

Keppel Pacific Oak US REIT

Investor Meetings

November 2019

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Important Notice

The past performance of Keppel Pacific Oak US REIT is not necessarily indicative of its future performance. Certain statements made in this release may not be based on historical information or facts and may be “forward-looking” statements due to a number of risks, uncertainties and assumptions. 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, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel Pacific Oak US REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel Pacific Oak US REIT Management Pte. Ltd., as manager of Keppel Pacific Oak US REIT (the Manager) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this release. None of the Manager, the trustee of Keppel Pacific Oak US REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this release or its contents or otherwise arising in connection with this release. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel Pacific Oak US REIT (Units) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including possible loss of principal amount invested.

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

Overview

Tenant lounge
The Westpark Portfolio
Seattle, Washington





Tenant space, Bellevue Technology Center, Seattle, Washington

About Keppel Pacific Oak US REIT

- Distinctive US office REIT focused on **key growth markets** significantly driven by **innovation and technology**
- Invests in **freehold office buildings** and **business campuses** in first choice submarkets

Keppel Pacific Oak US REIT

Unique exposure to key US growth markets

Benefitting from solid US office real estate fundamentals

Tax advantaged structure

Sponsors

- KPA and Keppel Capital

US Asset Manager

- Pacific Oak Capital Advisors LLC, also advisor for Pacific Oak Strategic Opportunity REIT which hold 6.9% of units in KORE and Pacific Oak Strategic Opportunity REIT II

Manager

- Keppel Pacific Oak US REIT Management Pte. Ltd.

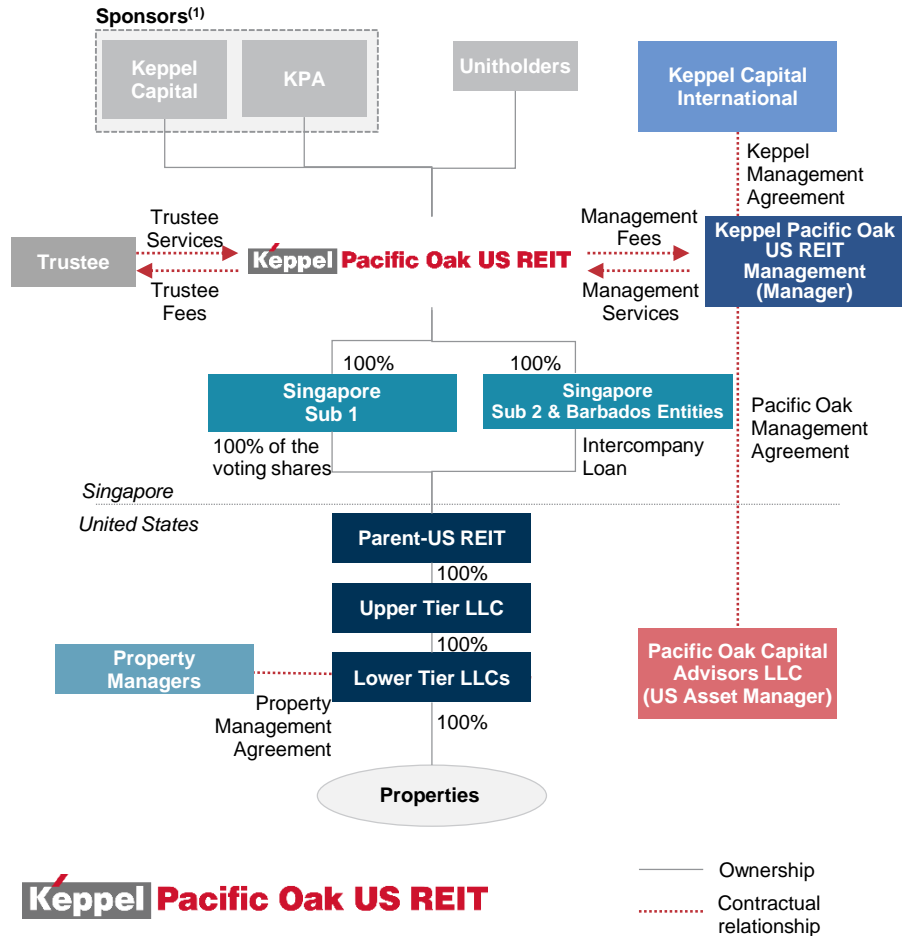
Investment mandate

- To invest in a diversified portfolio of income-producing commercial assets and real estate-related assets in **key growth markets of the US with favourable economic and office fundamentals**

Distribution Policy & Distribution Currency

- Semi-annual distributions
- 100% of annual distributable income for the period from Listing Date to the end of Projection Year 2019, and at least 90% of annual distributable income for each financial year thereafter
- Distributions declared in US dollars; Unitholders have the option to receive distributions in Singapore or US dollars (by submitting a 'Currency Election Form')

Tax-Efficient Structure



Tax-efficient structure for holding US properties

- No US corporate tax (21%) or US withholding tax (30%)
- No Singapore corporate tax (17%) or Singapore withholding tax (10%)
- Subject to limited tax (per annum effective tax not expected to exceed 2% of distributable income)

Leverage Sponsors' expertise and resources to optimise returns for Unitholders

Alignment of interests among Sponsors, Manager and Unitholders

(1) Keppel Capital holds a deemed 7.6% stake in Keppel Pacific Oak US REIT (KORE). Pacific Oak Strategic Opportunity REIT, Inc. (KPA entity) holds a 6.9% stake in KORE. KPA holds a deemed interest of 0.7% in KORE, for a total of 7.6%.

