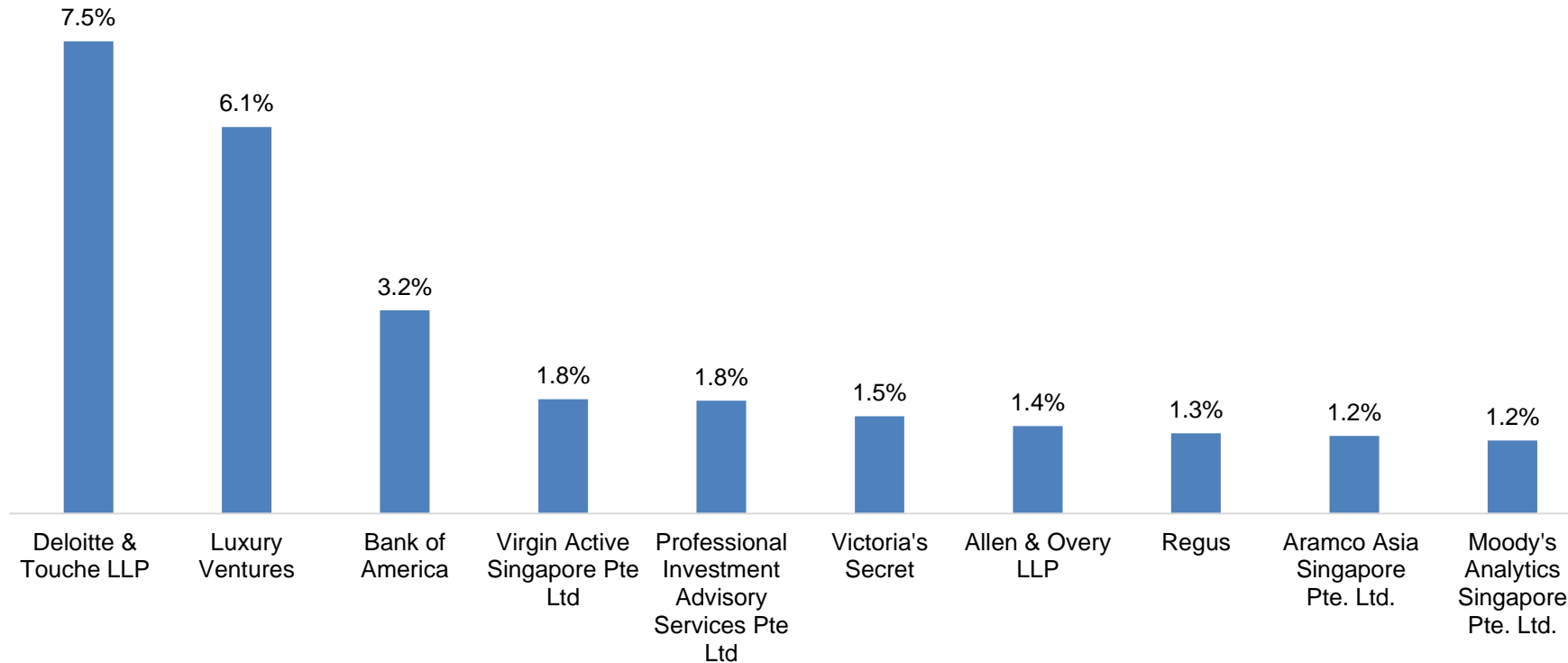
Mandarin Gallery



- Average passing retail rent at Mandarin Gallery held steady at S\$20.78 psf per month

Top 10 Tenants – Commercial Segment

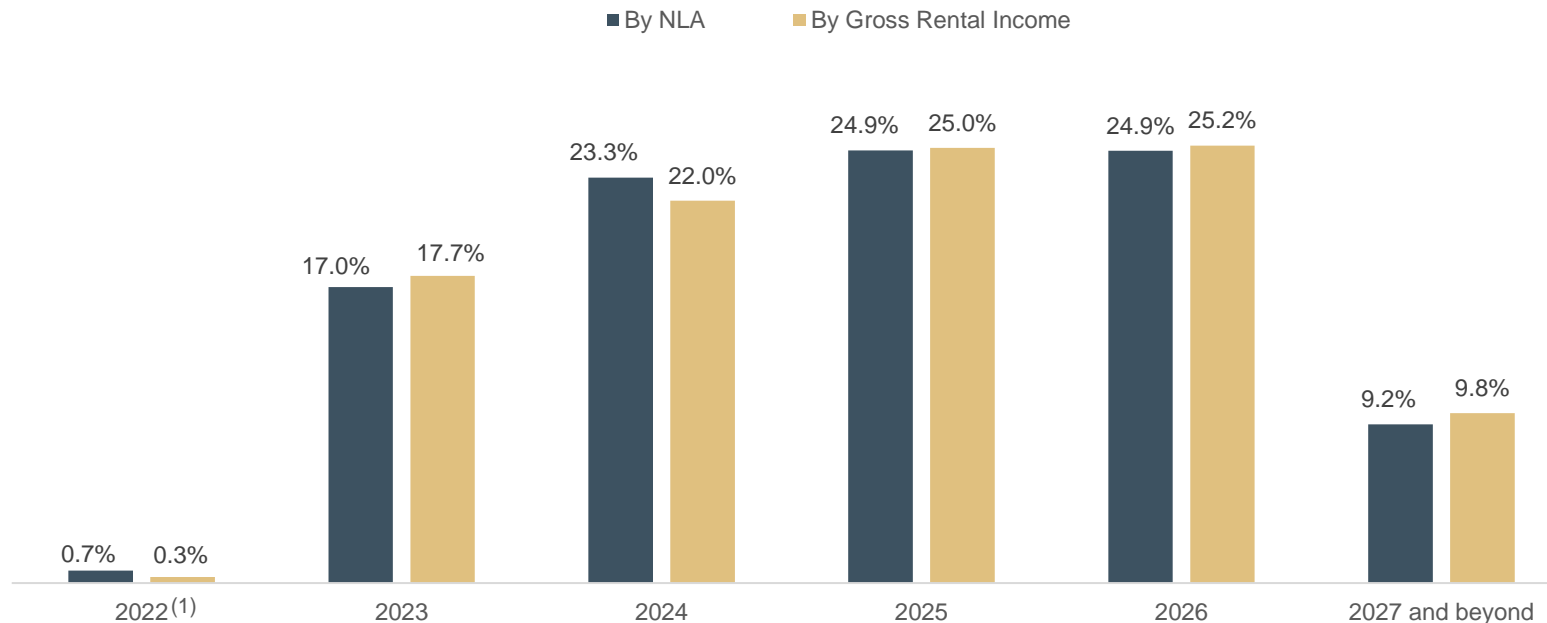
Top 10 Tenants contribute 27.0% of Commercial Segment Gross Rental Income⁽¹⁾



As of Dec 2022

Lease Expiry Profile – Commercial Segment

17.7% of OUE C-REIT’s commercial segment gross rental income is due for renewal in 2023



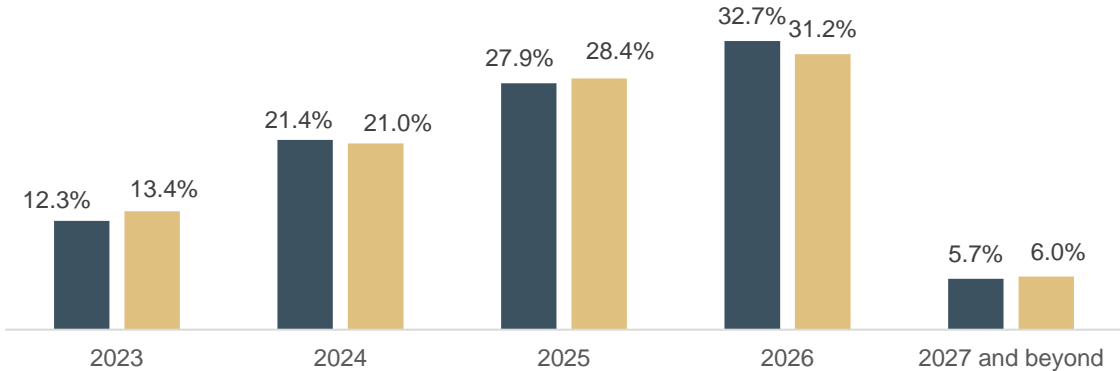
WALE⁽²⁾ of 2.5 years by NLA and by GRI⁽³⁾

