

3Q 2022

Key Business and Operational Updates

26 October 2022

Financial Performance

Financial Highlights

	3Q 2022 (US\$ 'm)	3Q 2021 (US\$ 'm)	% Change	9M 2022 (US\$ 'm)	9M 2021 (US\$ 'm)	% Change
Gross Revenue	37.2	36.0	3.2	111.3	104.4	6.6
Net Property Income (NPI)	21.3	21.7	(1.9)	64.3	62.3	3.2
Adjusted NPI (excludes non-cash straight-line rent, lease incentives and amortisation of leasing commissions)	21.6	21.7	(0.3)	65.1	62.5	4.1
Income Available for Distribution ⁽¹⁾	14.6	15.9	(8.1)	46.2	45.9	0.7
Adjusted Income Available for Distribution ⁽²⁾	14.6	14.3	2.1	46.2	42.8	8.0

Adjusted Distributable Income for 3Q 2022 was up 2.1% year-on-year to US\$14.6m, supported by:

- The acquisitions of Bridge Crossing in Nashville and 105 Edgeview in Denver that were completed in August 2021.

Strong balance sheet with significant liquidity

- Aggregate leverage of 37.5% with no long-term refinancing requirements until Q4 2024.
- Cash and undrawn facilities of US\$136.6m as at 30 September 2022.



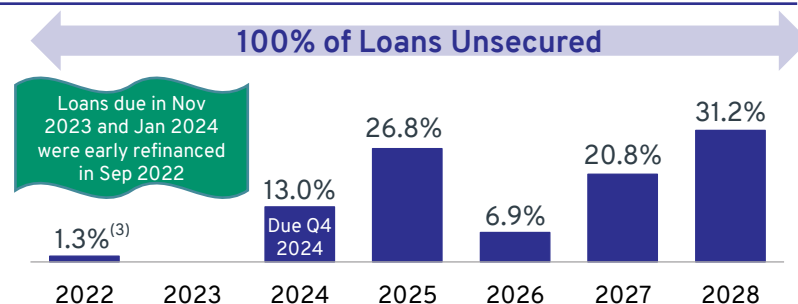
Stable Financial Position

Prudent capital management with 100% unsecured loans provide greater financial flexibility.
No long-term refinancing obligations till Q4 2024.

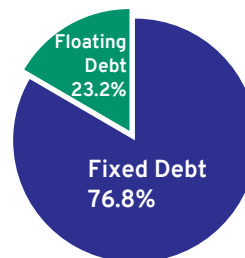
As at 30 September 2022

Total Debt	<ul style="list-style-type: none"> US\$577.7 million of external loans 100% unsecured
Available Facilities	<ul style="list-style-type: none"> US\$50.0 million of revolving credit facility US\$42.3 million of uncommitted revolving credit facility
Aggregate Leverage⁽¹⁾	37.5%
Average Cost of Debt (Excludes amortisation of upfront debt financing costs)	2.88% p.a.
All-in Average Cost of Debt (Includes amortisation of upfront debt financing costs)	3.10% p.a.
Interest Coverage⁽²⁾	4.4 times
Weighted Average Term to Maturity	3.9 years

Debt Maturity Profile (as at 30 September 2022)



Interest Rate Exposure



Sensitivity to LIBOR/SOFR⁽⁴⁾

Every + 50bps in LIBOR/SOFR translates to - 0.067 US cents in DPU p.a.

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

(2) Interest Coverage Ratio (ICR) disclosed above is computed based on the definition set out in Appendix 6 of the Code on Collective Investment Schemes revised on 16 April 2020. After adjusting for the management fees taken in Units, the ICR would be 4.6 times.

(3) Refers to the US\$7.7m uncommitted revolving credit facilities drawn.

(4) Based on the 23.2% floating debt, US\$7.7 million uncommitted revolving credit facility drawn which are unhedged and the total number of Units in issue as at 30 September 2022.

Quality Portfolio Driven By Tech and Innovation



**92.5%⁽¹⁾
Portfolio
Committed Occupancy**

KORE's strategic presence in key growth markets and its focus on the fast-growing tech and medical sector provides income resilience.

