



# Annual General Meeting 2025

22 April 2025



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# Portfolio Optimisation

Resilient  
Performance

*OUE Bayfront*

# OUE REIT

Creating Value through  
Unique Investment Mandate

Revenue Resilience

Commercial  
Segment



Hospitality  
Segment

Attractive Potential Return

## OUE REIT Today: A Leading Diversified Singapore REIT

Delivering resilience and sustainable growth for Unitholders with high quality and strategically located office, hospitality and retail assets in Singapore

**S\$5.8B** Total Assets Under Management

**6** High quality prime assets In Singapore

**BBB-** Investment grade credit rating assigned by S&P Global Ratings

Manages c. 1.8 million sq ft net lettable area



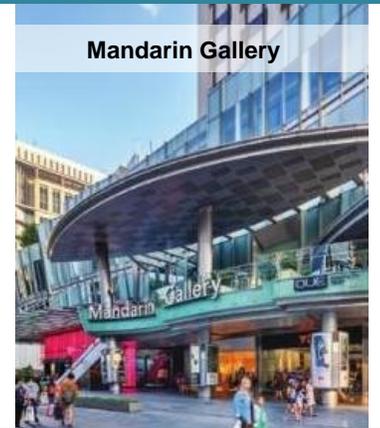
OUE Bayfront



One Raffles Place



OUE Downtown Office



Mandarin Gallery

1,655 upper upscale hotel rooms



Hilton Singapore Orchard



Crowne Plaza Changi Airport

# Optimised portfolio through the Divestment of Lippo Plaza, Shanghai

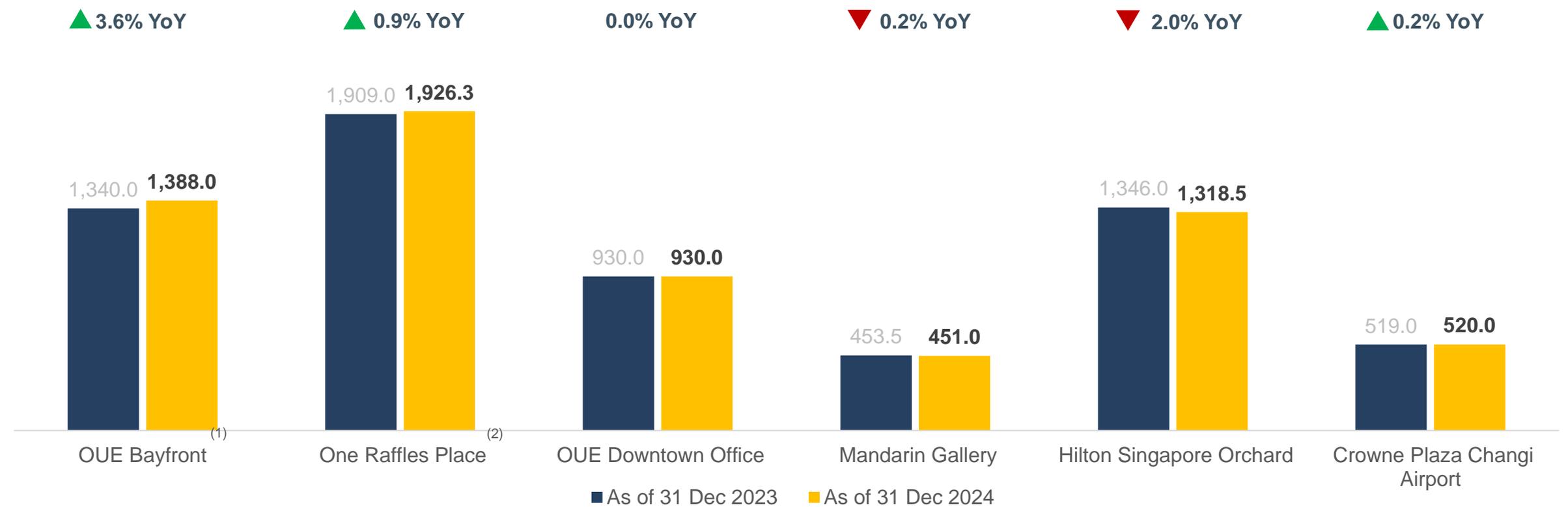
- Completed the divestment of the entire equity interest of Lippo Realty (Shanghai) Limited which owns 91.2% share of strata ownership of Lippo Plaza in Shanghai.
- Successful execution of portfolio reconstitution strategy to divest non-core asset and enhance portfolio resilience.
- Improved financial flexibility to pursue growth opportunities.

<b>Date of Completion</b>	27 December 2024
<b>Sales Consideration</b>	RMB1,917.0 million (approximately S\$357.4 million) <sup>(1)</sup>
<b>Agreed Property Value</b>	RMB1,680.0 million (approximately S\$313.2 million) <sup>(2)</sup>
<b>Valuation (as of 18 December 2024)</b>	RMB1,769.0 million (S\$329.8 million) <sup>(2)</sup>
<b>Ownership Interest</b>	91.2% share of strata ownership of Lippo Plaza in Shanghai
<b>Title</b>	50 years commencing from 2 July 1994



# Improved Valuation backed by Singapore-centric Portfolio

	S\$ million		Change (%)
	As of 31 Dec 2024	As of 31 Dec 2023	
<b>Total Portfolio Valuation</b> (including attributable 50% interest in OUE Bayfront)	<b>5,839.8</b>	<b>5,827.5<sup>(3)</sup></b>	<b>0.2</b>



(1) Based on 100% interest of OUE Bayfront.

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

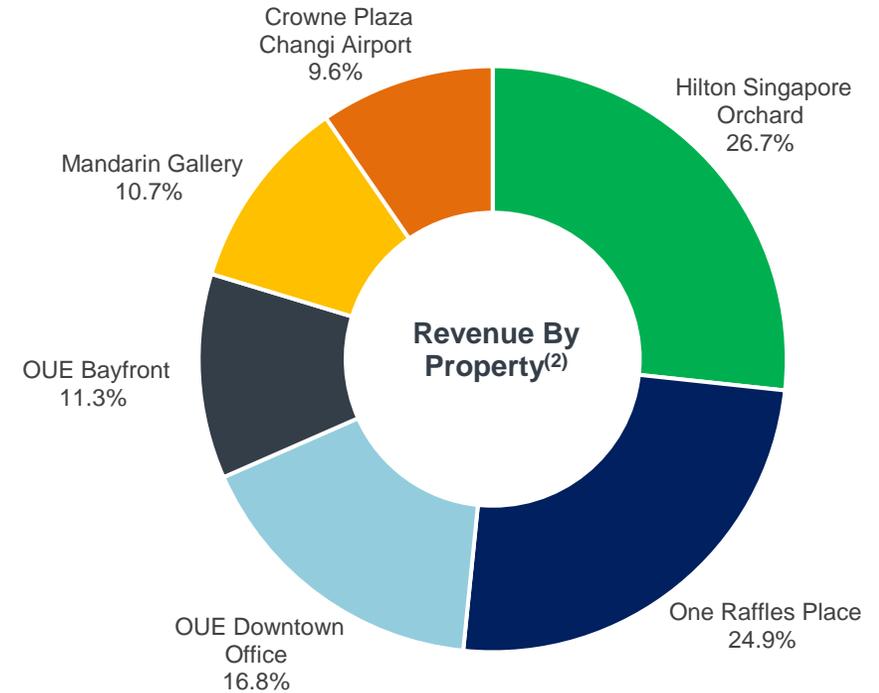
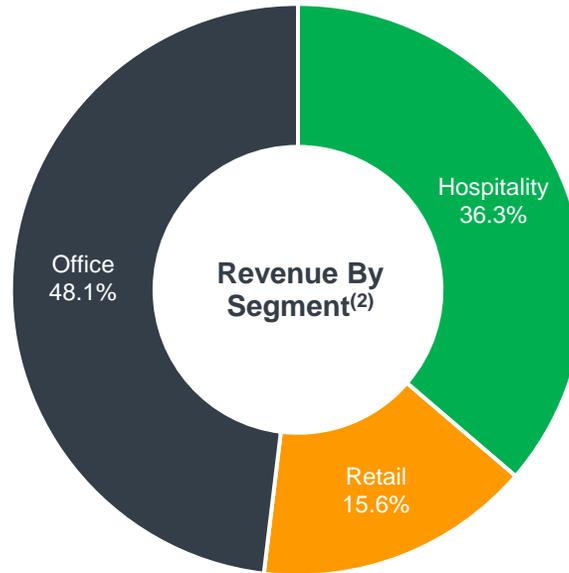
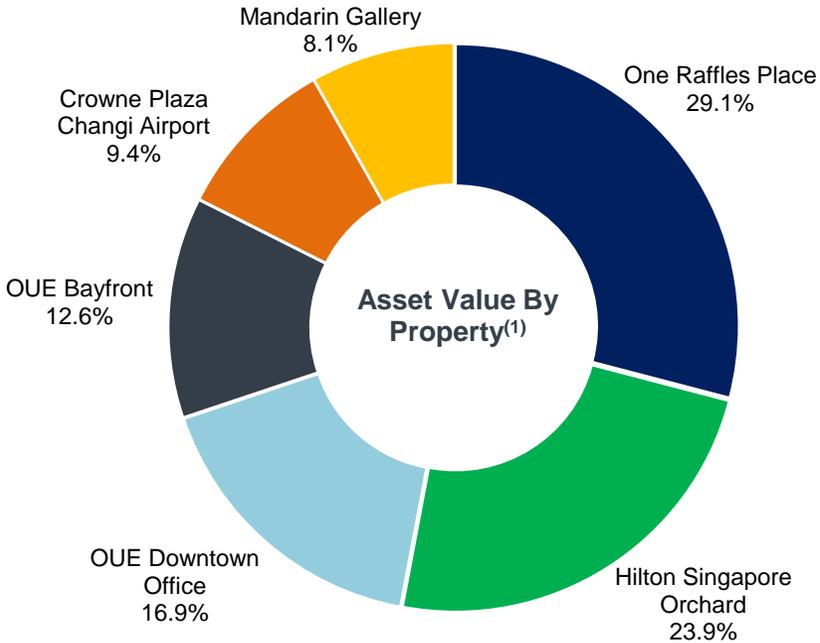
(3) Excludes Lippo Plaza which was divested on 27 December 2024.