As at 31 Dec 2022

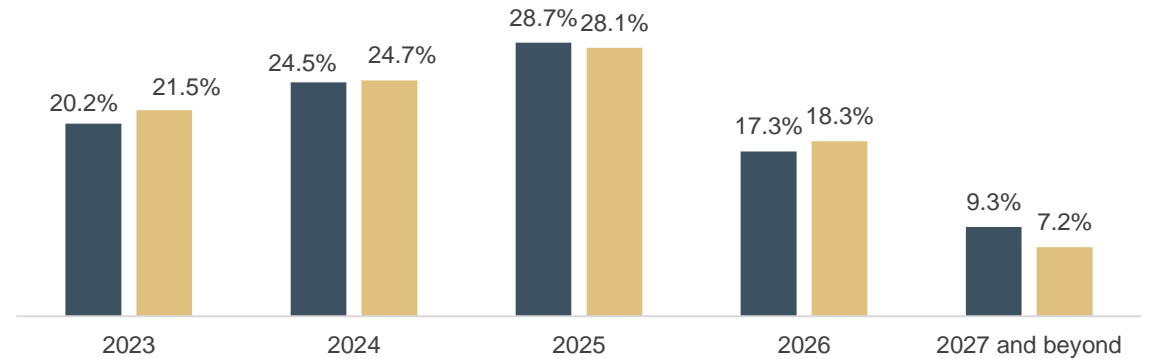
- (1) As of 31 December 2022, leases expiring on 31 December 2022 comprising 0.7% of commercial segment net lettable area and 0.3% of commercial segment gross rental income had not been renewed
- (2) Based on gross rental income (excluding turnover rent), and OUE C-REIT’s proportionate interest in the respective properties
- (3) “NLA” refers to net lettable area and “GRI” refers to gross rental income

Lease Expiry Profile by Commercial Property

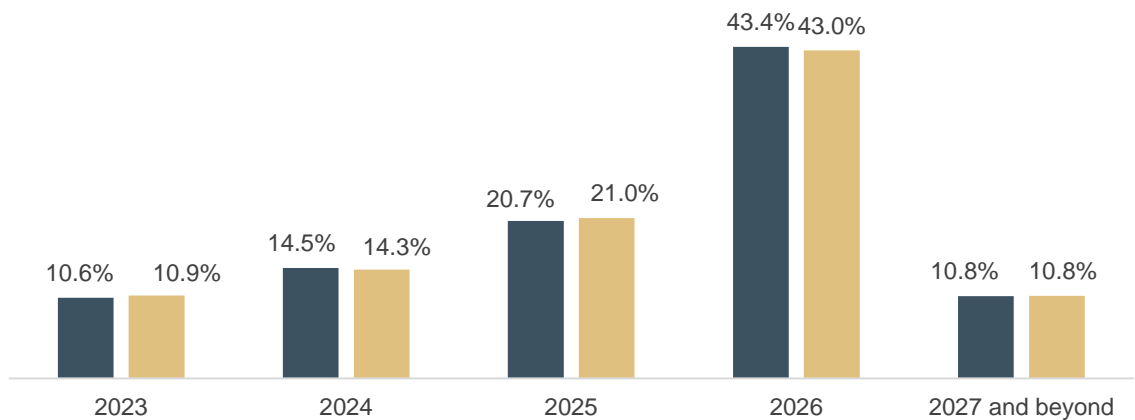
OUE Bayfront
WALE: 2.6 years (NLA); 2.6 Years (GRI)



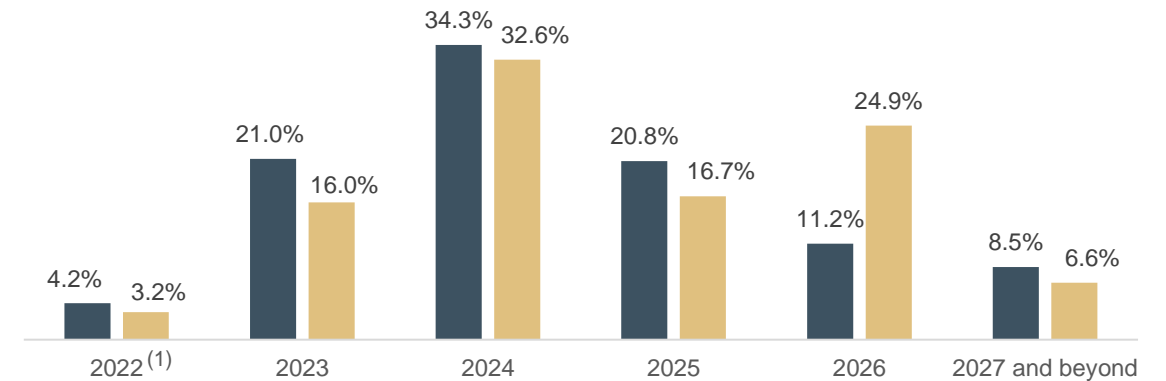
One Raffles Place
WALE: 2.4 years (NLA); 2.2 Years (GRI)



OUE Downtown Office
WALE: 3.1 years (NLA); 3.1 years (GRI)



Lippo Plaza
WALE: 1.9 years (NLA); 2.2 years (GRI)