SEATTLE - BELLEVUE/REDMOND, Washington



The Plaza Buildings
Occupancy: 93.6%



Bellevue Technology Center
Occupancy: 95.0%



The Westpark Portfolio
Occupancy: 96.8%

ATLANTA, Georgia



Powers Ferry⁽¹⁾
Occupancy: 68.6%

DENVER, Colorado



Westmoor Center
Occupancy: 97.3%



105 Edgeview
Occupancy: 100%

SACRAMENTO, California



Iron Point
Occupancy: 88.8%

AUSTIN, Texas



Great Hills Plaza
Occupancy: 100%



Westtech 360
Occupancy: 80.1%

HOUSTON, Texas



1800 West Loop South
Occupancy: 83.6%

NASHVILLE, Tennessee



Bridge Crossing
Occupancy: 100%

ORLANDO, Florida



Maitland Promenade I & II
Occupancy: 88.2%

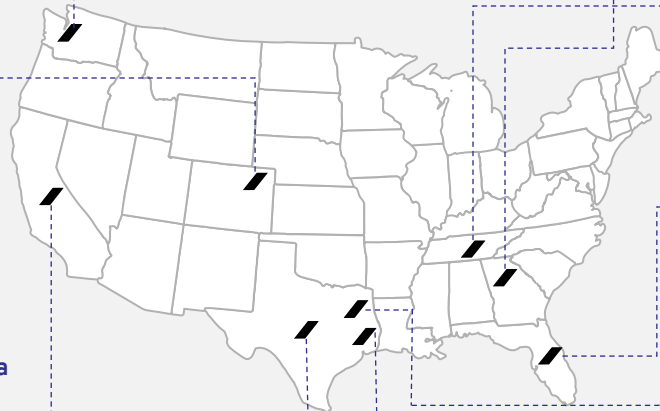
DALLAS, Texas



One Twenty Five
Occupancy: 91.7%



Bellaire Park
Occupancy: 94.8%



Tech hub



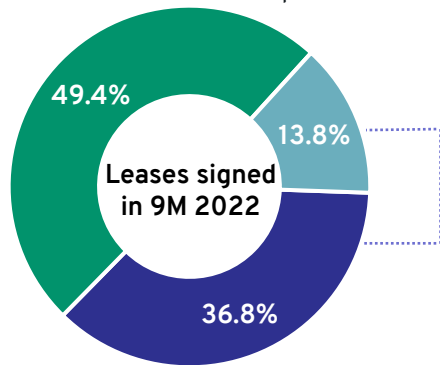
Healthcare hub

All information as at 30 September 2022.

(1) The Manager has announced the proposed divestment of Powers Ferry. Committed occupancy excluding Powers Ferry would have been 93.2%.

Steady Income with Visible Organic Growth

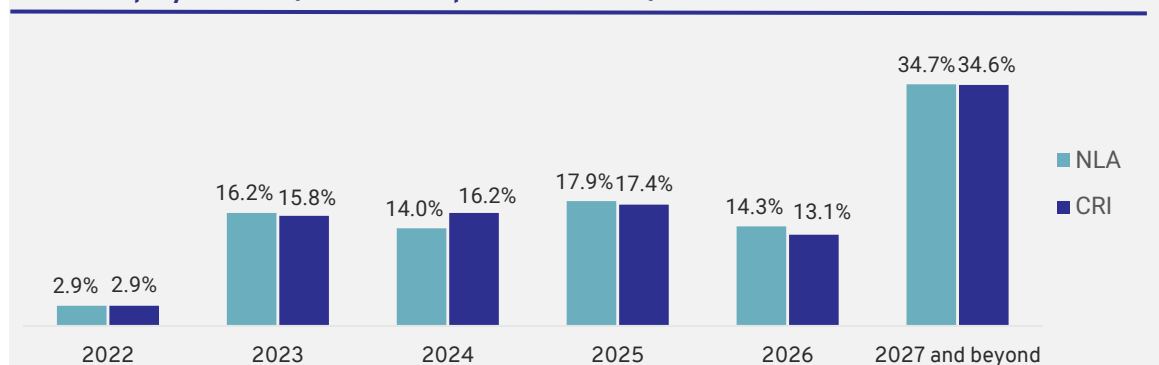
■ New ■ Renewal ■ Expansion



New leasing demand and expansions from:

Finance and Insurance	27.2%
Medical and Healthcare	22.0%
TAMI ⁽¹⁾	21.8%
Professional Services ⁽²⁾	18.8%
Others	10.2%

Lease Expiry Profile (as at 30 September 2022)



~548,708sf

Leased spaces for 9M 2022, equivalent to 11.2% of portfolio NLA. ~194,980 sf of space was leased in 3Q 2022. Portfolio WALE of 3.5 years⁽³⁾ by CRI.

~5.0%

In-place rents are ~5% below asking rents, which provides an avenue for organic growth.

2.9%

Positive rent reversion for 9M 2022. 3Q 2022 rent reversion was 5.3%. Average rent collection was ~99% with zero rent deferment requests.

~2.5%

Built-in average annual rental escalation across the portfolio.

(1) TAMI stands for technology, advertising, media, and information

(2) Professional Services comprises tenants who provide management consulting, legal, real estate, engineering, manufacturing and educational services.

(3) Based on NLA, portfolio WALE was 3.4 years.

Resilient Portfolio with Diversified Tenant Composition



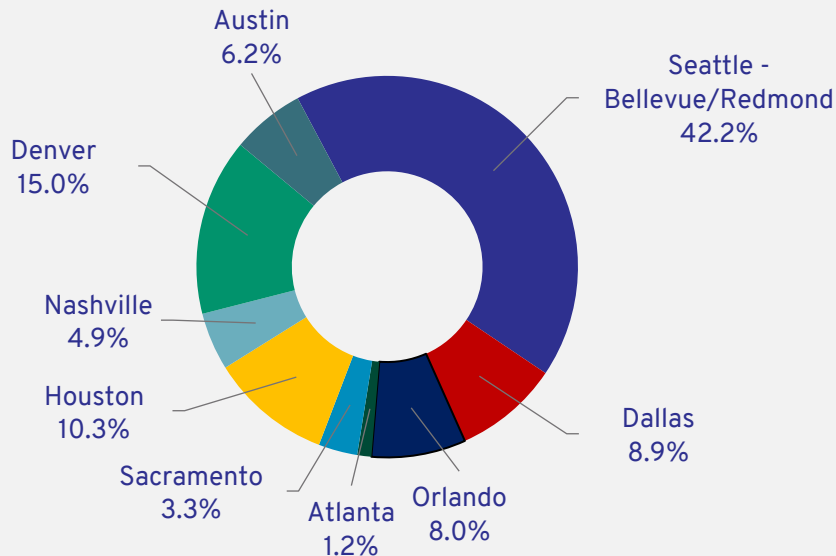
KORE's buildings and business campuses in the tech hubs of Seattle – Bellevue/Redmond, Austin and Denver contribute ~63% of NPI⁽¹⁾



~49% of KORE's portfolio NLA comprises high-quality tenants from the growing and defensive sectors of TAMI, medical and healthcare