First Choice Submarkets in Key Growth US Markets

Seattle, Washington (42.7%)⁽¹⁾



The Plaza Buildings
Occupancy: 97.3%



Bellevue Technology Center
Occupancy: 98.6%



The Westpark Portfolio
Occupancy: 97.9%

Atlanta, Georgia (6.7%)⁽¹⁾



Northridge Center I & II
Occupancy: 83.5%



Powers Ferry
Occupancy: 98.0%

Sacramento, California (5.5%)⁽¹⁾



Iron Point
Occupancy: 97.4%

Denver, Colorado (9.5%)⁽¹⁾



Westmoor Center
Occupancy: 93.2%

Austin, Texas (6.8%)⁽¹⁾



Westtech 360
Occupancy: 98.5%



Great Hills Plaza
Occupancy: 100.0%

Houston, Texas (16.9%)⁽¹⁾



1800 West Loop South
Occupancy: 77.1%



West Loop I & II
Occupancy: 88.4%

Orlando, Florida (11.9%)⁽¹⁾



Maitland Promenade I
Occupancy: 97.5%

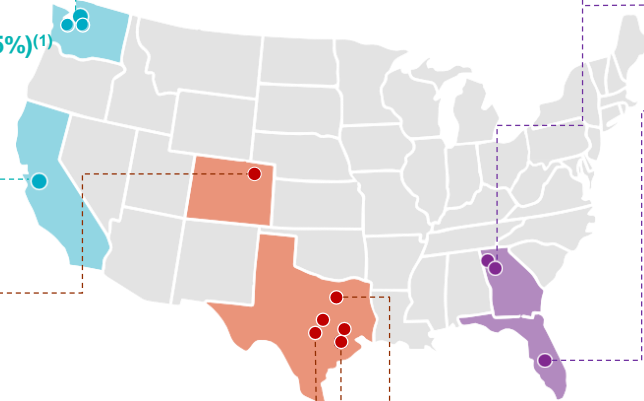


Maitland Promenade II
Occupancy: 95.1%

Dallas, Texas



One Twenty Five⁽²⁾
Occupancy: 95.5%⁽³⁾



Overview

13 freehold office buildings and business campuses across 8 key growth markets

Portfolio NLA

Over 4.7 million sf

Assets Under Management

US\$1.2 billion

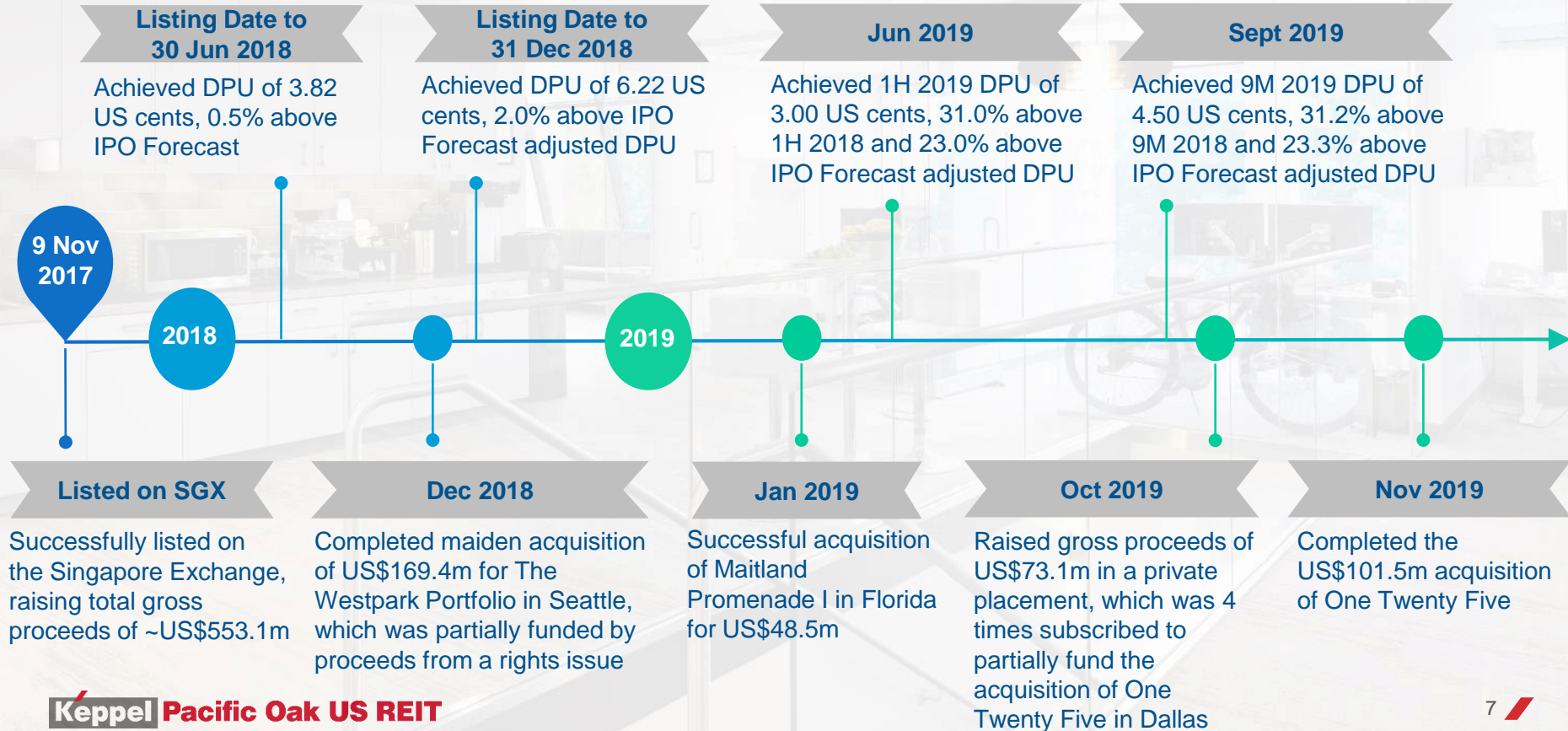
Portfolio Committed Occupancy (by NLA)⁽¹⁾

93.8%

CRI Breakdown by Region⁽¹⁾

- West Coast (48.2%)
- Central (33.2%)
- East Coast (18.6%)

Key Milestones since IPO



Market Outlook

A photograph of a modern, well-lit tenant lounge. In the foreground, a dark blue bar with a white marble countertop is visible, with two wooden-topped bar stools. Behind the bar, a woman in a patterned shirt is working. The background shows a dining area with tables and chairs, and several people walking through the space. The ceiling features exposed ductwork and modern lighting fixtures. A large blue diagonal graphic is overlaid on the left side of the image.

*Tenant lounge,
1800 West Loop South
Houston, Texas*



Fitness centre, The Plaza Buildings, Bellevue, Seattle

US Economy at a Glance

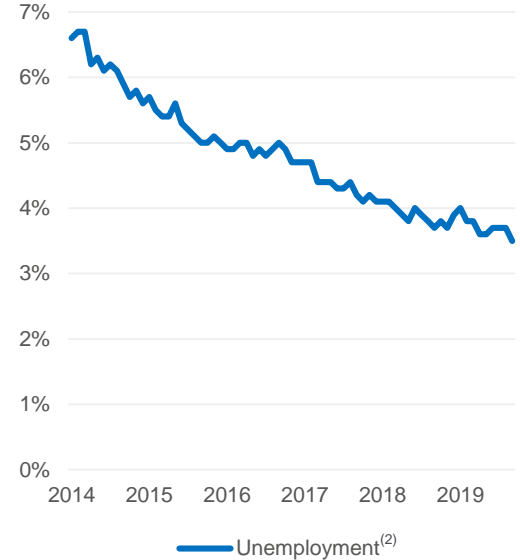
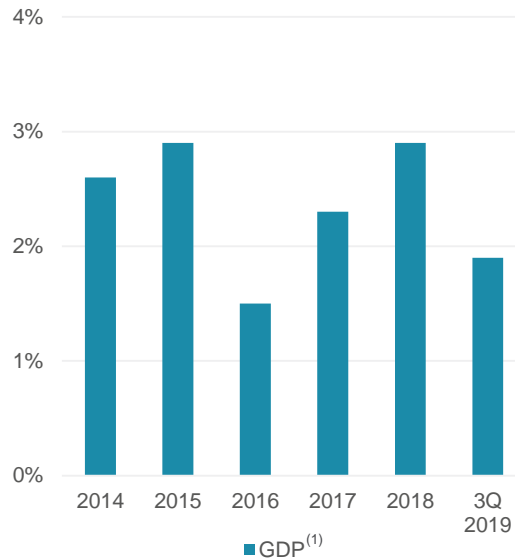
1.9%
Real GDP growth
in 3Q 2019⁽¹⁾

3.5%
Low unemployment⁽²⁾

+2.9%
Average hourly
earnings y-o-y⁽²⁾

+136,000
Jobs added⁽²⁾

Sound US Economic Fundamentals



- GDP grew 1.9% in 3Q 2019, extending the US's longest economic expansion on record
- Unemployment rate remained low at 3.5% in September 2019
- Notable gains in job growth occurred in the healthcare and in professional and business services sectors

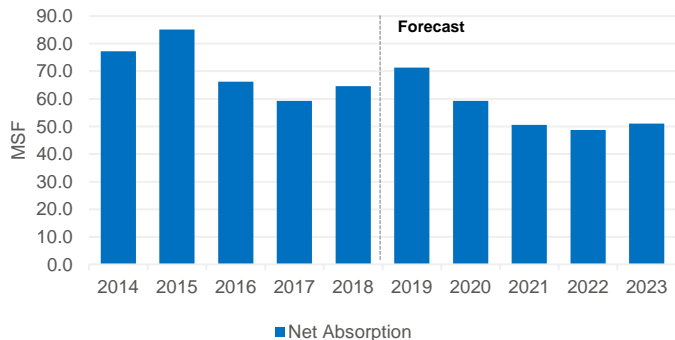
(1) U.S. Bureau of Economic Analysis, October 2019.