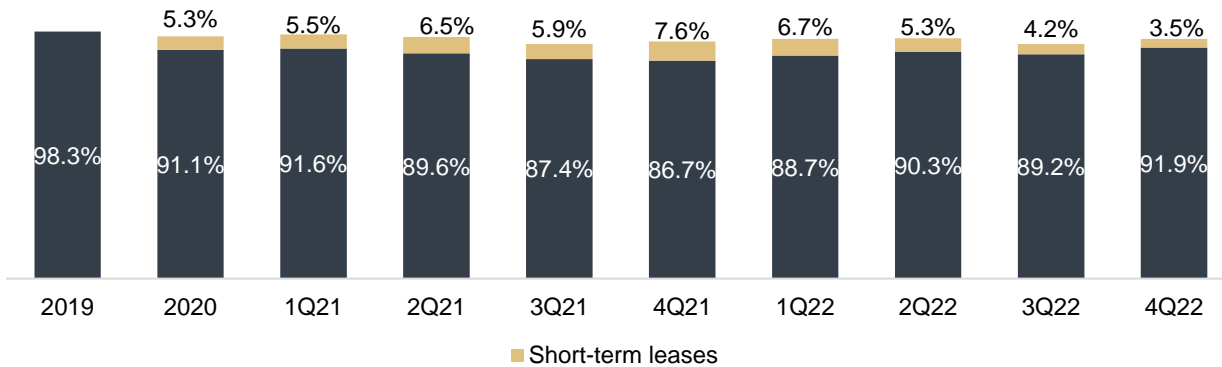
■ By NLA ■ By Gross Rental Income

As at 31 Dec 2022

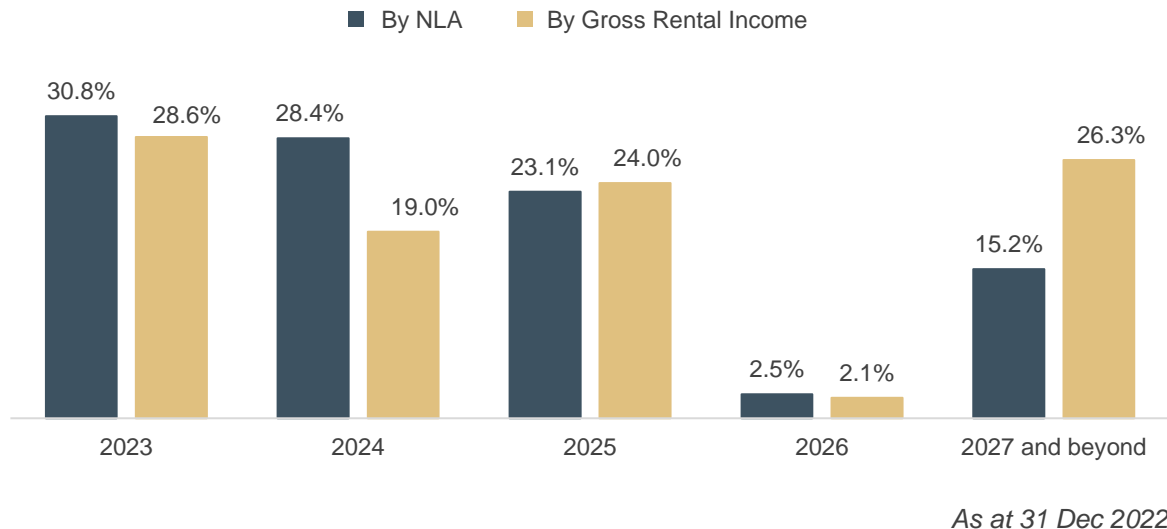
(1) As at 31 December 2022, leases expiring on 31 December 2022 comprising 4.2% of net lettable area and 3.2% of gross rental income had not been renewed

Mandarin Gallery

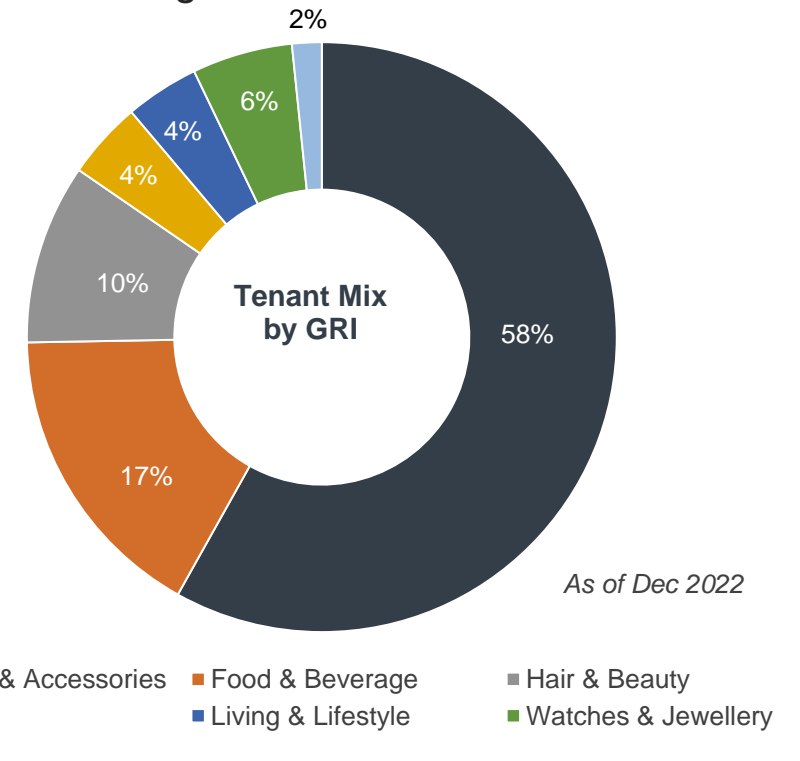
Committed Occupancy



WALE: 2.0 years (NLA); 2.3 Years (GRI⁽¹⁾)



- Positive rental reversion of 10.4% in 4Q 2022 due to the Manager's focus on optimising rents while sustaining occupancy
- Shopper traffic in 4Q 2022 improved to ~95% of pre-COVID-levels. Tenant sales remained at ~85% of pre-COVID levels but grew 41.3% YoY



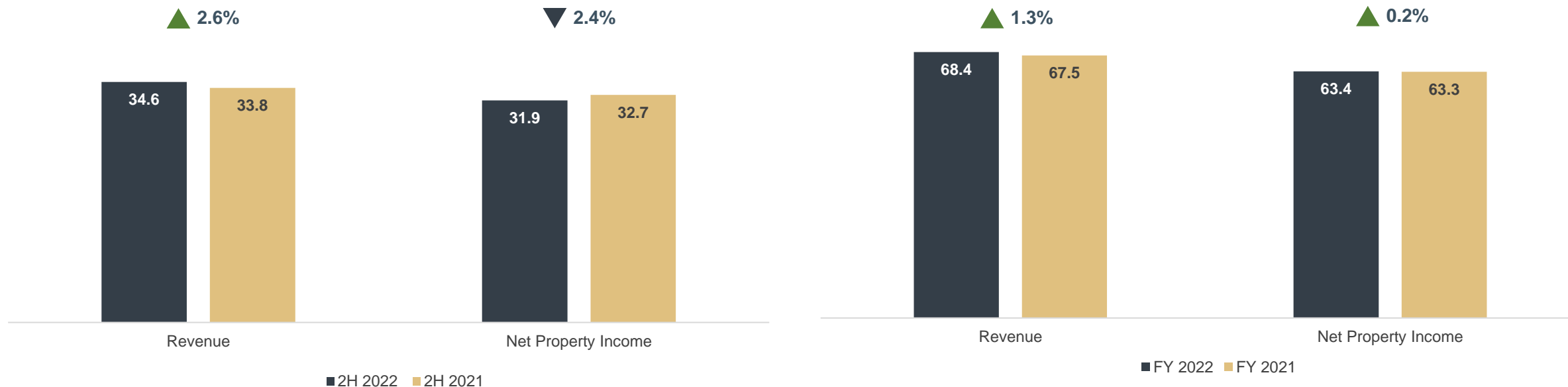
Hospitality Segment



Hospitality Segment Performance – 2H & FY 2022

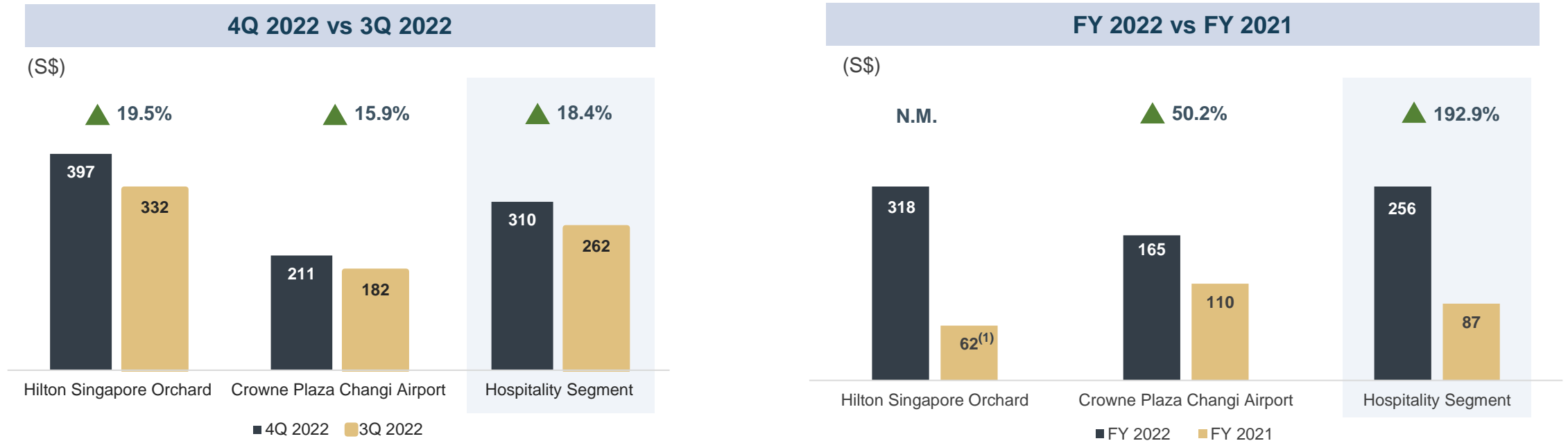
(S\$ million)