# Well-balanced Portfolio Provides Stable Returns

100% of assets under management in Singapore

Hospitality and retail segment account for c.52% of portfolio contribution

No single asset contributes to more than 27% of portfolio revenue



(1) Based on independent valuations as of 31 December 2024 and OUE REIT's proportionate interest in the respective properties as of 31 December 2024.

(2) Based on FY 2024 revenue and OUE REIT's proportionate interest in the respective properties and excluding the revenue contribution of S\$22.3 million from Lippo Plaza Shanghai which was divested on 27 December 2024.

# Resilient Performance Despite Heightened Macroeconomic Volatility

FY 2024



**Stable  
Financial  
Performance<sup>(1)</sup>**

Revenue

**S\$295.5m**

▲ 3.7% YoY

NPI

**S\$234.0m**

▼ 0.4% YoY<sup>(2)</sup>

Amount to be Distributed

**S\$113.7m**

▼ 1.4% YoY

DPU

**2.06** Singapore cents

▼ 1.4% YoY



**Resilient  
Asset  
Performance**

Office

**94.6%** Healthy committed occupancy as of 31 Dec 2024

**10.7%** Positive rental reversion in FY 24

Hospitality

▲ **8.9%** YoY in revenue in FY 24

▲ **9.2%** YoY in RevPAR in FY 24

Retail (Mandarin Gallery)

**98.2%** Healthy committed occupancy as of 31 Dec 2024

**19.8%** Positive rental reversion in FY 24



**Disciplined  
Balance Sheet<sup>(3)</sup>**



Aggregate leverage

**39.9%**



Cost of Borrowings

**4.7%** p.a.



Average Term of debt

**3.0** years

"NPI" refers to Net Property Income, "DPU" refers to Distribution per Unit, and "RevPAR" refers to Revenue per Available Room.

(1) Revenue and NPI for 2H 2024 and FY 2024 include contribution from Lippo Plaza Shanghai that was divested on 27 December 2024.

(2) Adjusting for the upward revision of property tax for FY 2022 and FY 2023 for Hilton Singapore Orchard and Crowne Plaza Changi Airport, NPI would have increased by 0.3% and 2.3% YoY in 2H 2024 and FY 2024 respectively.

(3) As of 31 December 2024.

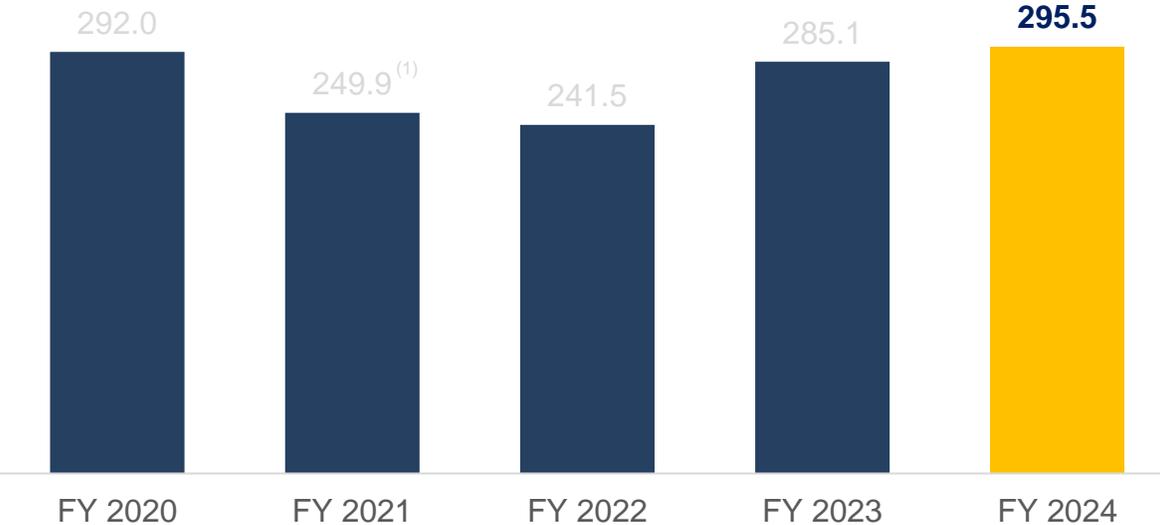
# Delivered Resilient Performance Through Heightened Macroeconomic Volatility

## Revenue

S\$'000

**14.4%** CAGR Since IPO

▲ 3.7% YoY

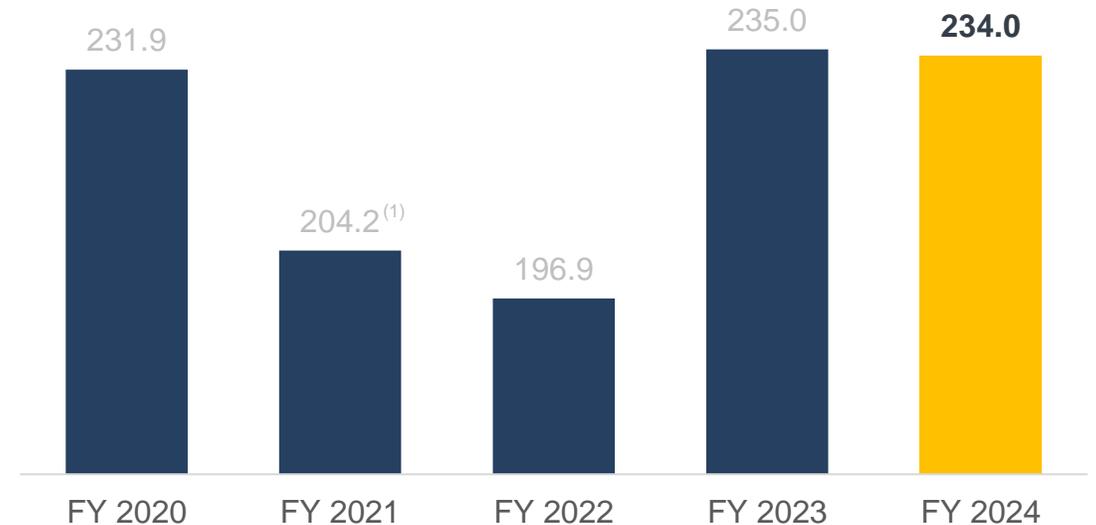


## Net Property Income (“NPI”)

S\$'000

**15.0%** CAGR Since IPO

▼ 0.4% YoY

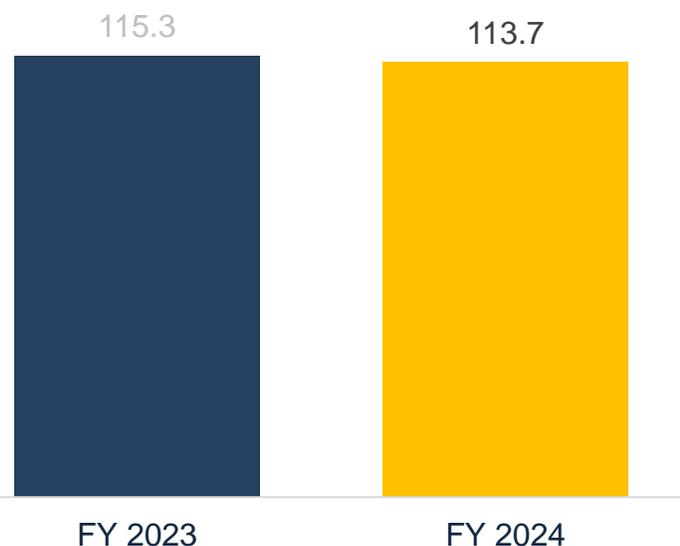


- FY 2024 revenue increased by 3.7% YoY due to the better performance from the hospitality segment, while Singapore’s commercial properties continued to deliver stable performance.
- NPI marginally decreased by 0.4% YoY in FY 2024. Adjusting for the upward revision of prior years’ property tax for Hilton Singapore Orchard and Crowne Plaza Changi Airport, NPI would have increased by 2.3% YoY.