(2) U.S. Bureau of Labor Statistic, September 2019.

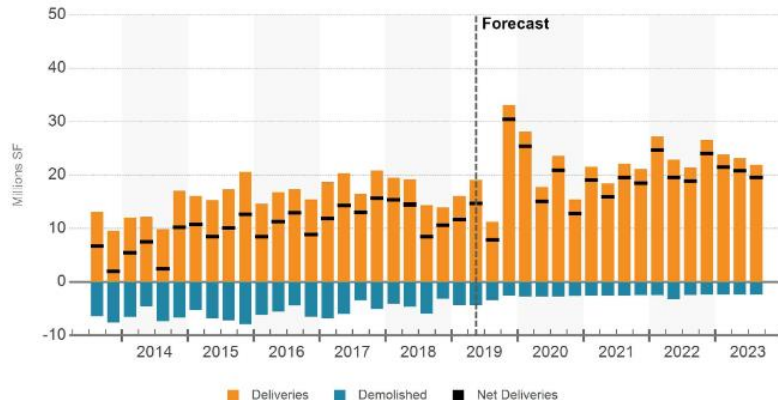
Attractive US Office Outlook

Technology sector remains a key driver of leasing demand, especially in strong growth markets

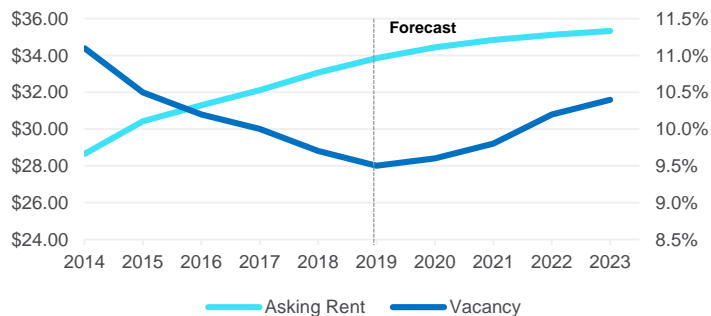
Overall Net Absorption⁽¹⁾



Deliveries & Demolitions⁽¹⁾



Overall Asking Rents & Vacancy⁽¹⁾



47.6m	65.1m
Last 12M Net Absorption	Last 12M Deliveries
2.3%	9.7%
Last 12M Rent Growth	Vacancy Rate



Lobby, The Plaza Buildings, Seattle, Washington

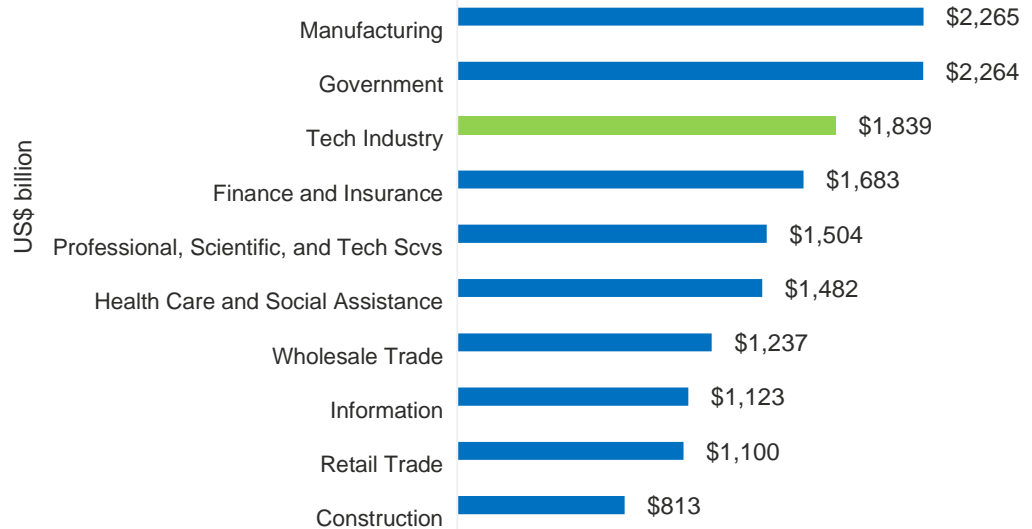
Technology – A Key Driver of US Growth and Leasing Demand

10.2%

Estimated direct contribution of the tech sector to the US economy

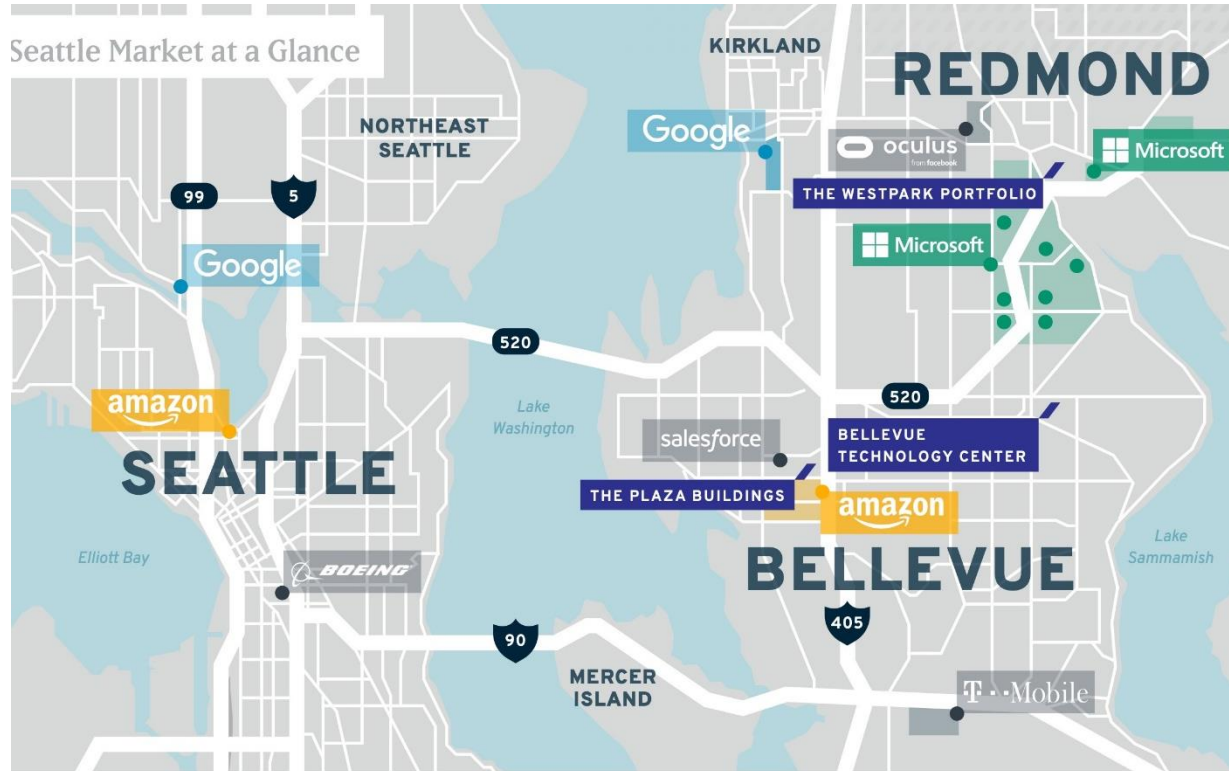
Tech hubs of Austin, Seattle and Denver make up ~60% of KORE's portfolio CRI

Ranking of Top 10 US Industry Sectors Gross Product (Economic Impact), 2018 est.