(S\$ million)



- Hospitality segment revenue for 2H 2022 was 2.6% higher YoY at S\$34.6 million
- Total revenue for FY 2022 was 1.3% higher YoY at S\$68.4 million, exceeding the minimum rent under the hotel master lease arrangements of S\$67.5 million per annum due to Hilton Singapore Orchard

Hospitality Segment RevPAR Performance

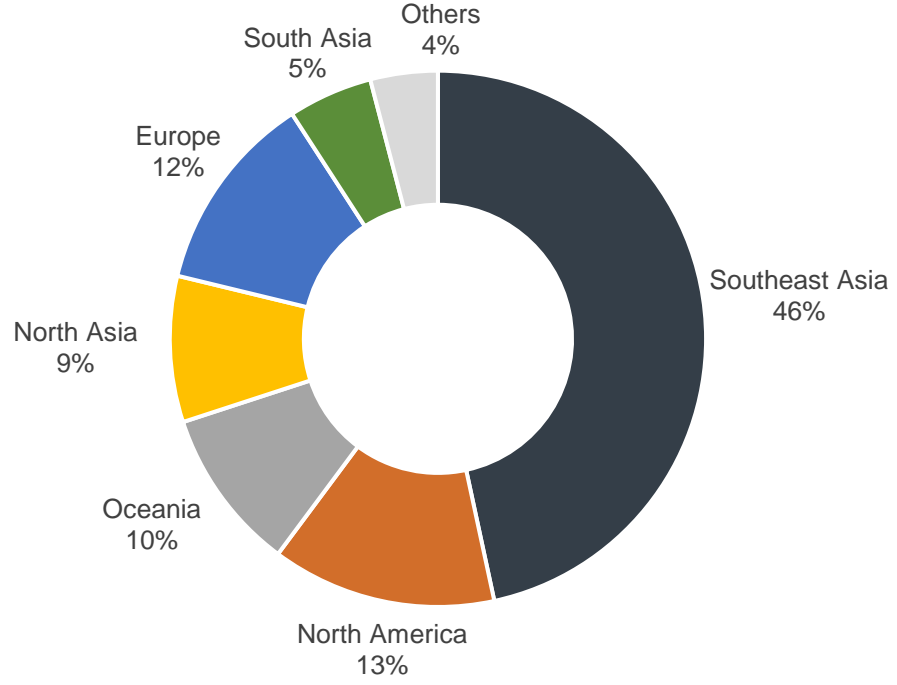


- For 4Q 2022, overall hospitality RevPAR was 18.4% higher QoQ at S\$310, buoyed by the recovery in the tourism and MICE sectors. Hilton Singapore Orchard's RevPAR increased 19.5% to S\$397 in 4Q 2022 compared to 3Q 2022. Crowne Plaza Changi Airport's RevPAR also achieved a 15.9% QoQ increase to S\$211.
- For FY 2022, Hilton Singapore Orchard's RevPAR reached S\$318, underpinned by the successful re-branding. Crowne Plaza Changi Airport, which started to receive corporate and leisure bookings from 2Q 2022, achieved a 50.2% YoY increase to S\$165. Overall hospitality RevPAR almost tripled to S\$256.

Hospitality Segment Customer Profile

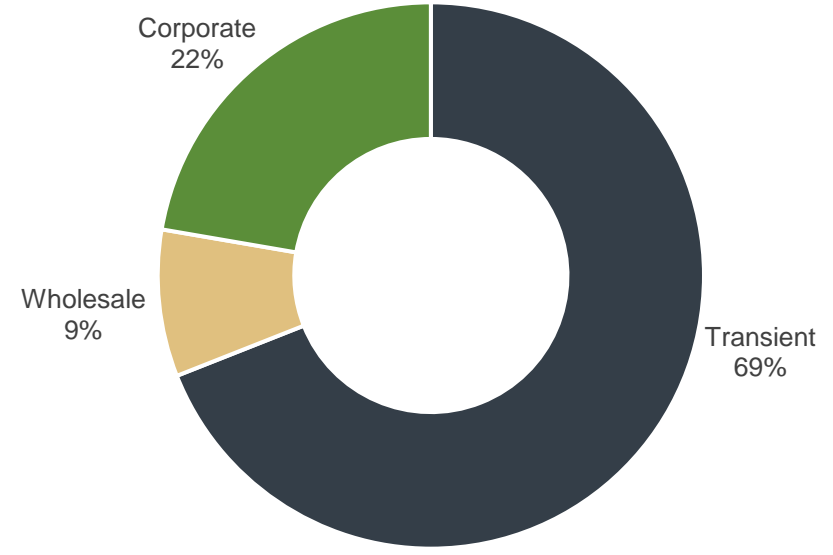
By Geography

4Q 2022
(By room nights)



By Type

4Q 2022
(By room revenue)



Notes:

Excludes aircrew and delays

“Transient” refers to revenue derived from the rental of rooms and suites to individuals or groups, who do not have a contract with the hotel

“Corporate” refers to revenue derived from the rental of rooms and suites booked via a corporate or government company that has contracted annual rates with the hotel

“Wholesale” refers to revenue derived from the rental of rooms and suites booked via a third party travel agent on a wholesale contracted rate basis

Looking Ahead



Outlook

Singapore Office

- Positive net absorption of 0.59 million square feet (“sq ft”) in 4Q 2022 with demand driven by legal firms, fast-moving consumer goods sector and non-banking financial companies. Grade A office QoQ rental growth however slowed to 0.9% in 4Q 2022 from 2.7% in the previous quarter
- Core CBD Grade A office rental growth might be impacted by weaker economic growth expected in 2023 and slowing demand from large occupiers, especially the tech sector
- OUE C-REIT’s portfolio of core Grade A offices and well-diversified tenant base is expected to demonstrate its resilience in 2023

Singapore Hospitality

- Singapore’s international visitor arrivals totaled 6.3 million in 2022, exceeding the Singapore Tourism Board’s forecast of between 4 to 6 million visitor arrivals⁽¹⁾
- Continued recovery in the MICE sector and China’s gradual reopening are expected to provide a further boost to the recovery of the hospitality sector in 2023
- Rising operating costs, labor shortage and uncertainties over the return trajectory of Chinese tourists may dampen pace of recovery
- Remain cautiously optimistic with sustained tourism recovery supported by a healthy pipeline of MICE events and elevated tourism offerings

Outlook

Singapore Retail

- Retail leasing activity continued to pick up in 4Q 2022 with the demand mainly driven by food & beverage (“F&B”) operators
- Labour shortage, higher business costs and competition from e-commerce against the backdrop of an economic slowdown will continue to impact leasing sentiment
- Overall retail rents are expected to continue the recovery in 2023 with improved mobility, the return of Chinese tourists and lower-than-historical-average new supply