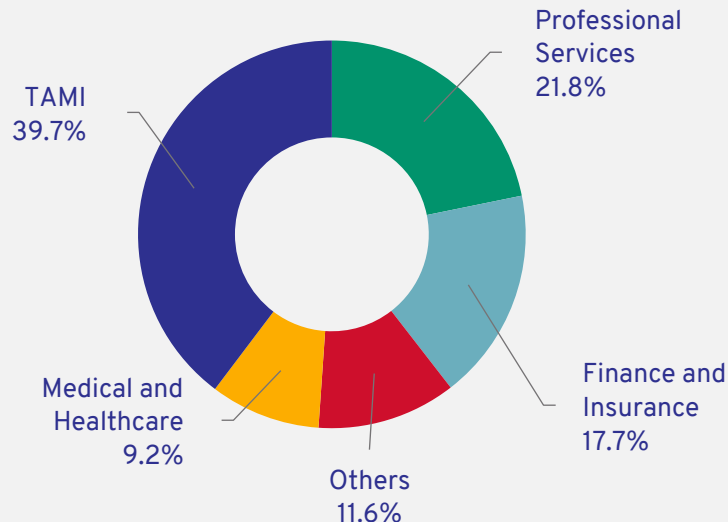
Geographic Diversification by NPI⁽¹⁾

as at 30 September 2022



Industry Diversification by NLA

as at 30 September 2022



Low Tenant Concentration Risk



Top 10 tenants contribute only 23.3% of CRI

Majority of top 10 tenants are established TAMI companies located in the fast-growing tech hubs of Seattle – Bellevue/Redmond, Denver and Nashville.

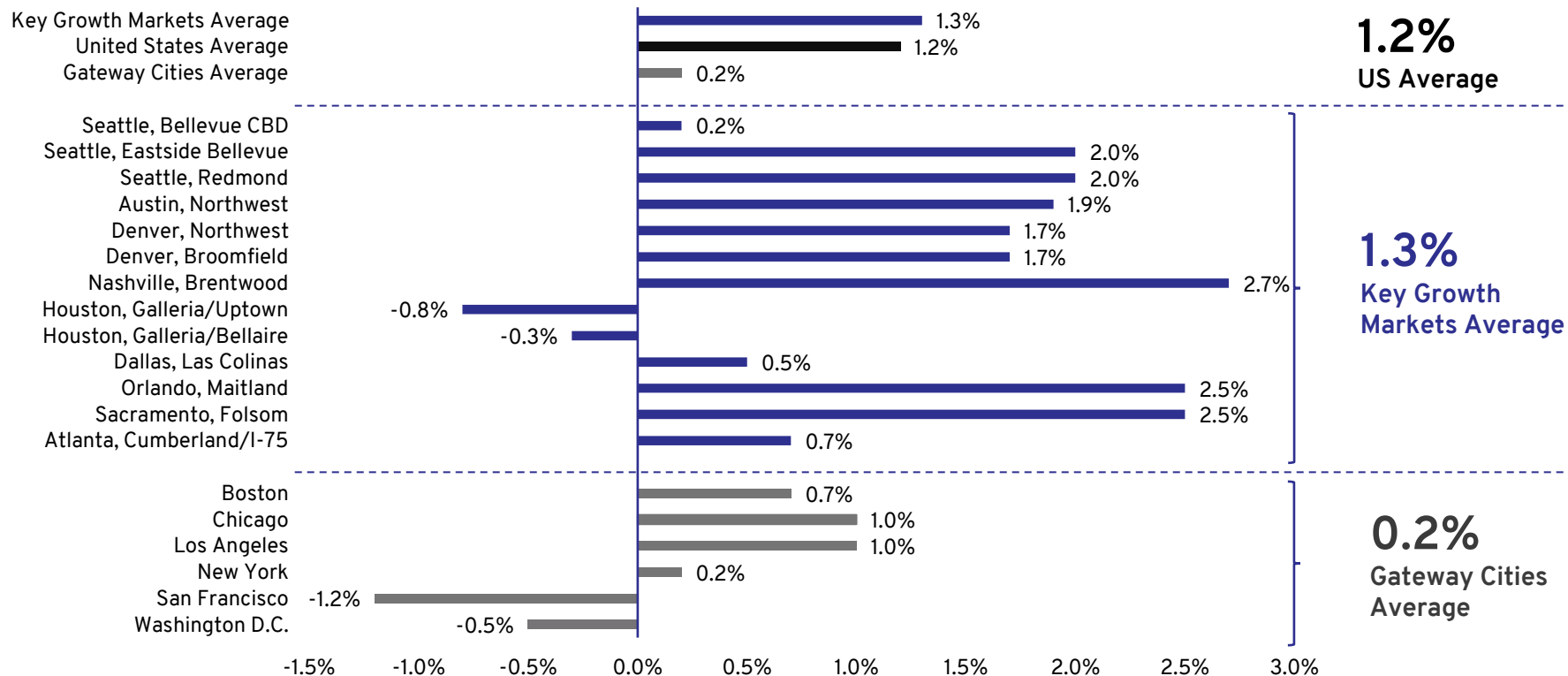
As at 30 September 2022

Top 10 Tenants	Sector	Asset	Location	% of CRI
Comdata Inc	Technology	Bridge Crossing	Nashville	3.5
Ball Aerospace	Technology	Westmoor Center	Denver	3.1
Lear Cooperation	Technology	The Plaza Buildings	Seattle – Bellevue/Redmond	2.7
Gogo Business Aviation	Technology	105 Edgeview	Denver	2.7
Meta ⁽¹⁾	Technology	The Westpark Portfolio	Seattle – Bellevue/Redmond	2.6
Zimvie ⁽²⁾	Technology	Westmoor Center	Denver	2.0
Spectrum	Media & Information	Maitland Promenade I & II	Orlando	1.8
Goldman Sachs Personal Financial Management	Finance & Insurance	One Twenty Five	Dallas	1.7
Auth0	Technology	The Plaza Buildings	Seattle – Bellevue/Redmond	1.6
Bio-Medical Applications	Medical & Healthcare	One Twenty Five	Dallas	1.6
Total				23.3
WALE by NLA				4.5 years
WALE by CRI				4.6 years