# Stable Distribution Amidst Elevated Interest Rate Environment

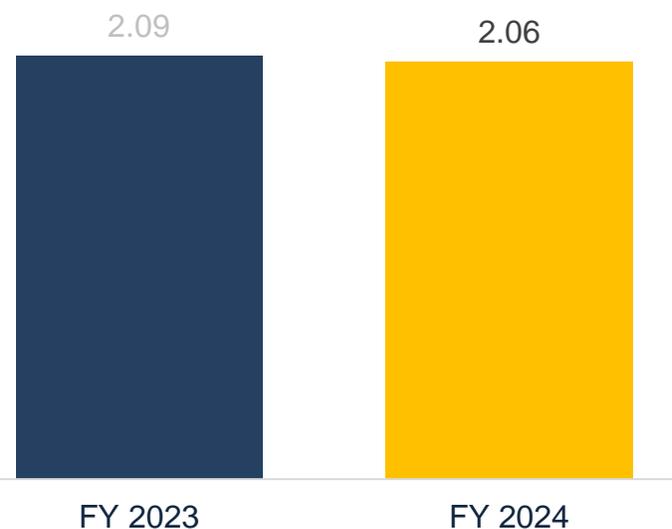
## Amount to be Distributed

S\$'000



## Distribution per Unit (“DPU”)

(Singapore cents)



Distribution Yield<sup>(1)</sup>

7.2%

Net Asset Value (“NAV”) per Unit<sup>(2)</sup>

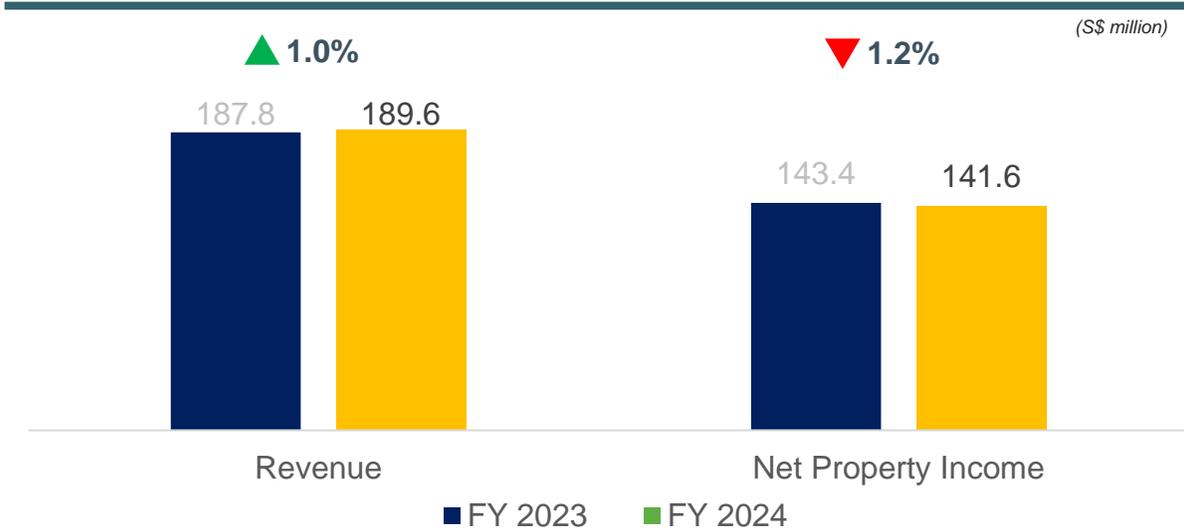
S\$0.58

- Taking into account increased finance costs, reduced working capital retention, and payment of 100% base management fees in cash in the first three quarters of FY 2024<sup>(3)</sup>, amount available for distribution for FY 2024 was S\$108.7 million.
- Including the release of the remaining S\$5.0 million capital distribution from the 50% divestment of OUE Bayfront, FY 2024 distributable income was S\$113.7 million, translating to a DPU of 2.06 Singapore cents.

# Commercial Segment Revenue & NPI Performance

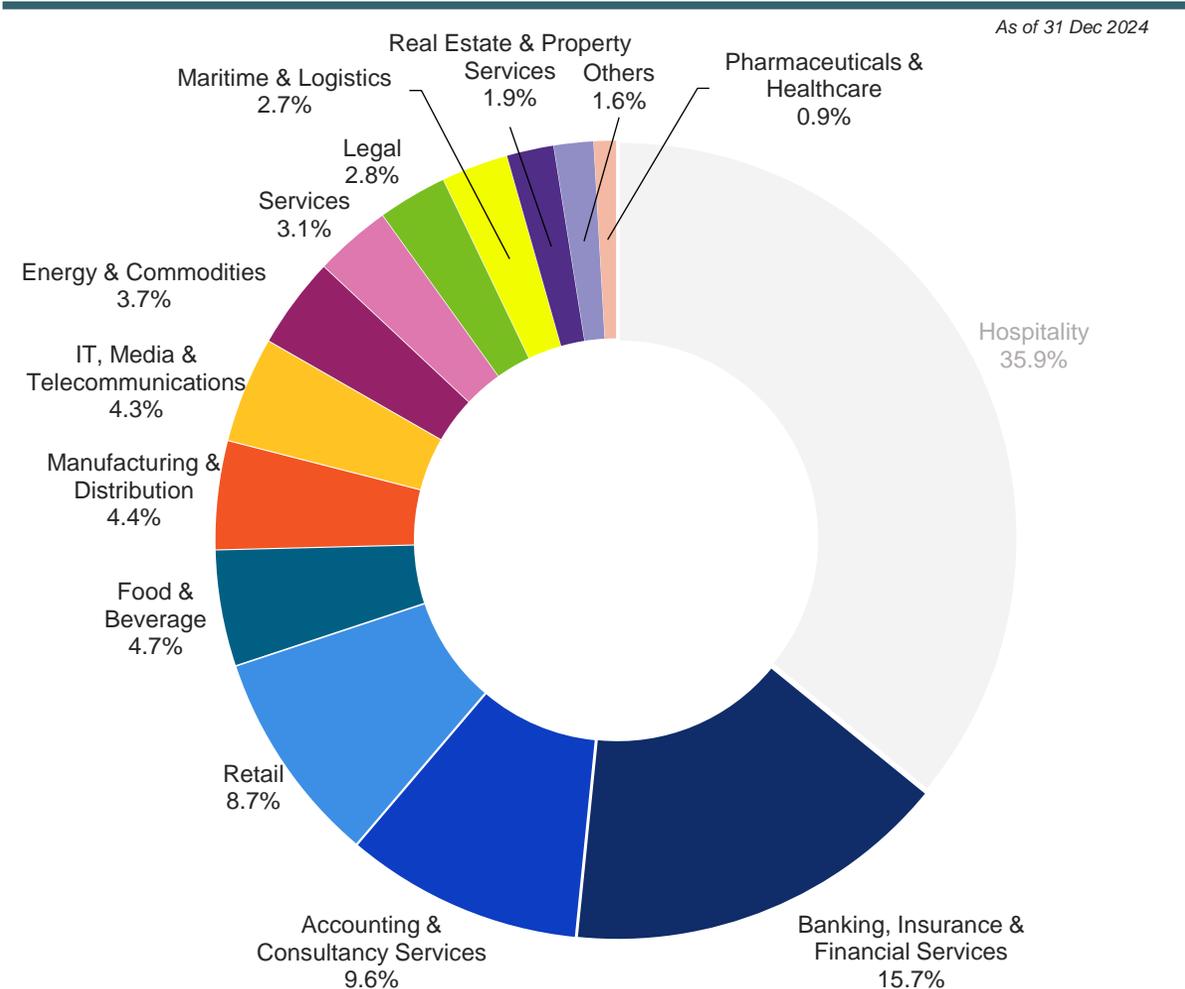
Strategically-located assets and proactive leasing strategies delivered resilient performance

## FY 2024 Revenue and NPI



- For FY 2024, revenue was 1.0% higher YoY at S\$189.6 million underpinned by the resilient performance of the Singapore office portfolio. NPI slightly decreased by 1.2% YoY, mainly due to higher operating expenses.
- Top 10 tenants contributed 28.5% of commercial segment's gross rental income ("GRI")<sup>(1)</sup>.
- WALE<sup>(2)</sup> remains well-distributed at 2.1 years by both net lettable area ("NLA") and GRI.