Shanghai Office

- Shanghai CBD Grade A office demand in 2022 was less than half that of 2021 due to continued economic and business uncertainties posed by the COVID-19 pandemic. Consequently, occupancy declined 0.5ppt QoQ to 89.8% while rents remained at RMB9.08 psm per day
- Rents and occupancy will remain under pressure before a gradual rebound in late 2024 due to significant new supply peaking in 2023 and 2024
- At Lippo Plaza, the Manager continues to prioritise occupancy as the office market gradually moves towards a full recovery

Looking Ahead: OUE C-REIT's Pillars of Growth



Strengthen portfolio fundamentals to drive organic growth

- ✓ **Proactive and dynamic asset management and tenant engagement** to sustain occupancy whilst optimising rents
- ✓ **Prudent management of operating expenditure** through mitigation strategies such as usage of energy-efficient equipment and technology, deployment of technology to mitigate labour and material costs, as well as a continued focus on green building certifications



Capitalise on opportunities to enhance value

- ✓ **Tap on asset enhancement initiatives** to create value and maximise portfolio returns
- ✓ **Overseas inorganic growth strategy**, eyeing on pricing 'reset' opportunity in key gateway cities in Australia and UK. Seek further exposure to offices or mixed-use developments with a significant office component
- ✓ **Leverage on potential portfolio reconstitution opportunities**



Reinforce the capital structure

- ✓ **Optimise cost of debt** by adopting appropriate hedging strategies to maintain fixed rate debt proportion and strengthen credit profile to lower funding costs from capital markets
- ✓ **Diversify funding sources** to maintain financial flexibility
- ✓ **Proactively manage refinancing requirements** to mitigate refinancing risks and further extend OUE C-REIT's debt maturity profile



COMMERCIAL
REIT



Thank You

Appendices

- Overview of OUE C-REIT
- Premium Portfolio of Assets
- Singapore Office Market
- Shanghai Office Market
- Singapore Hospitality Market
- Hotel Master Lease Details

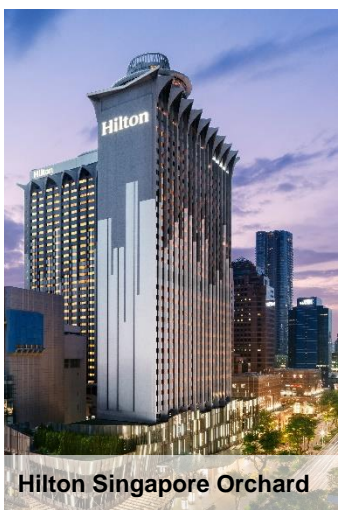


Overview of OUE C-REIT

One of the
Largest Diversified
SGX-listed REITs

Total Assets
S\$6.0 billion⁽¹⁾

7 High quality prime assets
6 properties in Singapore and 1 property in Shanghai



Strong Support
OUE Group

48.3% stake⁽¹⁾

Manage more than **2.1** mil sq ft
in net lettable area

1,643 upper upscale
hotel rooms

Investment Mandate

✓ Commercial
✓ Hospitality / Hospitality-related

Premium Portfolio of Assets

Strategically located assets in the prime business districts of Singapore and Shanghai



	OUE Bayfront	One Raffles Place	OUE Downtown Office	Lippo Plaza	Mandarin Gallery	Hilton Singapore Orchard	Crowne Plaza Changi Airport
Description	A landmark Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place	Iconic integrated development with 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 along Huaihai Zhong Road within the established commercial district of Huangpu in Puxi, Shanghai	Prime retail landmark on Orchard Road – preferred location for flagship stores of international brands	Hilton's flagship hotel in Singapore and its largest in Asia Pacific, strategically located in the heart of Singapore's shopping and entertainment district	Award-winning hotel at Singapore Changi Airport and close to Changi Business Park with seamless connectivity to Jewel Changi Airport
Ownership Interest	50%	67.95%	100%	91.2% strata ownership	100%	100%	100%
NLA (sq ft) /No. of Rooms	Office: 378,176 Retail: 21,271	Office: 605,497 Retail: 99,370	Office: 529,850	Office: 361,007 Retail: 60,810	Retail: 126,283	1,080 hotel rooms	563 hotel rooms
Occupancy⁽¹⁾	Office: 98.7% Retail: 92.2% Overall: 98.4%	Office: 95.2% Retail: 88.8% Overall: 94.1%	Office: 93.4%	Office: 79.9% Retail: 97.8% Overall: 82.6%	Retail: 91.9%	-	-
Valuation as at 31 Dec 2022	S\$1,321.0m ⁽²⁾ (S\$3,307 psf)	S\$1,909.0m ⁽³⁾ (S\$2,708 psf)	S\$930.0m (S\$1,755 psf)	RMB2,640.0m / RMB45,112 psm GFA	S\$453.9m (S\$3,594 psf)	S\$1,250.0m (S\$1.2m / key)	S\$460.2m (S\$0.8m / key)

(1) Committed occupancy as at 31 December 2022

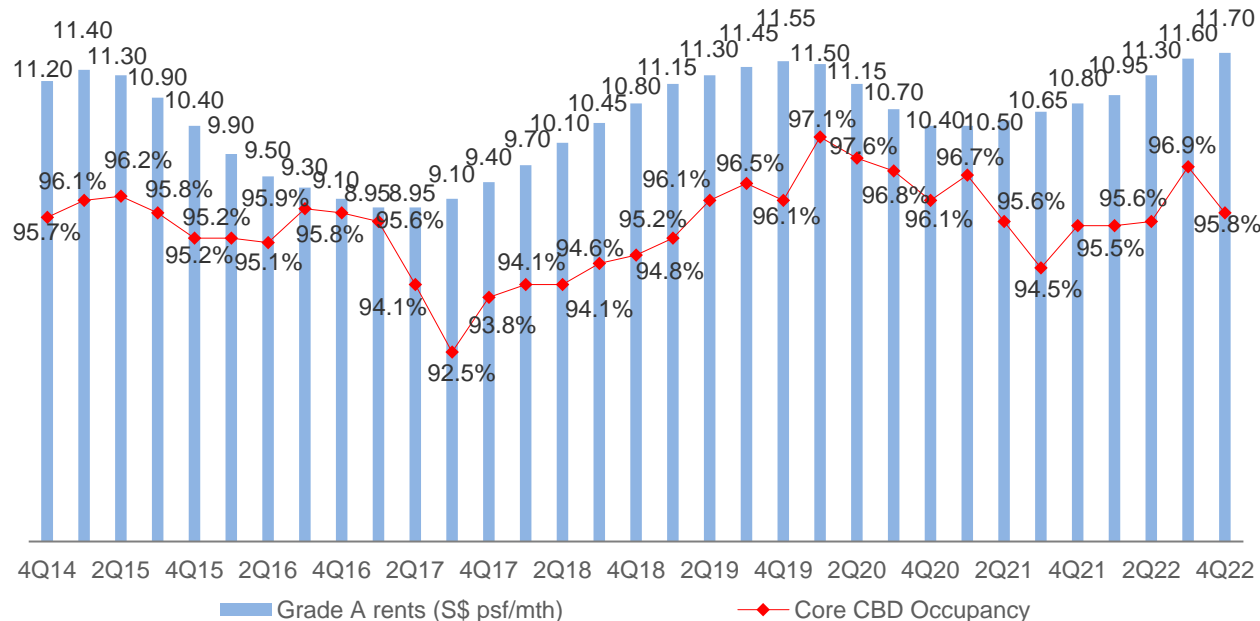
(2) Based on OUE Allianz Bayfront LLP's 100% interest in OUE Bayfront. OUE C-REIT has a direct 50.0% interest in OUE Allianz Bayfront LLP