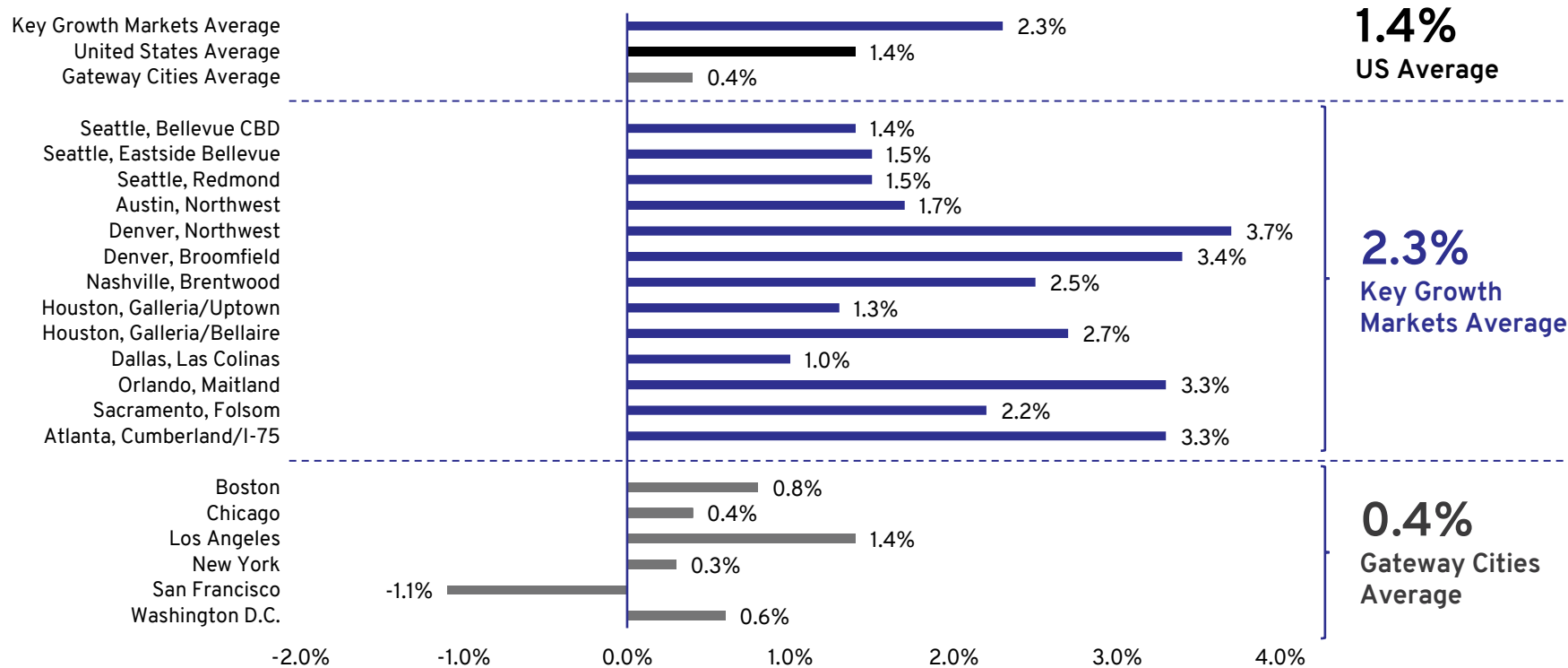
(1) Meta was previously shown as Oculus VR.

(2) Zimvie was previously known as Zimmer Biomet Spine.