## Diversified tenant mix provides stability



# Singapore Office Portfolio Performance Overview

Healthy operating metrics supported by prime assets

## Committed Occupancy

**94.6%** ▼ 0.8 ppt QoQ

As of 31 Dec 2024

## Average Passing Rent

**S\$10.72** psf ▲ 1.0% QoQ

As of Dec 2024

## Rental Reversion<sup>(1)</sup>

**10.7%**

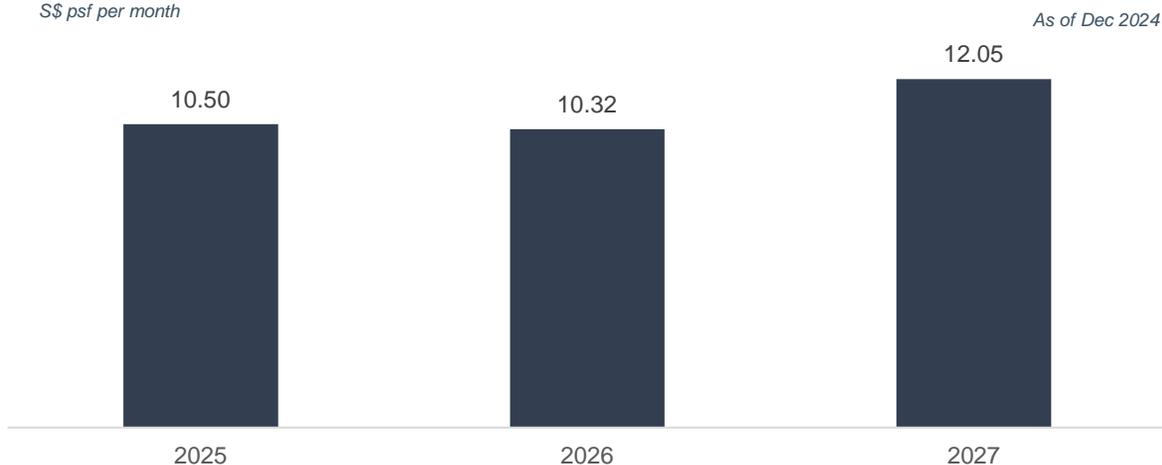
For FY 2024

## Addressing macroeconomic headwinds through proactive lease management

### Average expiring rents in 2025 to 2026 below Market Rent Rate

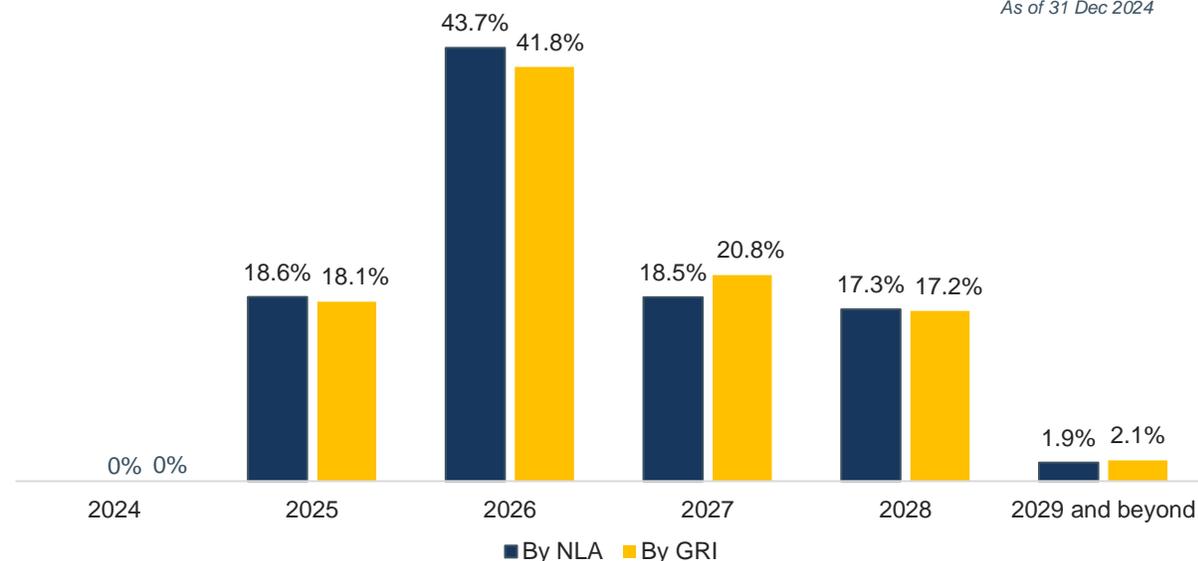
CBD Grade A office market rent at S\$11.95 psf per month in 4Q 2024<sup>(2)</sup>