(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

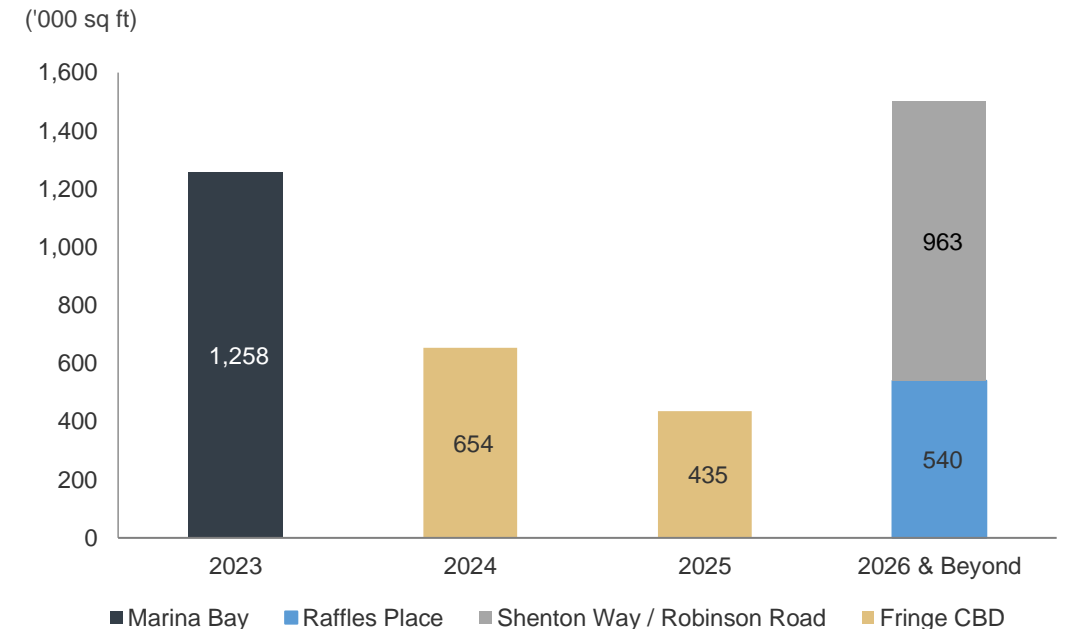
Singapore Office Market

- Positive net absorption in 4Q 2022 was 0.56 million sq ft with demand driven by legal firms, fast-moving consumer goods sector and non-banking financial companies. This brings total net absorption in 2022 to 1.15 million sq ft
- However, CBD Grade A office rental QoQ growth slowed from 2.7% to 0.9% in 4Q 2022, reaching S\$11.70 psf per month while occupancy decreased 1.1 ppt QoQ to 95.8%
- Macroeconomic headwinds and slowing demand from large occupiers, especially the tech sector, may weigh on rents in 2023. Amount of shadow space is expected to increase as some tech companies have offered space on an early surrender basis

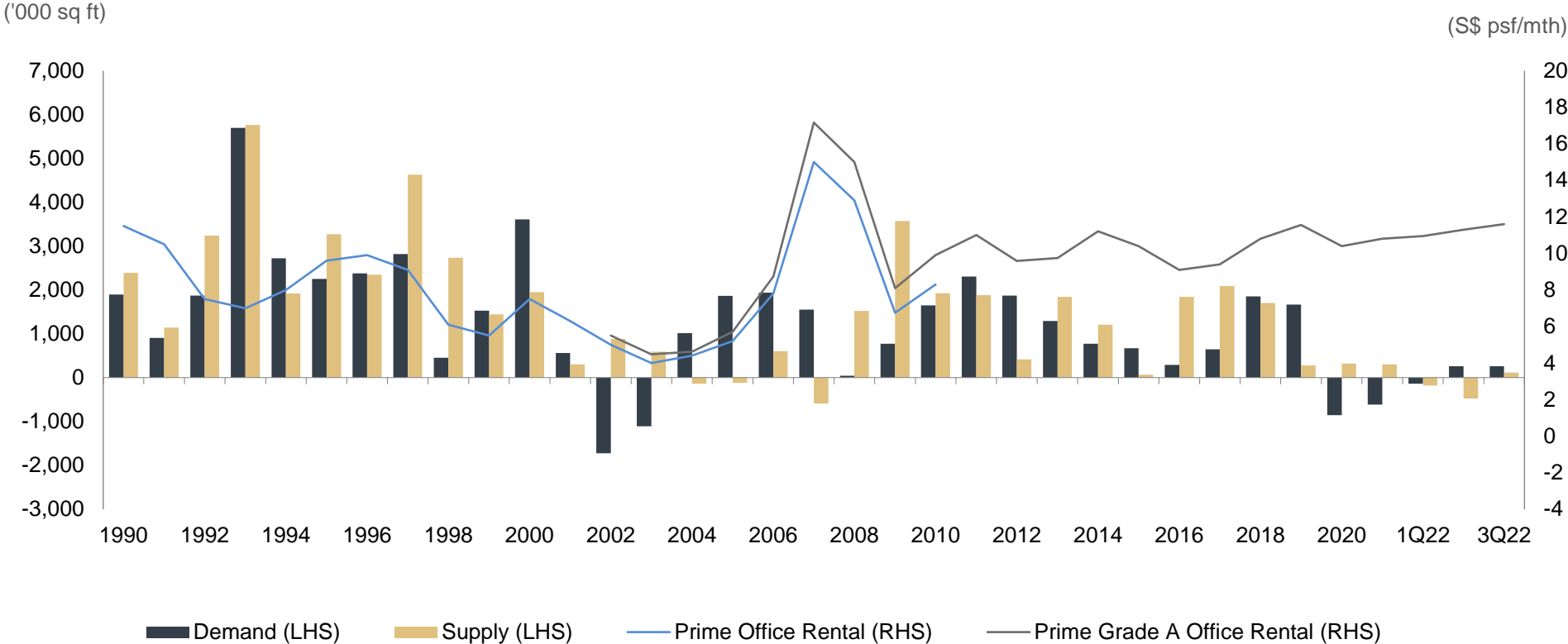
Singapore CBD Grade A Rents and Occupancy



Office Supply Pipeline in Singapore (CBD and Fringe of CBD)