Last 12 Months Rent Growth

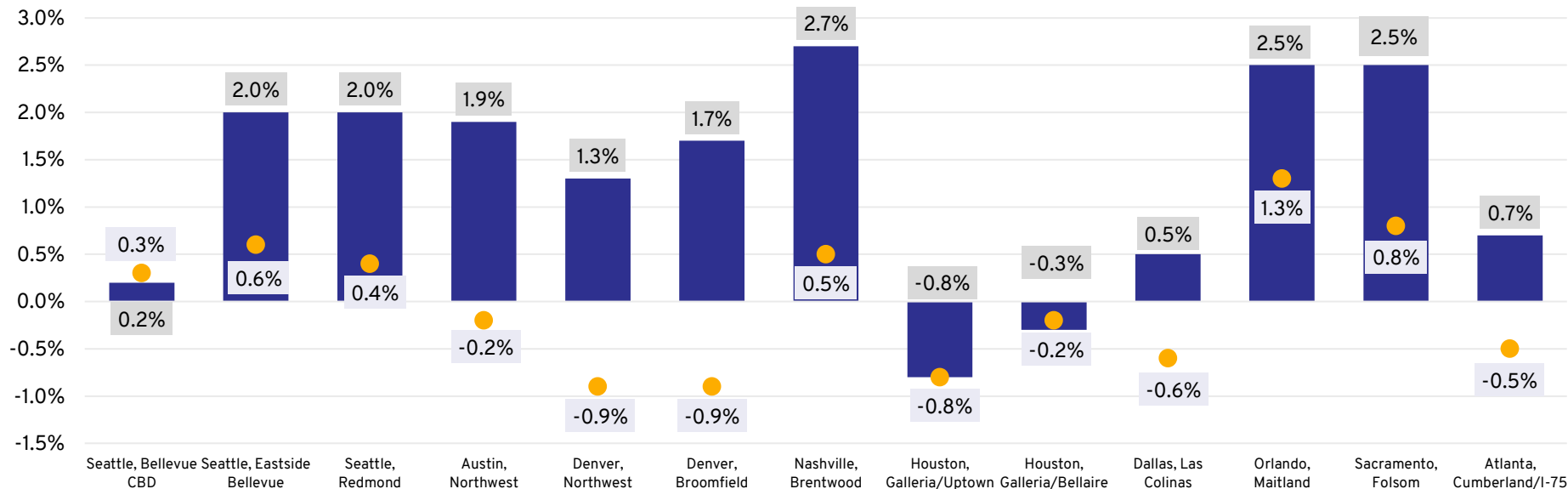


Projected 12-Month Rent Outlook



Actual Against Forecasted 12-Month Market Rent Growth

Majority of KORE's portfolio outperformed the market rent growth projections from 12 months ago



■ Actual preceding 12-month Market Rent Growth based on Co-Star's September 2022 Report

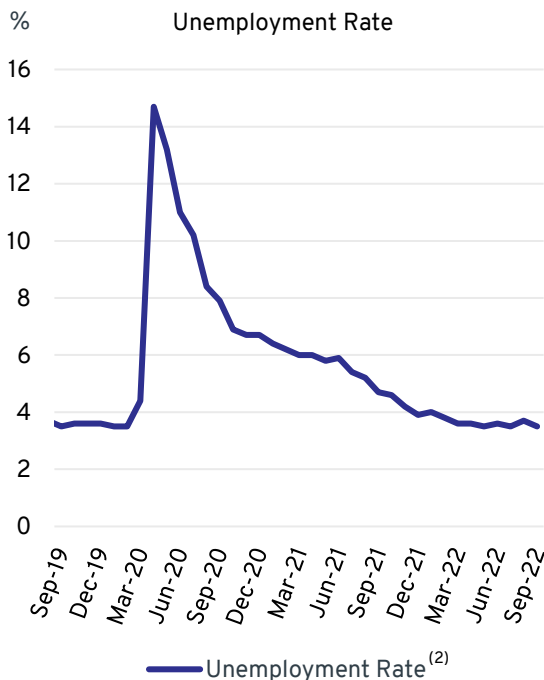
● Forecasted 12-month Market Rent Growth based on Co-Star's September 2021 Report

First Choice Submarkets Outlook

Submarket Property	Property Vacancy Rate (%)	Submarket Vacancy Rate (%)	Last 12M Deliveries (sf'000)	Last 12M Absorption (sf'000)	Under Construction (sf'000)	Last 12M Rental Growth (%)	Projected Rental Growth (%)
Seattle, Bellevue CBD <i>The Plaza Buildings</i>	6.4	5.5	675	696	4,774 ^{(1)*}	0.2	1.4
Seattle, Eastside Bellevue <i>Bellevue Technology Center</i>	5.0	3.0	-	2	-	2.0	1.5
Seattle, Redmond <i>The Westpark Portfolio</i>	3.2	1.7	-	70	2,850 ^{(1)#}	2.0	1.5
Austin, Northwest <i>Great Hills Plaza & Westech 360</i>	0.0 ⁽²⁾ & 19.9 ⁽³⁾	21.4	-	(397)	503	1.9	1.7
Denver, Northwest <i>Westmoor Center</i>	2.7	8.6	17	9	33	1.7	3.7
Denver, Broomfield <i>105 Edgeview</i>	-	13.1	-	(108)	-	1.7	3.4
Nashville, Brentwood <i>Bridge Crossing</i>	-	13.0	-	137	-	2.7	2.5
Houston, Galleria/Uptown <i>1800 West Loop South</i>	16.4	31.5	-	(1,600)	-	(0.8)	1.3
Houston, Galleria/Bellaire <i>Bellaire Park</i>	5.2	17.1	-	83	-	(0.3)	2.7
Dallas, Las Colinas <i>One Twenty Five</i>	8.3	23.9	-	(60)	532 ⁽¹⁾	0.5	1.0
Orlando, Maitland <i>Maitland Promenade I & II</i>	11.8	14.7	-	(175)	-	2.5	3.3
Sacramento, Folsom <i>Iron Point</i>	11.2	8.1	-	(225)	53	2.5	2.2
Atlanta, Cumberland/I-75 <i>Powers Ferry</i>	31.4	15.0	2	37	60 ⁽¹⁾	0.7	3.3