Suburban Neighbourhoods Becoming Tech Campuses of Choice

The Innovation Triangle: Bellevue – Kirkland – Redmond



- Amazon is relocating its worldwide operations team to Bellevue⁽¹⁾. Its occupancy is expected to increase from 12m sf in 2019 to over 15m sf by 2024⁽²⁾.
- Microsoft's Redmond Campus is being expanded and will total 131 buildings and 9.2m sf of new, renovated and existing office space⁽³⁾.
- Facebook's presence in Seattle is 2.4m sf and counting⁽⁴⁾.
- Oculus, Facebook's virtual reality arm is growing its Redmond office even faster than Facebook's HQ⁽⁵⁾.
- Google's large and growing footprint in Kirkland is expected to reach more than 1m sf⁽⁶⁾.
- T-Mobile is spending US\$160m on its Bellevue Campus expansion and reupped its lease through 2030⁽⁷⁾.

(1) Geekwire, "Exclusive: Amazon moving thousands of employees out of Seattle, relocating key division to nearby city", <http://tiny.cc/79x98y>;

(2) CBRE Research; (3) The Verge, "Microsoft unveils plans for a new modern headquarters", <http://tiny.cc/79x98y>; (4) Geekwire, "Facebook reveals size of its Seattle-area footprint", <http://tiny.cc/37x98y>;

(5) Puget Sound Business Journal "Facebook is growing its Redmond Oculus office even faster than its HQ" <https://tinyurl.com/yxhpcpph>;

(6) Geekwire, "Google doubles down on Seattle region with giant new office leases", <http://tiny.cc/h4x98y>; (7) T-Mobile press release, 19 November 2018.

Apple: A True Campus Community in Austin

Apple's Office Distribution in Austin, Texas



- Apple currently occupies ~1.7m sf of office space in Austin⁽¹⁾ and employs ~6,200 people⁽²⁾.
- On 13 December 2018, Apple announced plans to build a new US\$1 billion campus in Austin, spanning 133 acres and adding an additional 5,000 jobs⁽³⁾.
- A 2013 Economic Impact study by Keyser Marston, calculated a ratio of 0.75 jobs supported per 1 Apple employee⁽⁴⁾.
- Additional employment is expected to translate into greater demand for office space.
- Notable tech occupiers in Austin include Amazon, Oracle, Dell, Google and IBM.

(1) CoStar Office Report

(2) & (3) Apple press release, 13 December 2018

(4) Keyser Marston Report, *Economic and Fiscal Impacts Generated by Apple in Cupertino, May 2013*

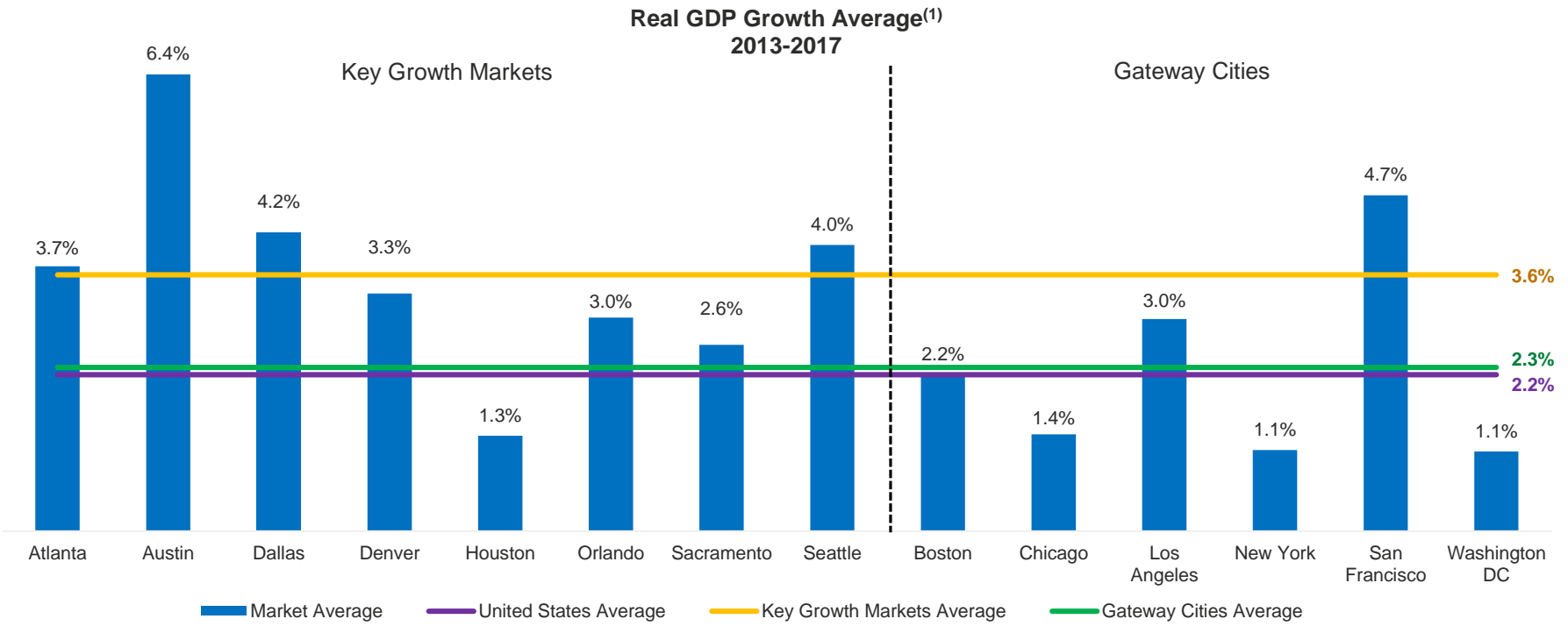
Denver – An Innovative Community where Aerospace and Technology Thrive



- A low corporate tax rate, an educated workforce and a wealth of resources make Denver business-friendly.
- Colorado is home to over 500 aerospace related companies and suppliers.
- Top aerospace contractors include: Ball Aerospace, The Boeing Company, Harris Corporation, Lockheed Martin, Northrop Grumman, Raytheon, Sierra Nevada Corporation, and United Launch Alliance.