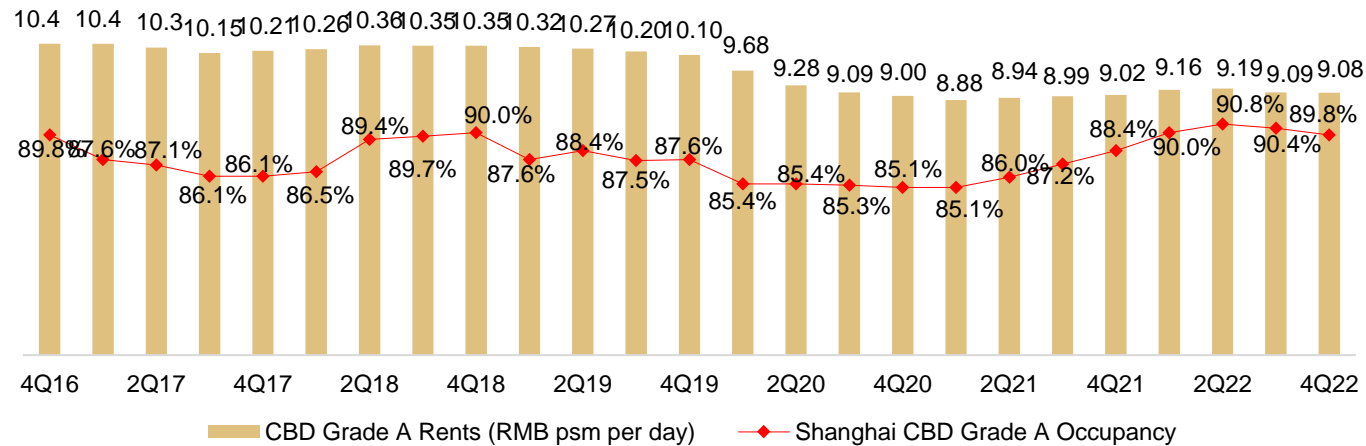


Singapore Office Demand, Supply & Office Rents



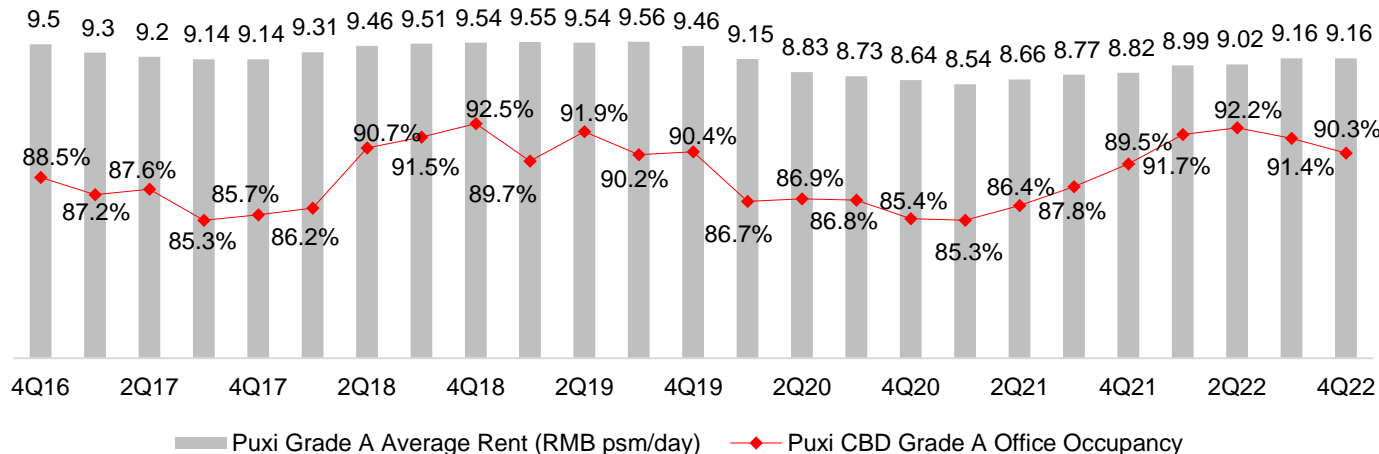
Shanghai Office Market

Shanghai



- Shanghai CBD Grade A office occupancy decreased 0.6 ppt QoQ to 89.8%, while rents remained unchanged at RMB9.08 psm per day in 4Q 2022
- Puxi Grade A office occupancy fell 1.1 ppt QoQ to 90.3% as at 4Q 2022, however rents remained at RMB9.16 psm per day

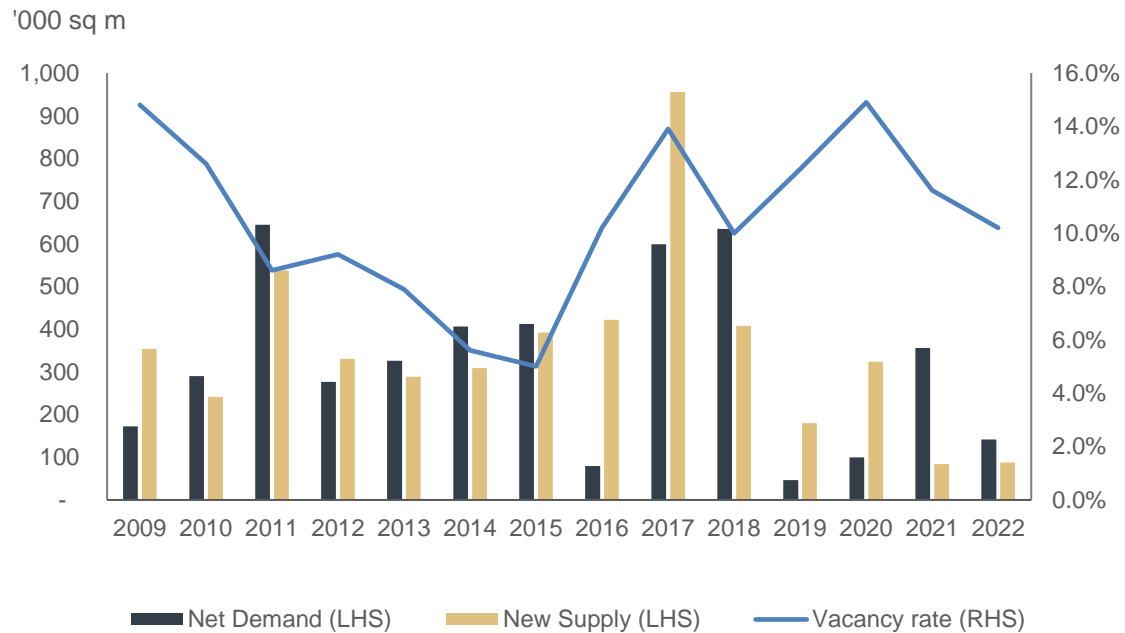
Puxi



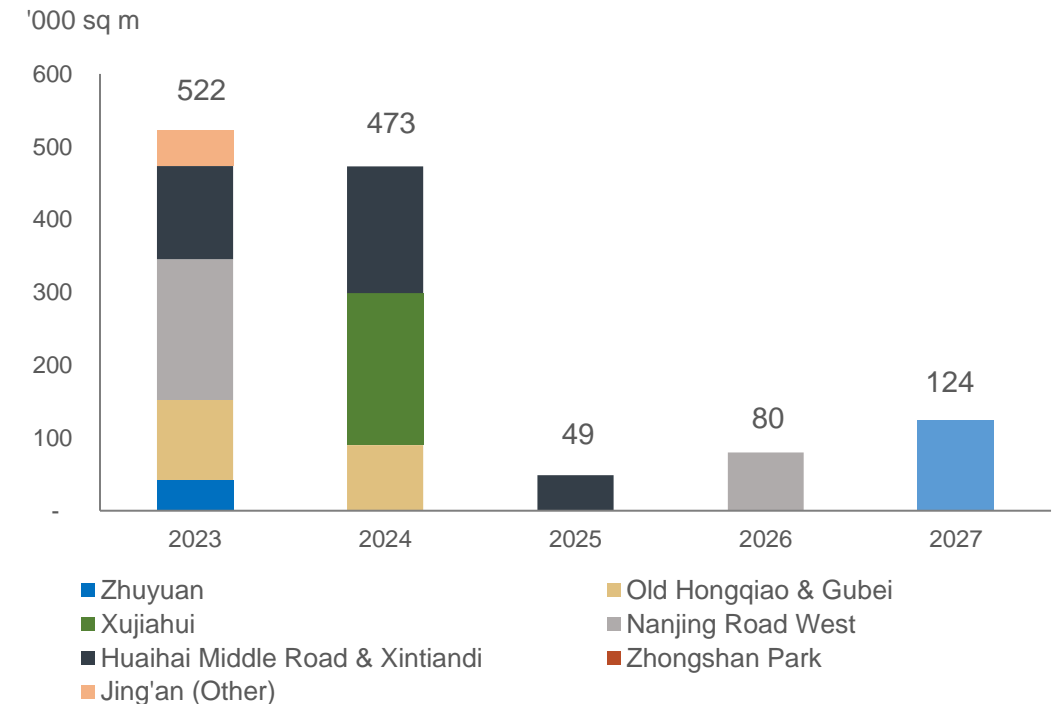
- While demand picked up in 4Q 2022, net absorption for the full year was below 2021 levels. In view of the significant new supply in the CBD, which will peak in 2023 and 2024, occupancy and rental growth are expected to remain under pressure