S\$ psf per month



### WALE of 2.0 years by both NLA & GRI

As of 31 Dec 2024



# Mandarin Gallery Performance Overview

Improved operating metrics underpinned by continued tourism recovery

## Committed Occupancy

**98.2%** ▲ 2.9 ppt QoQ As of 31 Dec 2024

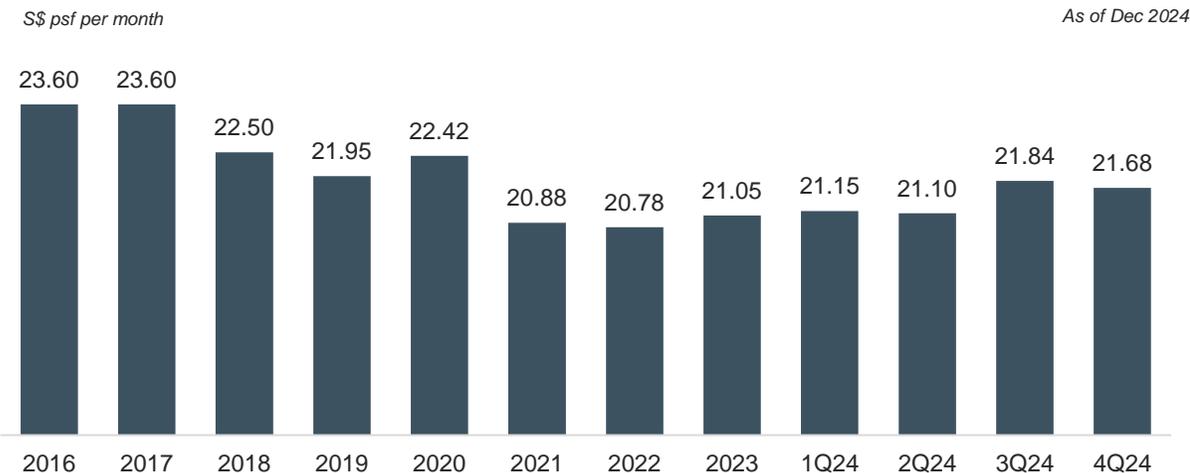
## Rental Reversion<sup>(1)</sup>

**19.8%** In FY 2024

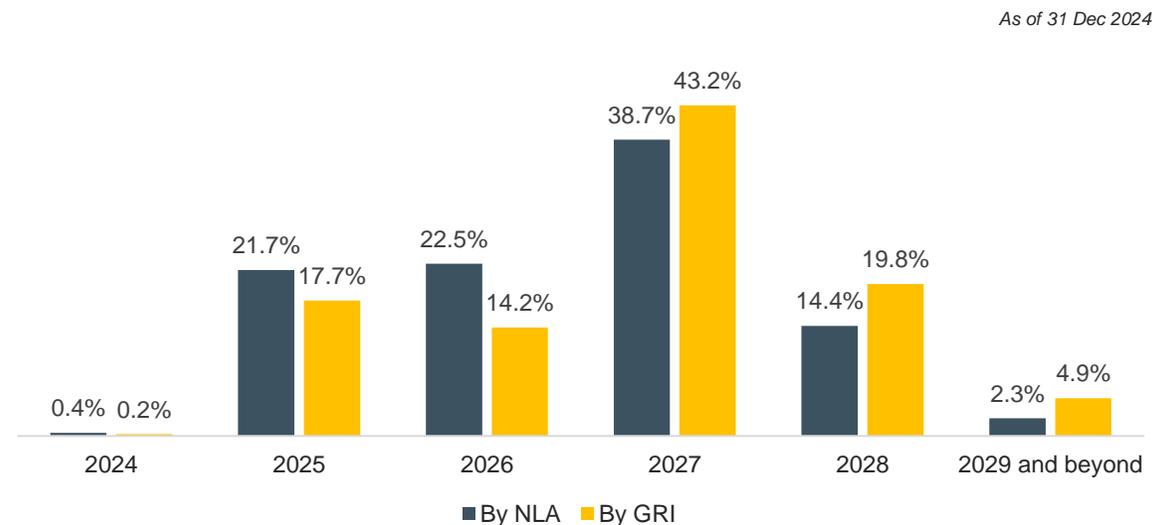
## Committed Occupancy



## Average passing rent stood at S\$21.68 psf per month



## WALE of 2.1 years (NLA); 2.3 years (GRI)



(1) Rental reversion is based on average incoming committed rents versus average outgoing rents.

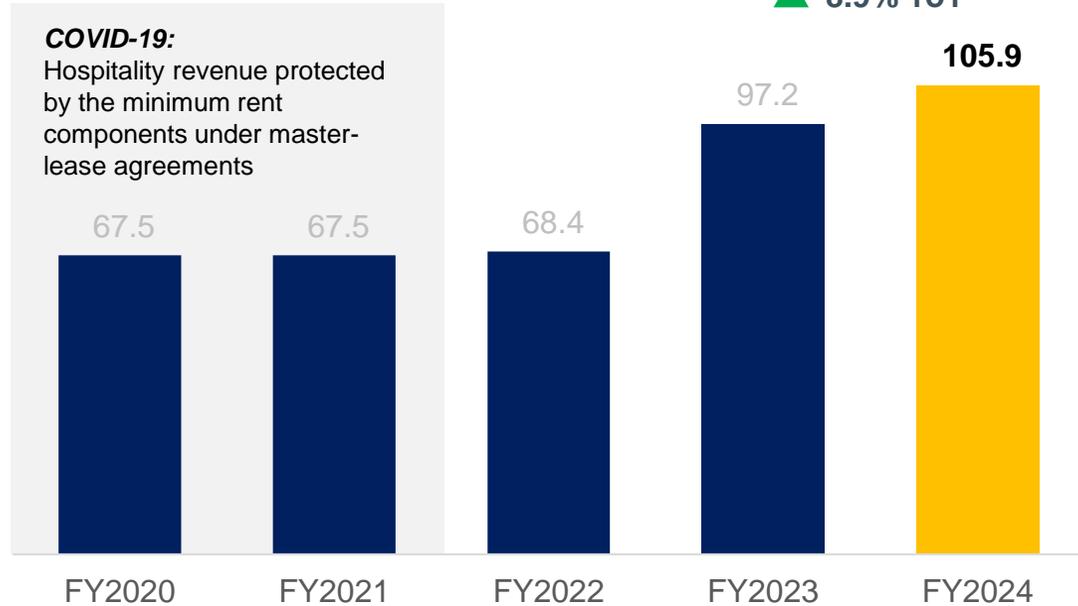
# Hospitality Segment Revenue & NPI Performance

Higher revenue with full opening of Crowne Plaza Changi Airport and ongoing tourism recovery

## Revenue

(S\$ million)

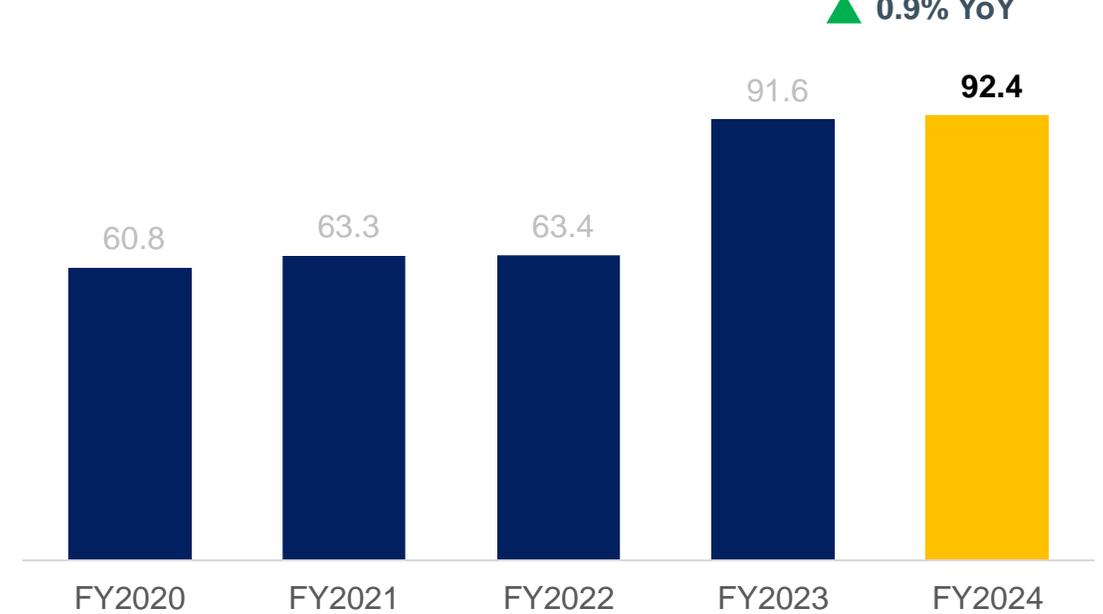
▲ 8.9% YoY



## NPI

(S\$ million)

▲ 0.9% YoY



- For FY 2024, the hospitality segment revenue surged by 8.9% YoY to S\$105.9 million, fuelled by the robust concerts and MICE pipeline in the first half of 2024, as well as continued improvement in visitor arrivals throughout the year.
- Adjusting for the upward revision of property taxes for FY 2022 and FY 2023 for Hilton Singapore Orchard and Crowne Plaza Changi Airport, the NPI for the hospitality segment would have increased by 8.1% YoY in FY 2024.

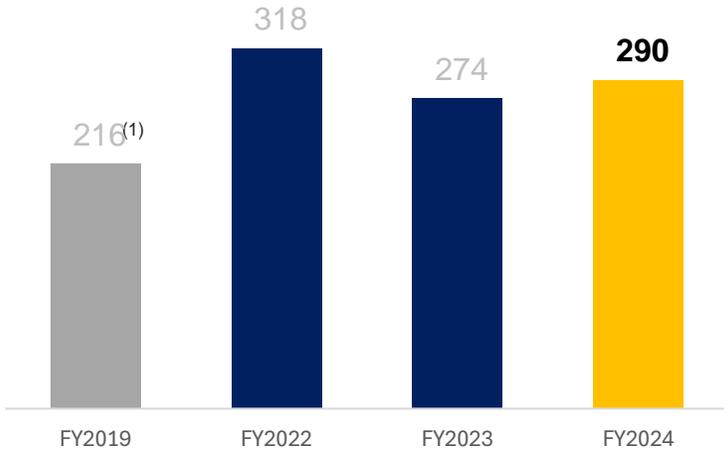
# Hospitality Segment RevPAR Performance

FY 2024 RevPAR of both hotels surpassed FY 2019 levels

## Hilton Singapore Orchard RevPAR

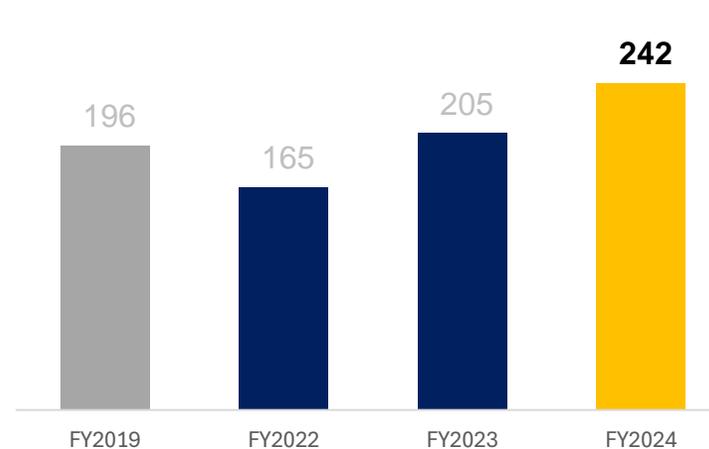
(S\$)

▲ 5.8% YoY



## Crowne Plaza Changi Airport RevPAR

▲ 18.0% YoY



## Hospitality Segment RevPAR

▲ 9.2% YoY



- For FY 2024, overall hospitality RevPAR increased by 9.2% YoY to S\$273.
- Crowne Plaza Changi Airport's FY 2024 RevPAR was 18.0% higher YoY to reach S\$242 following the successful asset enhancement completed in December 2023.
- Hilton Singapore Orchard's FY 2024 RevPAR improved by 5.8% YoY to S\$290. This improved performance was attributed to higher room rates and occupancies supported by the strong MICE and event pipeline in the first quarter of 2024, which offset the impact of the normalisation of tourist spending on accommodation in the later half of 2024.