Positive Economics in KORE's Key Growth Markets

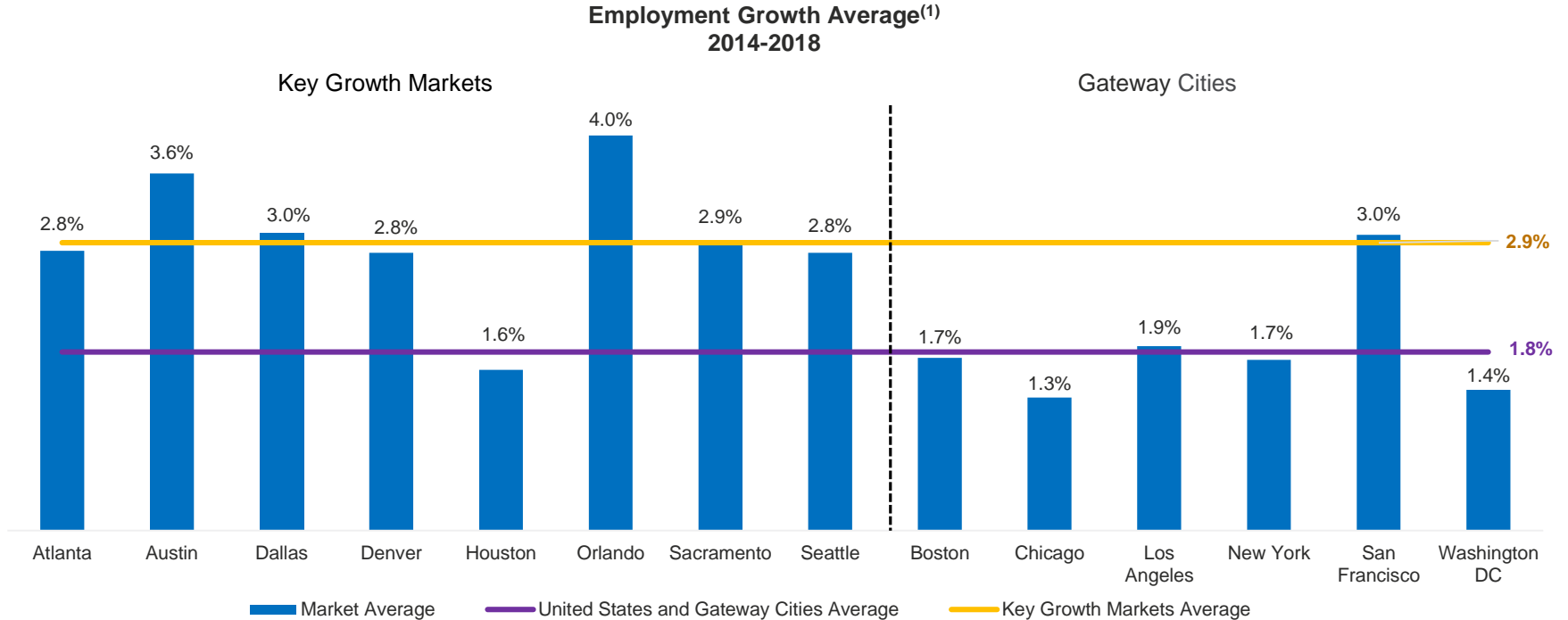
KORE's key growth markets outperformed national average over the last 5 years



Note: Gateway cities average is based on Boston, Chicago, Los Angeles, New York, San Francisco and Washington DC.
 (1) US Bureau of Economic Analysis.

Rising Employment in KORE's Key Growth Markets

KORE's key growth markets outperformed national average over the last 5 years

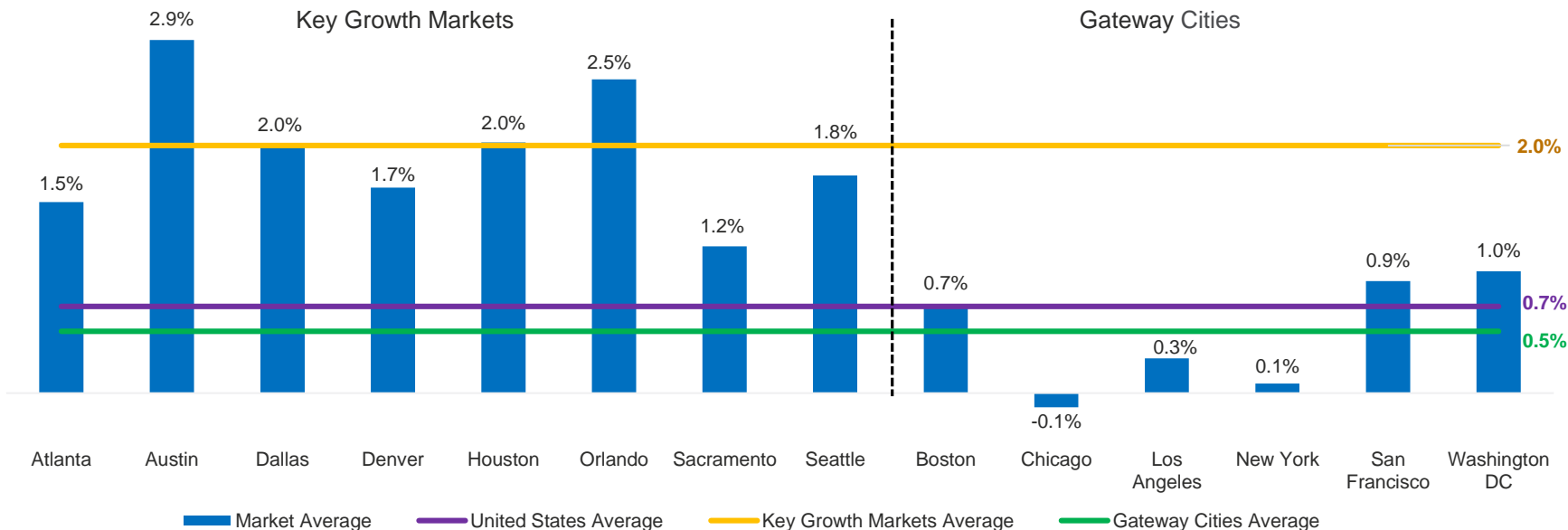


Note: Gateway cities average is based on Boston, Chicago, Los Angeles, New York, San Francisco and Washington DC.
 (1) US Bureau of Economic Analysis.