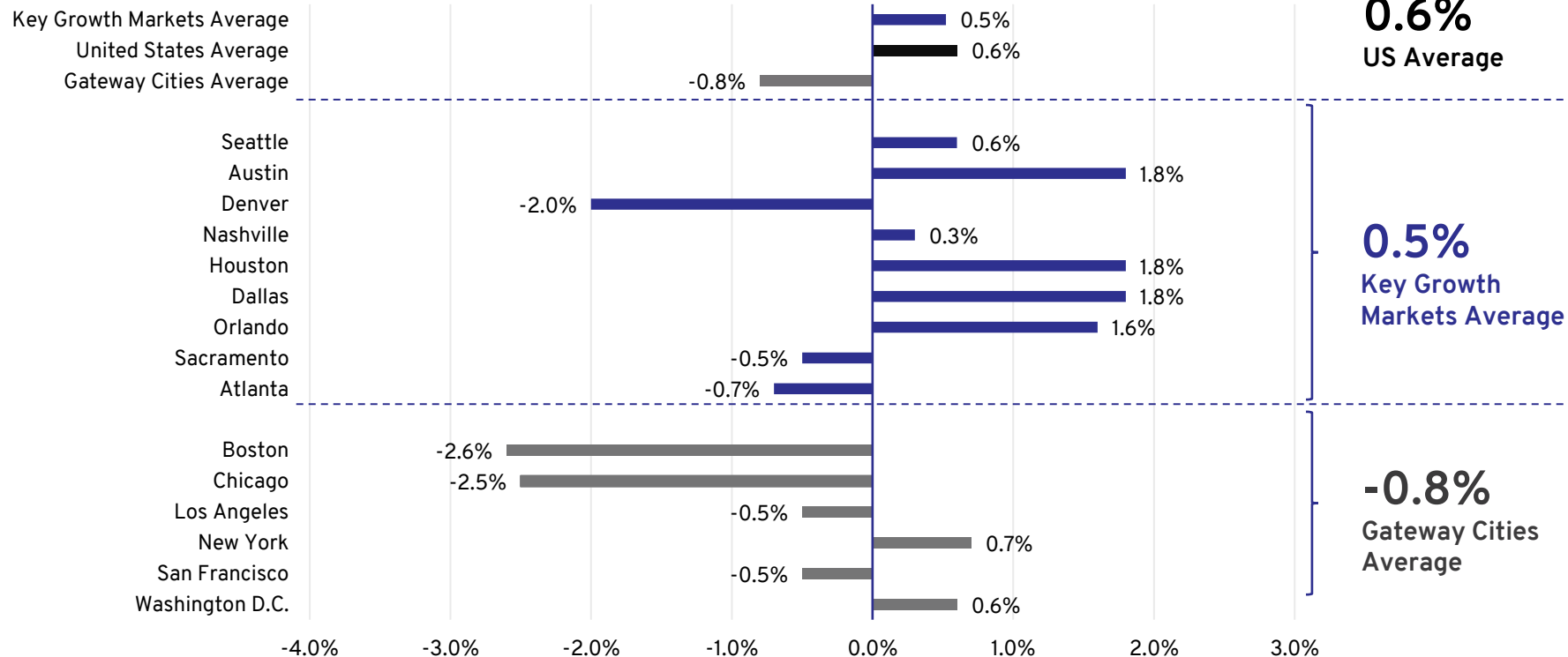
U.S. Economic Updates

- US real GDP decreased by 0.6% quarter-on-quarter in 2Q 2022⁽¹⁾.
- Unemployment rate edged down to 3.5% in September 2022, returning to its July level⁽²⁾.
- Labour force participation rate edged down slightly to 62.3% in September 2022⁽²⁾.
- Annual inflation rate dipped slightly to 8.2% in September 2022.



Incremental Growth in the U.S. Economy

Real GDP Percent Change at Annual Rate⁽¹⁾, 2022: Q1 – 2022: Q2



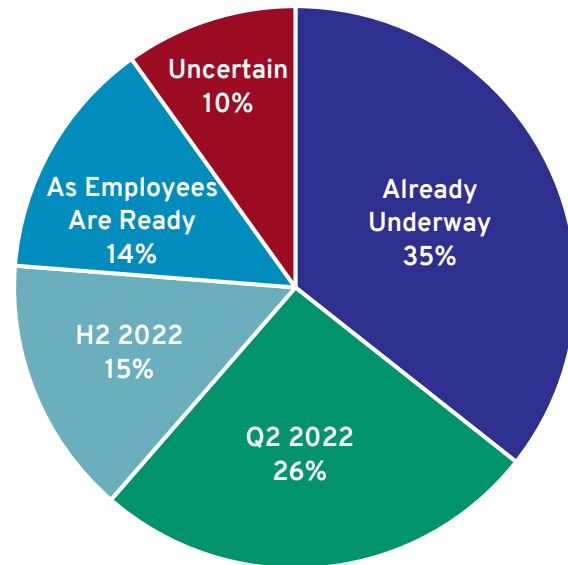
The Physical Office Is Here To Stay

New leases accounted for 70% of total leasing volume in Q2 2022 as tenants made more long-term commitments⁽¹⁾

- Hybrid work is set to be the new norm.
- Even as some knowledge workers have shifted to remote work, there has not been a massive drop-off in demand for office space⁽²⁾.
- Hiring freezes and layoff news making tech workers across several industries feel skittish – especially those in e-commerce and real estate, which saw a boom during Covid recovery in 2021⁽³⁾.
- Sun Belt cities, particularly, Florida, and mid-tier tech markets such as Austin, Nashville, Raleigh and Salt Lake City are set to lead the office recovery⁽⁴⁾.

Return to Office Timeline⁽⁵⁾

Question posed to corporate real estate executives:
“When do you expect to encourage a more regular return to the office?”