# Proactive Capital Management

Healthy  
Balance Sheet



# Improved Balance Sheet with Effective Capital Management Actions in 2024

## Well-positioned to navigate uncertain interest rate outlook

May

- Completed an unsecured SLL of S\$600 million referencing its recalibrated 40% absolute Greenhouse Gas (“GHG”) emission reduction target.

Jun

- Issued its first S\$250 million **3-year investment grade Green Notes at 4.10%**. Institutional investors accounted for 74% of final allocation.

Sep

- Issued its first S\$180 million **7-year investment grade Green Notes at 3.90%**. Approximately 70% of the final allocation went towards institutional investors.

Oct

- Established a S\$2.0 billion Euro Medium-Term Note programme, enabling OUE REIT to tap into diversified sources of funding and optimise capital structure profile.

Nov

- Undertook a bond re-tap issuance of S\$120 million in November in addition to its existing 7-year investment grade Green Notes at 100.714% of the tap re-offer price, representing **a tighter tap re-offer yield of 3.78%** – the lowest ever bond issuance yield achieved by OUE REIT.
- >99% allocation went towards institutional investors.
- With the re-tap, the total issuance size of the 7-year investment grade Green Notes increased to S\$300 million, enabling it to be included in the Markit iBoxx SGD Overall Bond Index and further enhanced the investment appetite.

# Proactive and Prudent Capital Management

Weighted average cost of debt decreased to 4.7% p.a. while aggregate leverage remained stable at 39.9%

	As of 31 Dec 2024	As of 30 Sep 2024
Aggregate leverage	39.9%	39.3%
Total debt <sup>(1)</sup>	S\$2,370m	S\$2,386m
Weighted average cost of debt	4.7% p.a.	4.8% p.a.
Average term of debt	3.0 years	2.9 years
% fixed rate debt	76.0%	70.5%
% unsecured debt	86.9%	87.0%
% unencumbered assets	87.4%	88.8%
Interest coverage ratio (“ICR”) <sup>(2)</sup>	2.2x <sup>(3)</sup>	2.2x <sup>(4)</sup>
OUE REIT’s Issuer Ratings <sup>(5)</sup>	“BBB-” by S&P with Stable Outlook	

(1) Includes OUE REIT’s share of OUB Centre Limited’s loan and OUE Allianz Bayfront LLP’s loan.

(2) As prescribed under Appendix 6 of the Monetary Authority of Singapore’s Code on Collective Investment Schemes (last revised on 28 November 2024).

(3) Including the write-off of upfront fees from early refinancing, ICR stands at 2.1x as of 31 December 2024.

(4) Including the write-off of upfront fees from early refinancing, ICR stands at 2.1x as of 30 September 2024.

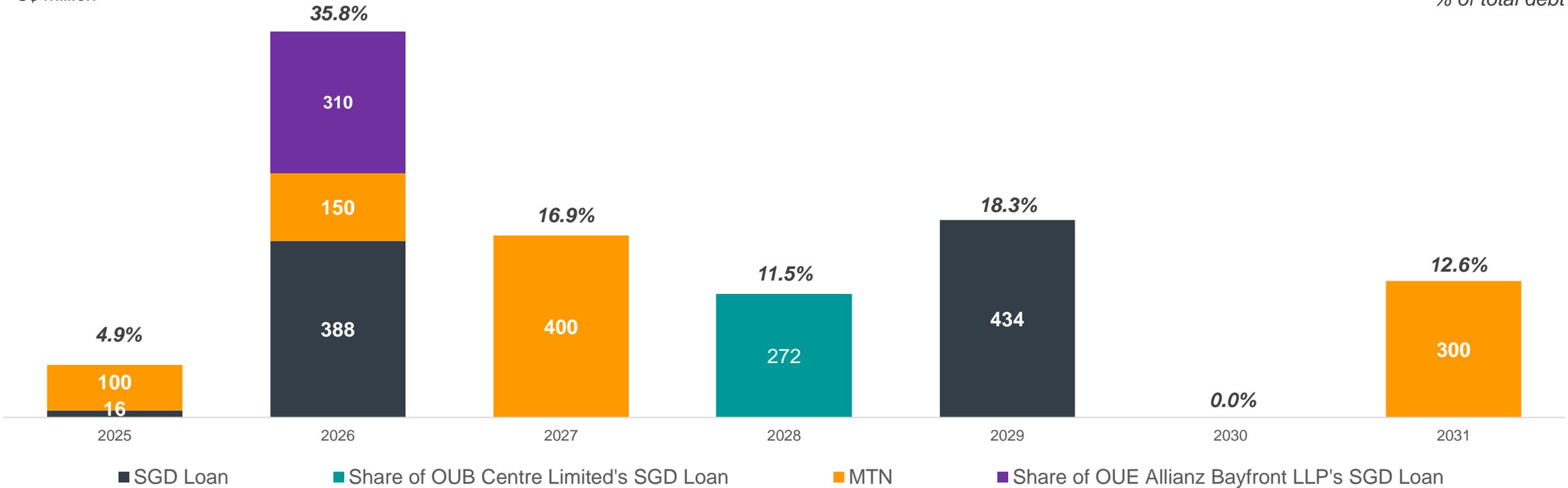
(5) S&P Global Rating assigned OUE REIT an investment grade BBB- credit rating with a stable outlook on 30 October 2023.

# Proactive and Prudent Capital Management

Well-spread debt maturity profile with only 4.9% of total debt due in 2025

S\$ million

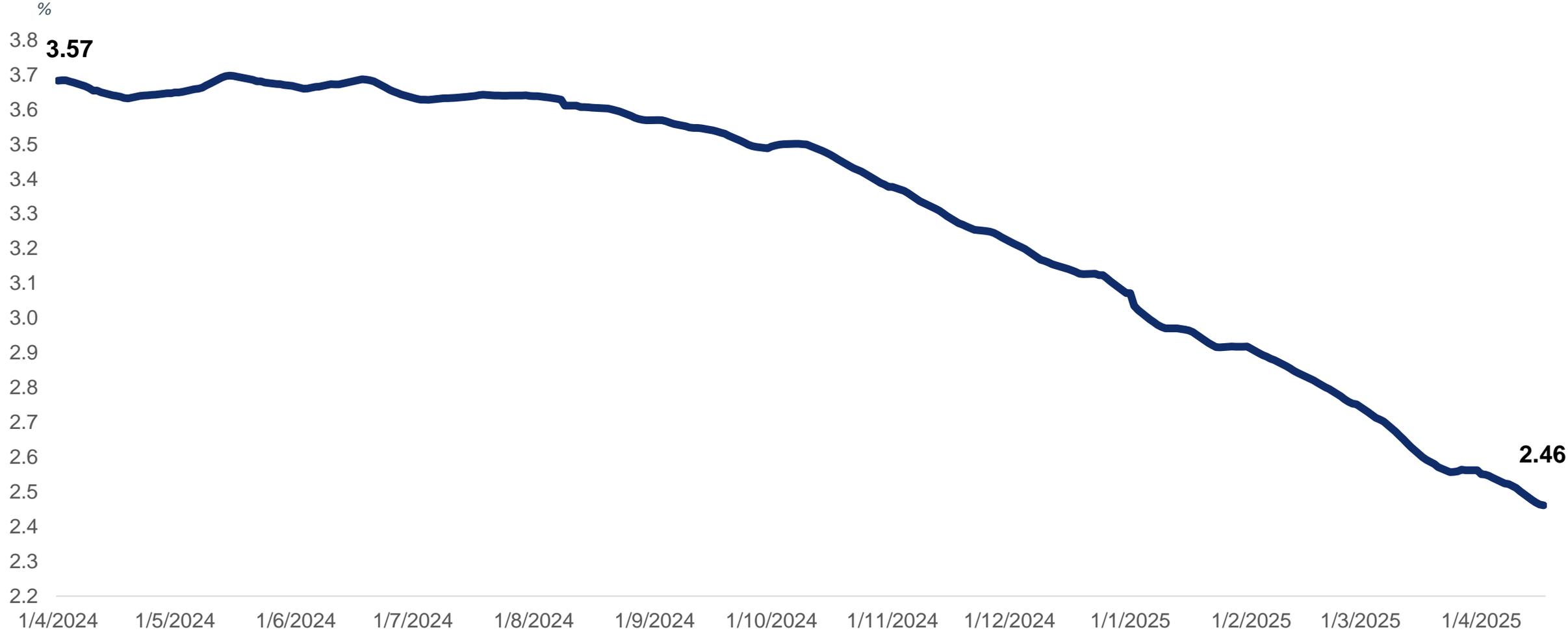
% of total debt



- 69.4% of OUE REIT's total borrowings are green financing.
- Assuming a 25 basis points decrease in interest rates, DPU would increase by 0.03 Singapore cents.