Expanding Population in KORE's Key Growth Markets

KORE's key growth markets outperformed national average over the last 5 years

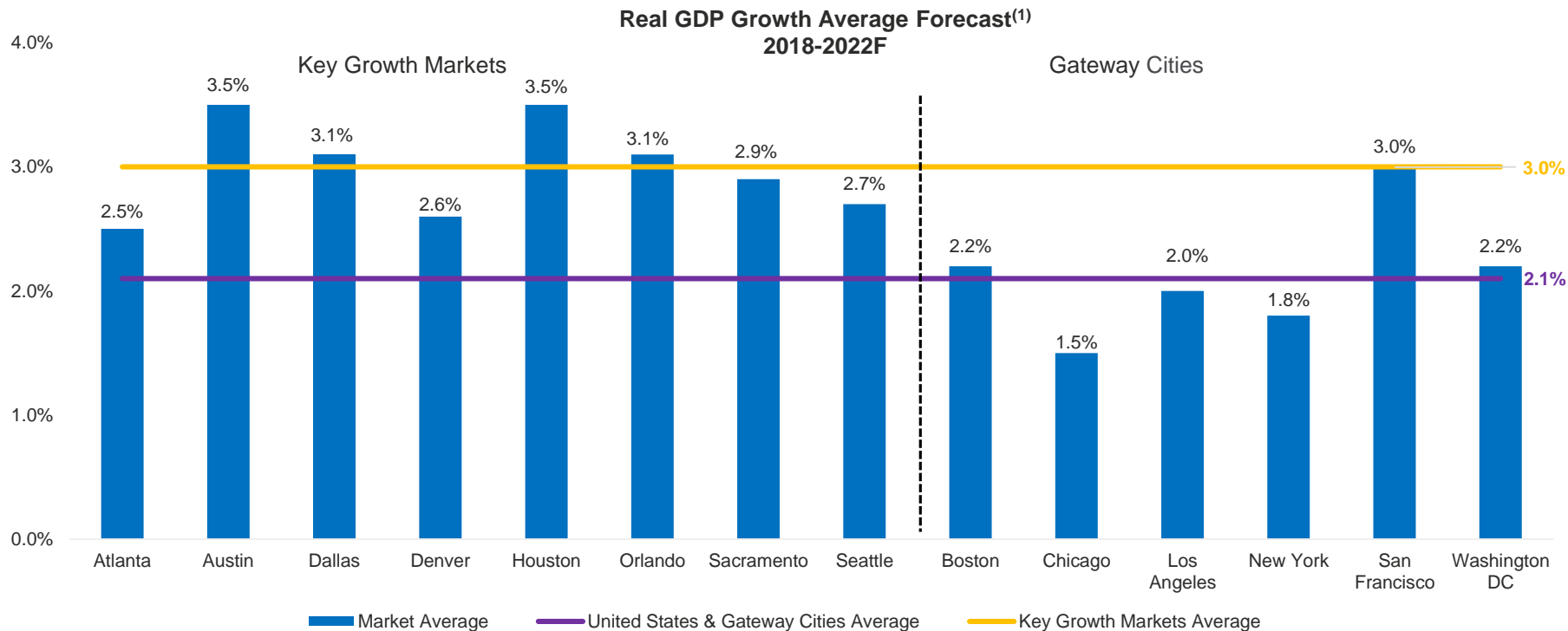
Population Growth Average⁽¹⁾
2014-2018



Note: Gateway cities average is based on Boston, Chicago, Los Angeles, New York, San Francisco and Washington DC.
(1) US Bureau of Economic Analysis.

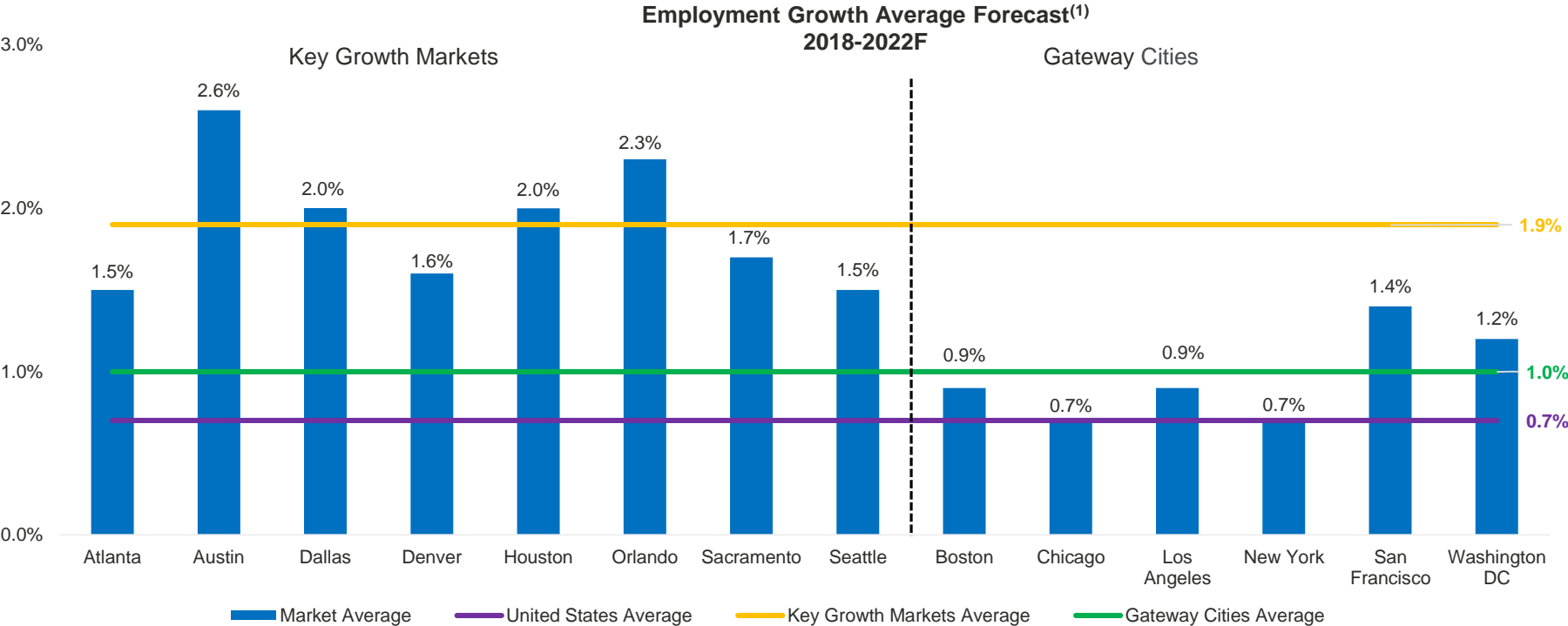
Positive Economic Outlook in KORE's Key Growth Markets

KORE's key growth markets are forecasted to outperform national average



Positive Job Outlook in KORE's Key Growth Markets

KORE's key growth markets are forecasted to outperform national average



Note: Gateway cities average is based on Boston, Chicago, Los Angeles, New York, San Francisco and Washington DC.
 (1) U.S Bureau of Labor Statistics, US Metro Economies

First Choice Submarkets Outlook

Submarket Property	Submarket Vacancy Rate (%)	Last 12M Deliveries (sf'000)	Last 12M absorption (sf'000)	Average Submarket Rent (US\$ p.a.)	Last 12M Rental Growth (%)	Projected Rental Growth (%)
Seattle, Bellevue CBD <i>The Plaza Buildings</i>	4.5	-	358.0	52.8	10.5	10.0
Seattle, Eastside <i>Bellevue Technology Center</i>	5.2	-	(36.9)	35.9	7.0	6.3
Seattle, Redmond <i>The Westpark Portfolio</i>	4.3	0.3	(152.0)	33.6 ⁽¹⁾	7.8	7.9
Sacramento, Folsom <i>Iron Point</i>	5.0	5.4	17.9	26.2	5.9	5.8
Denver, Northwest <i>Westmoor Center</i>	12.0	125.0	85.5	22.6	4.4	4.5
Austin, Northwest <i>Great Hills & Westtech 360</i>	14.9	-	(1,100.0)	36.7	5.6	6.1
Houston, Galleria/Uptown <i>1800 West Loop</i>	16.5	-	(24.7)	32.1	0.8	0.5
Houston, Galleria/Bellaire <i>West Loop I & II</i>	13.8	5.0	28.6	25.3	2.1	2.0
Dallas, Las Colinas <i>One Twenty Five</i>	15.4	-	(73.5)	28.4	3.2	2.8
Atlanta, Cumberland/I-75 <i>Powers Ferry</i>	14.9	-	183.0	25.4	4.3	3.9
Atlanta, Central Perimeter <i>Northridge I & II</i>	15.1	36.0	(520.0)	28.8	3.7	3.1
Orlando, Maitland <i>Maitland Promenade I & II</i>	9.4	-	(121.0)	22.6	2.7	3.0