(1) CBRE Research, Q2 2022

(2) Colliers, The Future of the Office in the Age of Hybrid Work, September 2022

(3) CNBC, Mass layoffs and hiring freezes: Tech workers report huge drops in confidence in job security, August 2022

(4) U.S. Research Report, Q1 2022, Colliers,

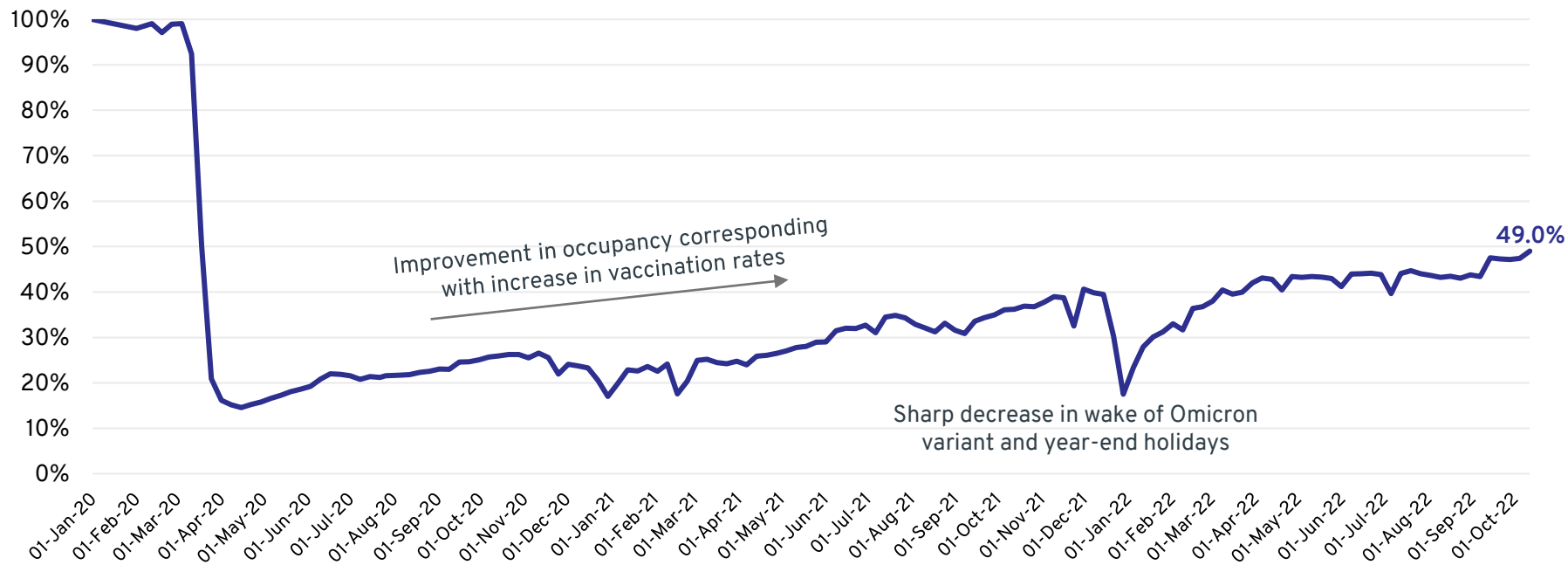
(5) CBRE U.S. Office Occupier Sentiment Survey, 2022

U.S. Office Physical Occupancy Rebounds

Occupancy levels showing signs of stabilisation and are expected to gradually improve for the rest of 2022

Kastle Back to Work Barometer⁽¹⁾

January 2020 – October 2022



**First choice
US office S-REIT
focused on the
fast-growing
TAMI, medical and
healthcare sectors
across key growth
markets in the U.S.**



Strategic presence in some of the fastest growing states in the U.S.



Exposure to the fast-growing TAMI, medical and healthcare sectors provides income resilience.



Highly diversified portfolio with low tenant concentration risk.



Resilient operating metrics with built-in average rental escalations for further organic growth.



Stable financial position to continue pursuing opportunities in key growth markets with a tech, medical and healthcare focus.

Thank You

For more information,
please visit www.koreusreit.com

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MSCI Singapore Small Cap Index



FTSE ST REIT Index,
FTSE EPRA Nareit Developed Index,
FTSE Global Small Cap Index



iEdge SG ESG Indices



CarbonCare Asia Pacific
Green REIT Index

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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.

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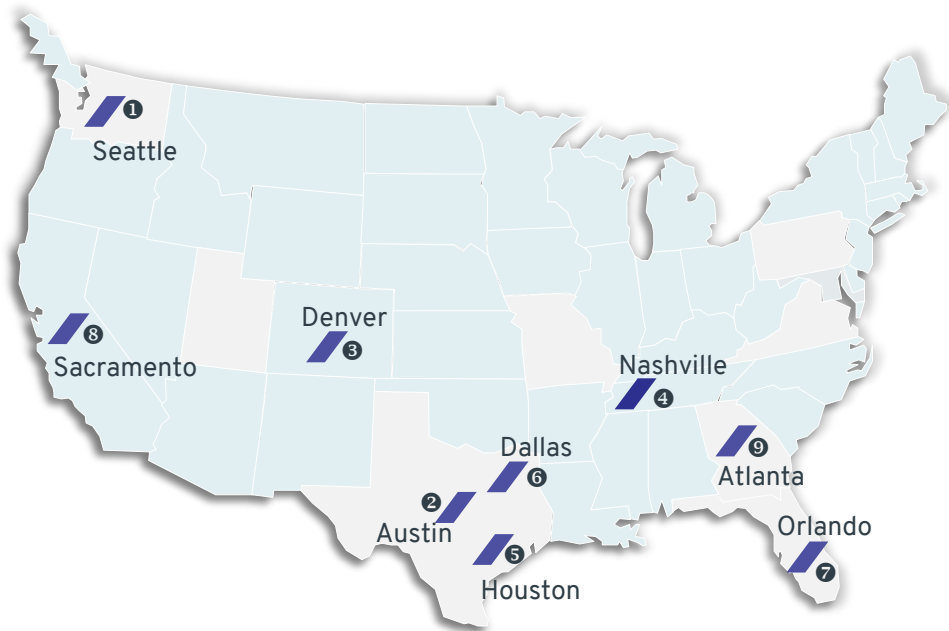
Additional Information





