# Favourable Singapore Overnight Rate Average (“SORA”)

3-month Compounded SORA Historical Chart



**Favorable  
Market Fundamentals**

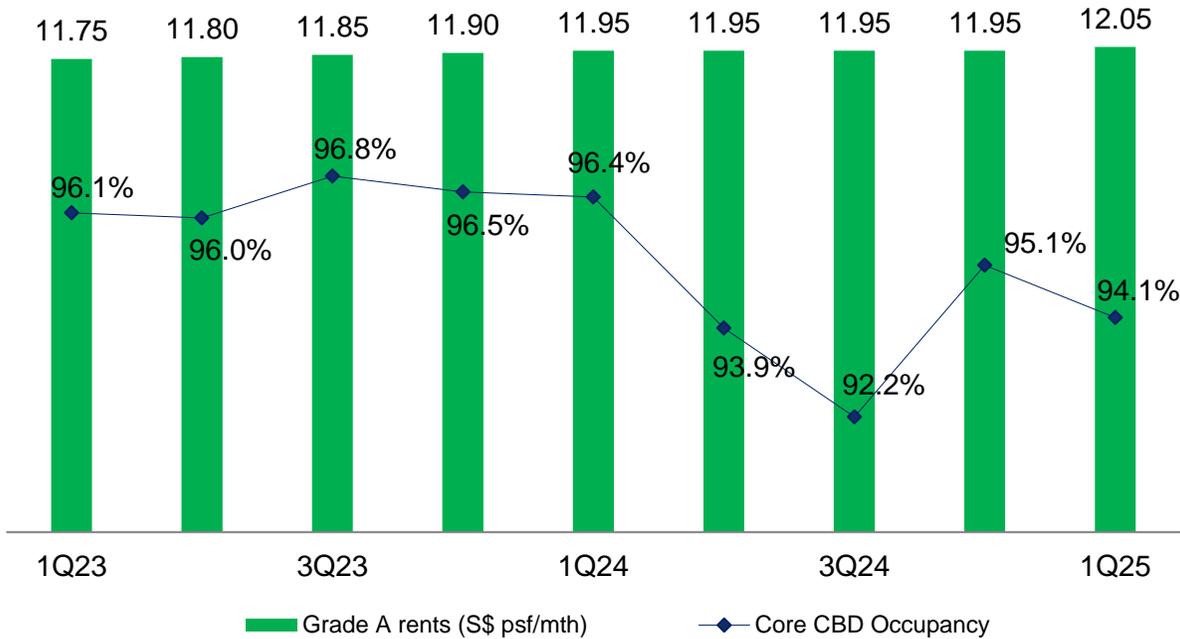
**Growth  
Opportunities**



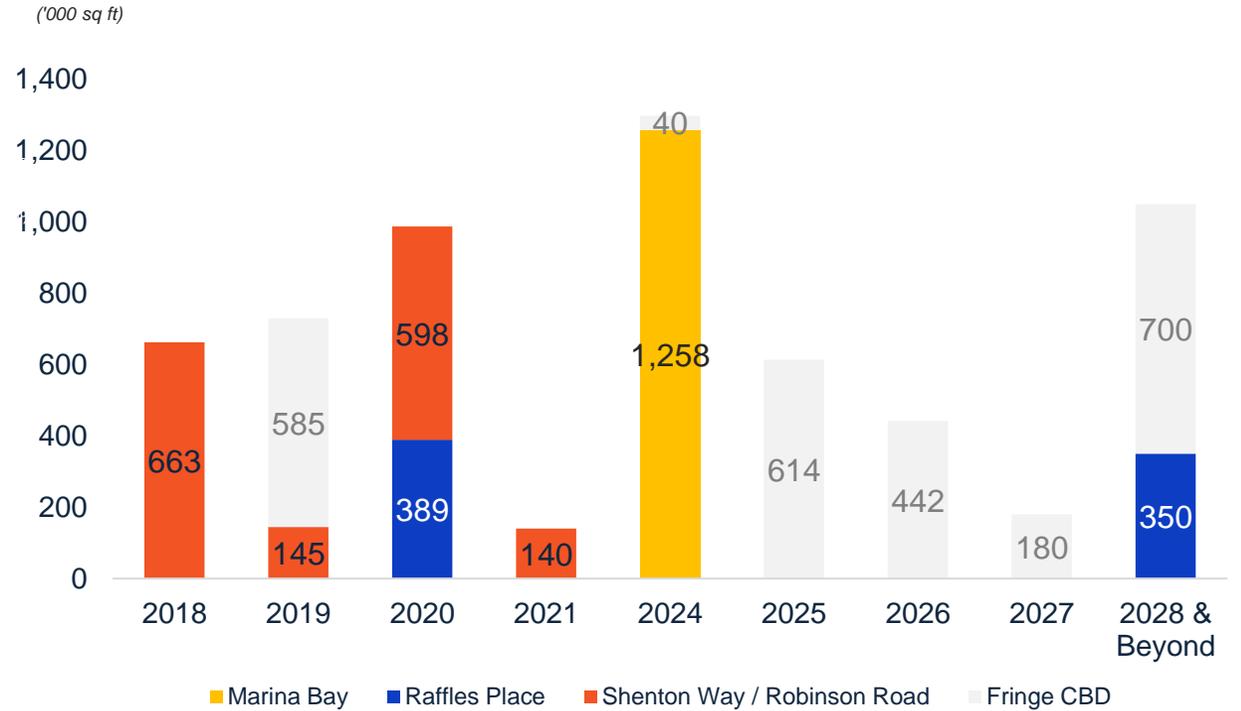
*Hilton Singapore Orchard*

# Singapore Office Market

## Singapore Core CBD Grade A Rents and Occupancy



## Below-historical-average office supply in the Core CBD (Grade A)<sup>(1)</sup>

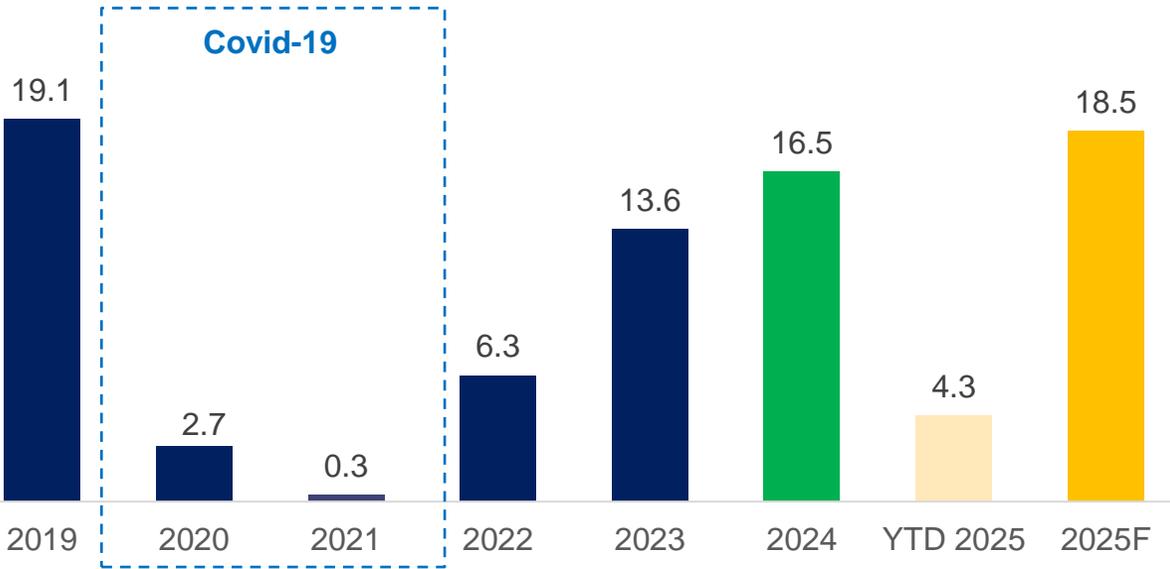


- High-quality office spaces with superior specifications remain a key consideration for occupiers, with prime locations like Marina Bay and Raffles Place continuing to be in high demand.
- CBRE remains cautiously optimistic about the office market, with demand expected to remain resilient as Singapore continues to be viewed as a safe haven, underpinned by its political neutrality and stable policy environment.
- Below-historical-average office supply in the Core CBD (Grade A) over the next four years, Core CBD (Grade A) rents are forecasted to grow by 2.0% in 2025.