Shanghai CBD Demand, Supply & Vacancy

Grade A Office Net Absorption, New Supply and Vacancy Rate



Office Supply Pipeline in Shanghai CBD



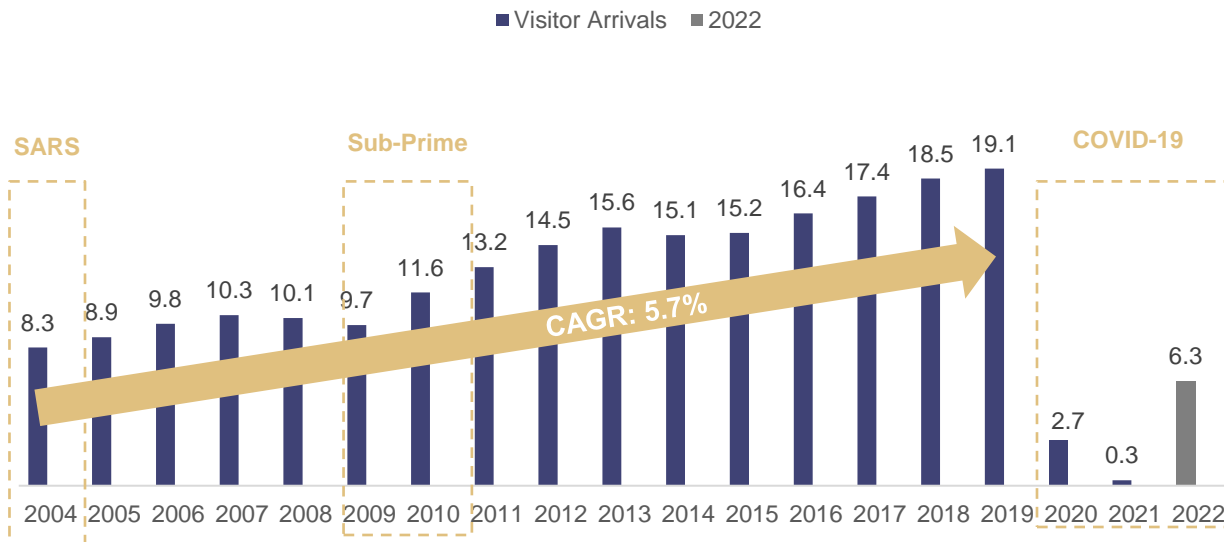
- Shanghai CBD Grade A office supply expected to abate after 2024

Singapore Hospitality Market

- 2022 visitor arrivals was 6.3 million, exceeding the Singapore Tourism Board’s official forecast of between four and six million visitors in 2022⁽¹⁾
- Continued recovery in the MICE sector and China’s gradual reopening are expected to provide a further boost to the hospitality sector in 2023. The STB expects international visitor arrivals to reach 12 to 14 million in 2023⁽²⁾
- New hotel supply is expected to be limited over the next two years, with a CAGR of 0.7% from end-2022 to end-2024, lower than the 4.1% CAGR during the seven-year period from end-2015 to end-2021

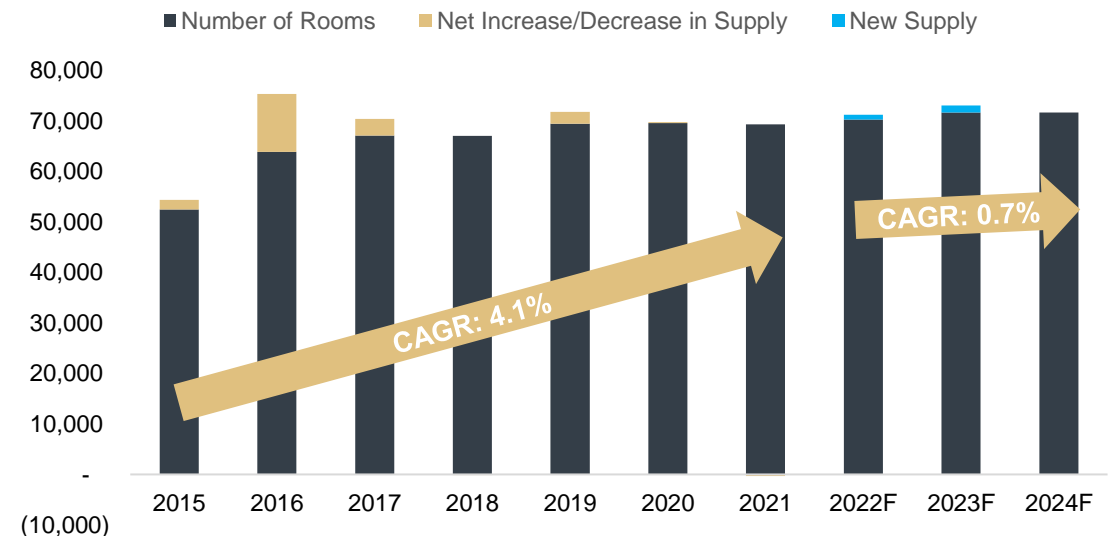
Visitor Arrivals in Singapore

(million)



Singapore Hotel Supply

(No. of Hotel Rooms)



Source: Singapore Tourism Board, International Visitor Arrival Statistics, JLL 2022 Industry Sources

- Singapore Tourism Board: “Singapore’s tourism sector recovers strongly in 2022, visitor numbers expected to double in 2023”, 17 January 2023. URL: <https://www.stb.gov.sg/content/stb/en/media-centre/media-releases/Singapore-tourism-sector-recovers-strongly-in-2022-visitor-numbers-expected-to-double-in-2023.html>
- Singapore Tourism Board: “Singapore’s tourism sector recovers strongly in 2022, visitor numbers expected to double in 2023”, 17 January 2023. URL: <https://www.stb.gov.sg/content/stb/en/media-centre/media-releases/Singapore-tourism-sector-recovers-strongly-in-2022-visitor-numbers-expected-to-double-in-2023.html>

Hotel Master Lease Details



Property	Hilton Singapore Orchard (“HSO”)	Crowne Plaza Changi Airport
No. of Guestrooms	1,080	563
Master Lease Rental	Variable Rent Comprising Sum of: <i>(i) 33.0% of HSO GOR⁽¹⁾ ; and</i> <i>(ii) 27.5% of HSO GOP⁽²⁾;</i> subject to minimum rent of S\$45.0 million ⁽³⁾	Variable Rent Comprising Sum of: <i>(i) 4% of Hotel F&B Revenues;</i> <i>(ii) 33% of Hotel Rooms and Other Revenues not related to F&B;</i> <i>(iii) 30% Hotel GOP; and</i> <i>(iv) 80% of Gross Rental Income from leased space;</i> subject to minimum rent of S\$22.5 million ⁽³⁾
Master Lessee	<ul style="list-style-type: none"> OUE Limited 	<ul style="list-style-type: none"> OUE Airport Hotel Pte. Ltd. (OUEAH)
Tenure	<ul style="list-style-type: none"> First term of 15 years to expire in July 2028 Option to renew for an additional 15 years on the same terms and conditions 	<ul style="list-style-type: none"> First term of Master Lease to expire in May 2028 Option to renew for an additional two consecutive 5-year terms
	FF&E Reserve <ul style="list-style-type: none"> 3% of GOR 	Capital Replacement Contribution <ul style="list-style-type: none"> Aligned with hotel management agreement between OUEAH and IHG Generally at 3% of GOR

(1) GOR: Gross operating revenue

(2) GOP: Gross operating profit

(3) The rental under the master lease will be the minimum rent if the amount of variable rent for that operating year is less than the amount of minimum rent