Performance Updates for 9M 2019

*Tenant space,
Northridge I & II
Atlanta, Georgia*





One Twenty Five in the key growth market of Dallas, Texas

Key Highlights

- Strengthened portfolio with the strategic addition of One Twenty Five in Dallas, Texas¹
- Achieved positive rental reversion of 13.4% for 9M 2019
- Continued healthy leasing momentum

Continued Growth for 9M 2019⁽²⁾

Distributable Income
US\$37.2 million

↑ 31.0%



Outperformed 9M 2018 and IPO Forecast by 31.0% and 23.2% respectively

Distribution per Unit
4.50 US cents

↑ 31.2%



9M 2019 DPU was 31.2% and 23.3% above actual 9M 2018 and IPO Forecast adjusted DPU respectively

Healthy committed occupancy levels

↑ 2.2%

from end-2018



~608,000 sf of total space leased, equivalent to 14.3% of the portfolio, bringing portfolio committed occupancy to 93.8%

Annualised Distribution Yield

7.8%



Based on the market closing price of US\$0.775 per Unit as at 30 September 2019



Lobby, Westech 360, Austin, Texas

Continued Leasing Momentum

14.3%
Total portfolio leased as at 9M 2019

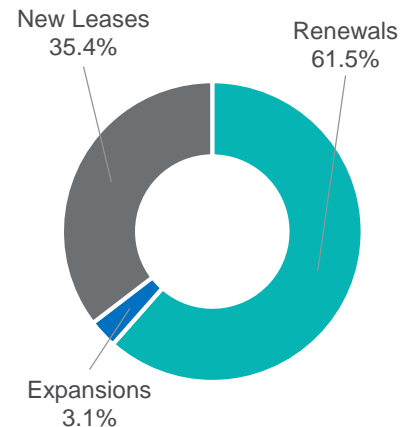
13.4%
Positive rental reversion for 9M 2019

3%
Built-in average annual rental escalations

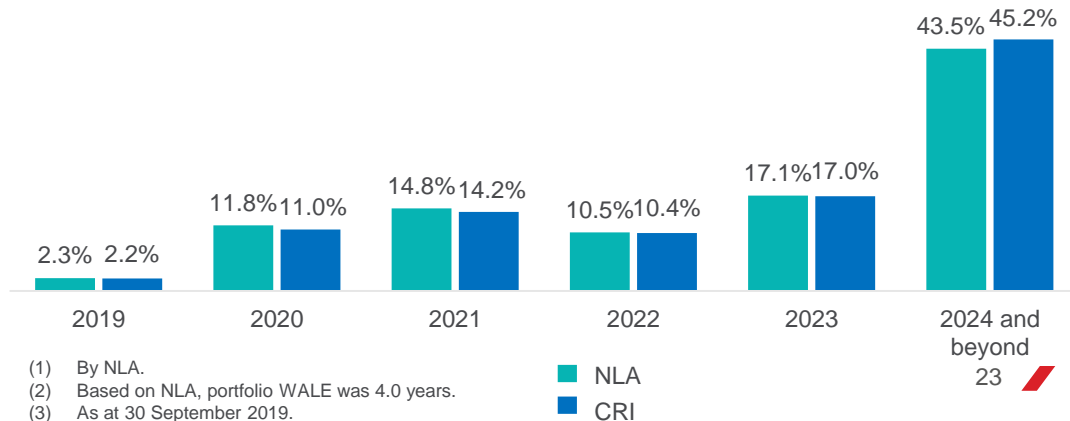
93.8%⁽¹⁾
Healthy portfolio committed occupancy

Continued Organic Growth

- Another 232,000 sf leased in 3Q 2019 for a total of ~608,000 sf leased for 9M 2019.
- Over two-thirds of leasing activities were in its business campuses in the tech hubs of Seattle, Austin and Denver
- Leasing demand mainly from the fast-growing technology and professional services sectors
- Portfolio WALE of 4.1 years by CRI⁽²⁾



Well-spread lease expiry profile⁽³⁾ Positioned for positive rental reversion



(1) By NLA.

(2) Based on NLA, portfolio WALE was 4.0 years.

(3) As at 30 September 2019.

Well-Diversified Tenant Base Across Key Growth Sectors

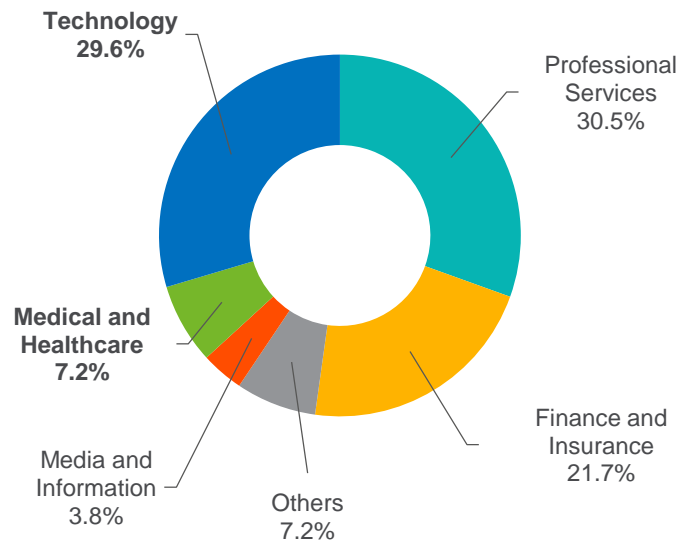
Resilient portfolio with low tenant concentration risk

- KORE's business campuses are popular among tenants in the tech hubs of Seattle, Austin and Denver which contribute ~60% of CRI
- Top 10 tenants contribute 21.2% of cash rental income and comprise 18.1% of portfolio NLA

Top 10 tenants as at 30 September 2019

Tenant	Sector	Asset	% CRI
Ball Aerospace	Technology	Westmoor Ctr	3.7
Lear	Technology	The Plaza Buildings	2.8
Oculus VR	Technology	Westpark Portfolio	2.5
Zimmer Biomet Spine	Technology	Westmoor Ctr	2.2
Spectrum	Media & Information	Maitland Promenade I	2.1
Unigard Insurance ⁽¹⁾	Finance & Insurance	Bellevue Technology Ctr	1.9
US Bank	Finance & Insurance	The Plaza Buildings	1.8
Reed Group	Technology	Westmoor Ctr	1.5
Nintex USA	Technology	The Plaza Buildings	1.4
Taylor Morrison	Finance & Insurance	Maitland Promenade I & II	1.3
Total			21.2
WALE (by NLA)			5.5 years
WALE (by CRI)			5.6 years

Portfolio tenant base composition (by NLA)



(1) Subsidiary of QBE Insurance Group.

Financial Performance for 9M 2019

Distributable income for 9M 2019 outperformed both IPO Forecast and 9M 2018 Actual

	Actual 9M 2019 (US\$'000)	Forecast 9M 2019 ⁽¹⁾ (US\$'000)	% Change	Actual 9M 2019 (US\$'000)	Actual 9M 2018 (US\$'000)	% Change
Gross Revenue	89,115	72,301	23.3	89,115	69,023	29.1
Property Expenses	(34,429)	(30,112)	14.3	(34,429)	(26,936)	27.8
Net Property Income	54,686	42,189	29.6	54,686	42,087	29.9
Income Available for Distribution⁽²⁾	37,160	30,164	23.2	37,160	28,376	31.0
DPU (US cents) for the period	4.50	4.74	(5.1)	4.50	4.50	-
Annualised Distribution yield (%) ⁽³⁾	7.8%	7.2%	60bps	7.8%	7.6%	20bps
Adjusted DPU (US cents)⁽⁴⁾	4.50	3.65⁽⁴⁾	23.3	4.50	3.43⁽⁴⁾	31.2

(1) Forecast for 9M 2019 were derived from nine months of the Projection Year 2019 as disclosed in the Prospectus.