# Singapore Hospitality & Retail Market

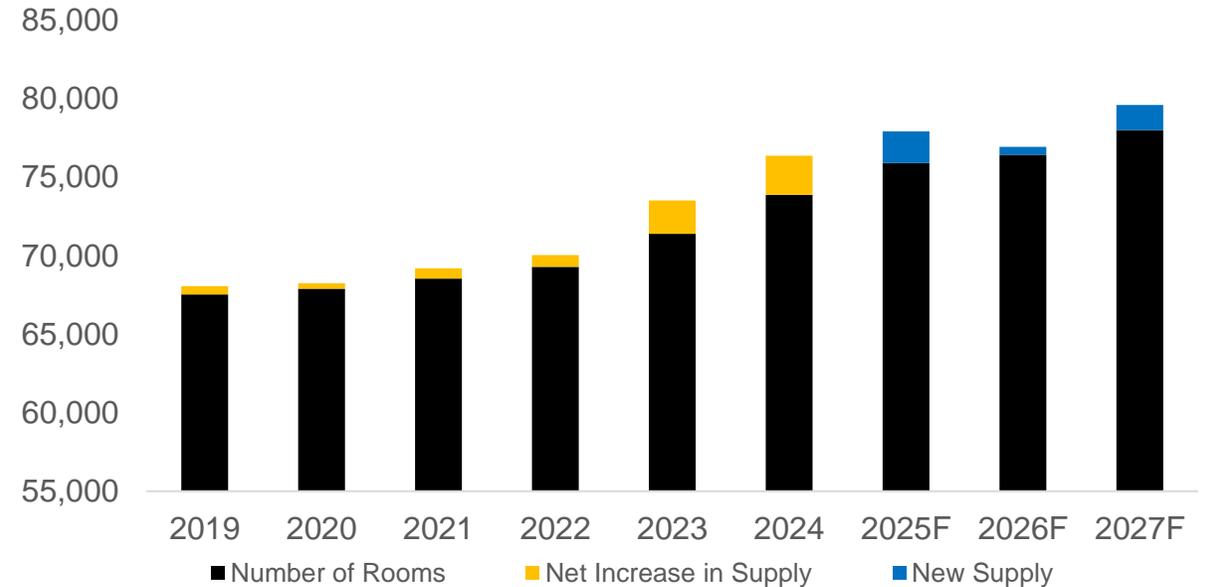
## Visitor Arrivals in Singapore<sup>(1)</sup>

(million)



## Singapore Hotel Supply<sup>(5)</sup>

(No. of Hotel Rooms)



- Visitor arrivals between January and March 2025 grew by 0.1% YoY to reach 4.3 million<sup>(1)</sup>. STB expects 2025 international visitor arrivals to reach between 17.0 to 18.5 million, bringing in approximately S\$29.0 to S\$30.5 billion in tourism receipts<sup>(2)</sup>.
- The outlook for FY 2025 remains cautiously optimistic after a weak 1Q 2025, with an improved concert line-up including Lady Gaga's four-night concert in May 2025, as well as performances by G-Dragon (BIGBANG) and Elton John in the F1 week.
- New hotel supply<sup>(3)</sup> is expected to remain muted with a CAGR of 1.7% between 2025 and 2027 compared to a pre-pandemic historical five-year CAGR of 4.4% between 2014 and 2019.

(1) Singapore Tourism Board's International Visitor Arrival Statistics.

(2) Singapore Tourism Board, Singapore Achieves Historical High in Tourism Receipts in 2024, 4 February 2025.

(3) Excluding serviced apartment rooms.

(4) United Nations Economic and Social Commission for Asia and Pacific.

(5) CBRE Hotels, 4Q 2024.

# Optimising Near-term Profitability while Monitoring Long-term Value Creation Opportunities



## Maximise Asset Performance

- **Focus on tenant retention and optimise occupancy** – actively monitor market sentiment and customise asset-specific leasing strategies to meet occupiers' need amidst softened leasing sentiment.
- **Diversify retail tenant mix** in response to the shift in consumer preferences and behaviours.
- **Strengthen corporate partnerships and offerings** to diversify hotel guest source.
- **Improve the environmental credential** of OUE REIT's properties to future proof asset performance and value.
- **Tap on asset enhancement initiatives** to create value and maximise portfolio returns.



## Reinforce Capital Structure

- **Continue to maintain a prudent approach to capital management and funding.**
- **Proactively manage refinancing requirements** to optimise cost of debt and extend debt maturity profile with the investment grade credit rating.
- Closely monitor the capital market and adopt appropriate hedging strategies to manage the cost of debt.



## Pursue Value Creation Opportunities

- Continue to monitor **portfolio reconstitution opportunities** to unlock value amidst improved capital market sentiment.
- **Further leverage our balanced portfolio to deliver attractive potential returns** and achieve our target to increase revenue contribution from hospitality segment to 40.0%.
- Review opportunities in **Singapore as well as key gateway cities in Australia (Sydney), Japan (Tokyo), Hong Kong, and the United Kingdom (London)**. Seek further exposure to hotels, offices or mixed-use developments in prime CBD areas.

# Prudent Value Creation Approach

## Strengthen our Singapore-centric portfolio



- Singapore's strong economic fundamentals and status as a global business hub further amplify the benefits of a Singapore-focused portfolio, allowing OUE REIT to deliver long-term stable performance while maintaining growth potential.

## Review Yield-Accretive Opportunities in Key Gateway Cities



Top destinations for both international and local corporate and leisure travellers



Core-prime locations



Long leasehold / Freehold



Strong ESG credentials



### Sydney, Australia

- Healthy Net absorption of Premium office space totalled 125,182 sqm over the second half of 2024.
- Cap rates for prime assets in Sydney Core CBD reached 5.9%, with indicative yield ranging between 5.25% - 5.50%.
- Flight-to-quality trends continues with the highest levels of leasing activity recorded in Premium grade office assets.
- **OUE REIT's Key focus: Prime office buildings in Core CBD**



### Tokyo, Japan

- Japan hotels are seen as attractive investments by both local and international investors as an asset type that can take advantage of increasing tourist numbers and benefitting from inflations.
- According to Japan National Tourism Organization (JNTO), the estimated number of international travelers to Japan in Nov 2024 reached 3.2 million (+30.5% compared to 2019).
- Expected NOI yields for hotels in the five central wards of Tokyo remained unchanged since 2Q 2024.
- **OUE REIT's Key focus: Hotels in prime locations**



**Sustainability  
Resilience**

**Positive  
Impact**

*Mandarin Gallery*

# Uphold Our Sustainability Responsibilities to Benefit Stakeholders

## Advancing in our ESG journey



Established ESG Vision 2030 – Key initiatives include reducing **40% absolute Scope 1 and 2 GHG emissions** for commercial properties by FY 2030.<sup>(1)</sup>



**95.4%** of our assets are green-certified.



**64.2%** of Singapore commercial segment net lettable area are green leases.



Completed second climate-risk scenario analysis.



Joined Singapore Green Building Council to reflect our ESG commitment and enhance employees' trainings on ESG.

## Awards & Recognitions



Awarded a 4-Star rating in the 2024 Global Real Estate Sustainability Benchmark ("GRESB") assessment.

ESG Score: 3.4  
ICB Supersector: Real Estate  
Percentile rank: 66

FTSE Russell ESG score improved to 3.4 from 2.9.



Ranked 26 out of a total 43 REITs and Business Trusts in 2024.

## Supporting the local community



Supporting Singapore's OneMillionTrees movement



Prepared meals at Willing Hearts for people in need



Bike assembly for underprivileged children during Team Bonding in Bangkok

## Employees Health & Well-being



First Aid and AED training course



Monthly nature walk



Thank You!

Delivering  
Long Term &  
Sustainable  
Value Creation  
through  
High Quality  
Assets