(2) The income available for distribution to Unitholders is based on 100% of the taxable income available for distribution to Unitholders.

(3) Actual 9M 2019 and 9M 2018 annualised distribution yield is based on market closing prices of US\$0.775 and US\$0.790 per Unit as at last trading day of the respective periods. Forecast 9M 2019 annualised distribution yield is based on the listing price of US\$0.880 per Unit.

(4) Adjusted DPU for Forecast 9M 2019 as well as Actual 9M 2018 were calculated based on the actual number of units as at 30 September 2019 of 826,890,926 units for comparison purpose.

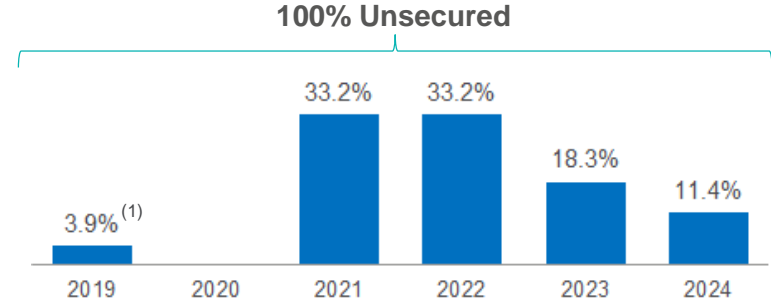
Prudent Capital Management

Limited interest rate exposure with term loans significantly hedged

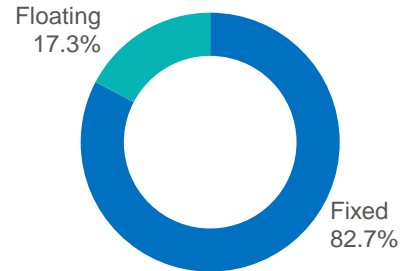
As at 30 September 2019

Total Debt	<ul style="list-style-type: none"> US\$436.4 million of external loans 100% unsecured
Available Facilities	<ul style="list-style-type: none"> US\$50 million of revolving credit facility US\$8 million of uncommitted revolving credit facility
Aggregate Leverage ⁽²⁾	38.5%
All-in Average Cost of Debt ⁽³⁾	3.74% p.a.
Interest Coverage ⁽⁴⁾	4.6 times
Average Term to Maturity	3.0 years

Debt Maturity Profile



Interest Rate Exposure



Sensitivity to LIBOR⁽⁵⁾

Every +/- 50bps in LIBOR translates to +/- 0.054 US cents in DPU p.a.

(1) Refers to the US\$17 million uncommitted revolving credit facility drawn.

(2) Calculated as the total borrowings and deferred payments (if any) as a percentage of the total assets.

(3) Includes amortisation of upfront debt financing costs.

(4) Ratio of EBITDA over interest expense paid or payable.

(5) Based on the 17.3% floating debt, US\$17 million revolving credit facility drawn which are unhedged and the total number of Units in issue as at 30 September 2019.

Healthy Balance Sheet



Tenant lounge, The Westpark Portfolio, Seattle, Washington

As at 30 September 2019

(US\$'000)

Total Assets	1,133,845
Investment Properties	1,098,505
Cash and Cash Equivalents	30,420
Other Assets	4,920
Total Liabilities	495,442
Gross Borrowings	436,440
Other Liabilities	59,002
Unitholders' Funds	638,403
Units in issue and to be issued ('000) ⁽¹⁾	828,528
NAV per Unit (US\$)	0.77
Adjusted NAV per Unit (US\$) ⁽²⁾	0.76
Unit Price (US\$)	0.775

(1) Includes management fees in Units to be issued for 3Q 2019.

(2) Excludes income available for distribution.

Portfolio Overview

Property	City	Location	NLA (sf)	Committed occupancy (by NLA)	WALE ⁽¹⁾ (in years)	Carrying Value (US\$m)
The Plaza Buildings	Seattle	Bellevue CBD, one of the most active leasing submarket in Seattle	490,994	97.3%	4.4	262.1
Bellevue Technology Center	Seattle	Bellevue, one of the most active leasing submarket in Seattle	330,508	98.6%	3.2	138.4
The Westpark Portfolio	Seattle	Redmond submarket, one of the best performing office markets in the Seattle region	782,185	97.9%	3.7	182.5
Iron Point	Sacramento	Carmichael / Fair Oaks / Citrus Heights; Expected to outperform the overall Sacramento market	211,944	97.4%	2.7	37.8
Westmoor Center	Denver	Northwest Denver; Well-positioned to capture tenants that outgrow nearby Boulder, and has better quality real estate	612,890	93.2%	5.1	131.6
Great Hills Plaza	Austin	Northwest submarket, a popular office locale along the Capital of Texas Highway corridor	139,252	100.0%	5.1	38.2
Westech 360	Austin	Northwest submarket, a popular office locale along the Capital of Texas Highway corridor	177,615	98.5%	2.9	47.5
1800 West Loop South	Houston	West Loop, which is amenity-rich and highly sought after	400,101	77.1%	4.4	80.5
West Loop I & II	Houston	Bellaire, one of Houston's most desirable and affluent neighbourhoods	313,873	88.4%	4.6	43.9
One Twenty Five	Dallas	Las Colinas, a vibrant submarket that has benefited from strong leasing demand resulting from its live-work-play focus	445,317	95.5% ⁽²⁾	7.0 ⁽²⁾	101.5 ⁽³⁾
Powers Ferry	Atlanta	Cumberland / I-75: Have been outperforming greater Atlanta market in terms of occupancy rate	149,324	98.0%	3.1	20.1
Northridge Center I & II	Atlanta	North Central / I-285 / GA 400: Home to numerous Fortune 500 companies, which solidifies the positive attributes of the location	188,944	83.5%	2.9	21.3
Maitland Promenade I	Orlando	Maitland Center, which is dominated by finance, insurance, tech and strong activity in the Class A market	230,366	97.5%	4.2	49.7
Maitland Promenade II	Orlando	Maitland Center, which is dominated by finance, insurance, tech and strong activity in the Class A market	230,371	95.1%	3.4	44.9

Unless otherwise stated, all information as at 30 September 2019.

(1) By NLA.

(2) Information shown as at 30 June 2019.

(3) Based on purchase price for illustrative purposes.

Delivering Stable Distributions and Long Term Value

Portfolio Optimisation

- Focused leasing strategy targeting growth sectors
- Proactive and effective asset management
- Maximise rental rates and capture positive rental reversions

Value Accretive Investments

- Pursue growth opportunities to create long term value
- Target key growth markets with strong office fundamentals
- Focus on first choice submarkets with strong macroeconomic growth indicators that outpace national average

Prudent Capital Management

- Effective hedging to mitigate impact of unfavourable interest rate movements
- Acquire funding at optimal costs
- Fortify balance sheet and maintain an optimal capital structure



Thank You

For more information, please visit

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