Iron Point
Sacramento, California



KORE's Presence In Key Growth Markets

Popular in-migration destinations due to attractive lifestyle, culture and employment opportunities



1	Seattle, Washington		 	 #9	 #9
2	Austin, Texas		 	 #4	 #1
3	Denver, Colorado		 	 #12	
4	Nashville, Tennessee		 	 #1	
5	Houston, Texas				
6	Dallas, Texas				 #3
7	Orlando, Florida			 #18	
8	Sacramento, California				
9	Atlanta, Georgia			 #8	 #4

KORE's Properties

Magnet Cities⁽¹⁾

Super Sun-Belt Cities⁽¹⁾

18-Hour Cities⁽¹⁾

#x Top 20 US Markets to Watch, 2022⁽¹⁾⁽³⁾

#x Top 20 Best Tech Cities for IT Jobs 2021⁽²⁾

Képpel Pacific Oak US REIT

- (1) Emerging trends in Real Estate 2022 by PwC and the Urban Land Institute (ULI)
 (2) CompTIA - Tech Town Index 2021 - Top 20 Best Tech Cities for IT Jobs
 (3) Ranking based on overall real estate prospects;

Advancing Sustainability, Creating Value

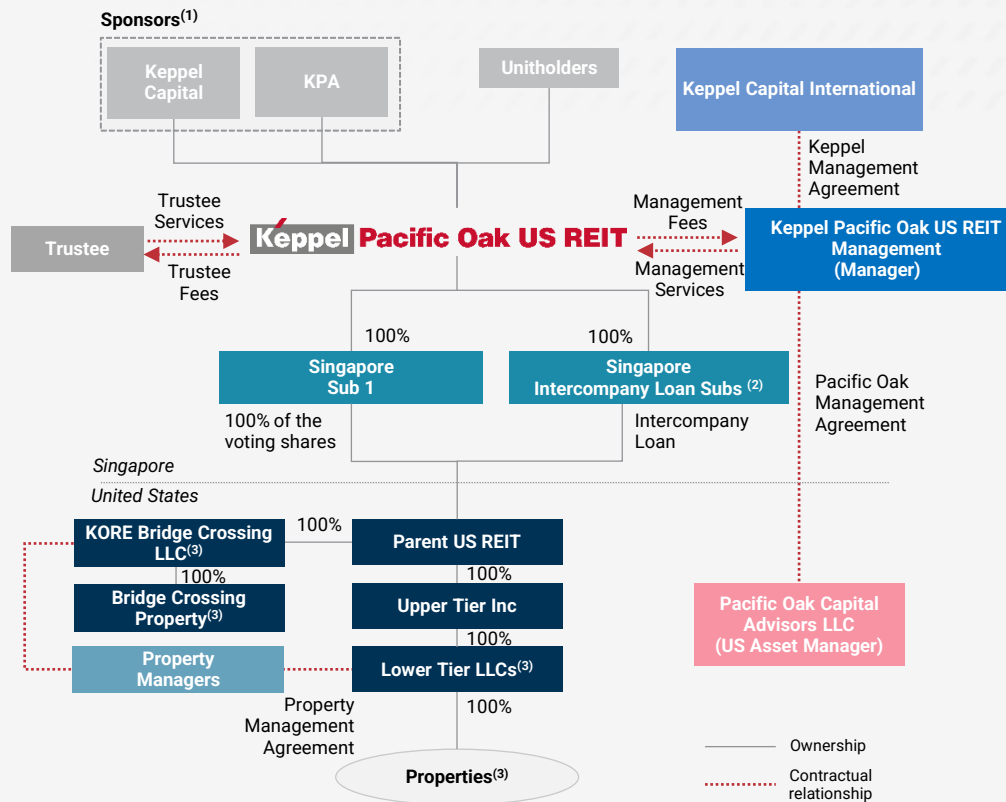
Execute sound fiscal and asset management strategy to drive growth and long-term value for Unitholders



Singapore Governance and Transparency Index 2022 9th out of 44 S-REITs and Business Trust	Governance Index for Trusts⁽²⁾ 2nd out of 45 S-REITs and Business Trust
Female Board Representation $\frac{1}{3}$ Directors are female	MSCI ESG Ratings⁽²⁾ BBB
GHG Emissions Target 30% reduction for Scopes 1 and 2 emissions ⁽¹⁾	Tenant Health and Safety Installation of needlepoint bipolar ionisation systems to reduce pollutants

Trust Structure

- ✓ **Tax-efficient structure for holding US properties**
 - No US corporate tax (21%) and US withholding tax (30%)
 - No Singapore corporate tax (17%) and Singapore withholding tax (10%)
 - Subject to limited tax
- ✓ **Leverage Sponsors' expertise and resources to optimise returns for Unitholders**
- ✓ **Alignment of interests among Sponsors, Manager and Unitholders**



- (1) Keppel Capital holds a deemed 7.3% stake in Keppel Pacific Oak US REIT (KORE). Pacific Oak Strategic Opportunity REIT, Inc. (KPA entity) holds a 6.1% stake in KORE. KPA holds a deemed interest of 1.2% in KORE, for a total of 7.3%.
- (2) There are four wholly-owned Singapore Intercompany Loan Subsidiaries extending intercompany loans to the Parent US REIT.
- (3) Bridge Crossing Property is held under KORE Bridge Crossing LLC, which in turn is held directly under Parent US REIT. The other properties in the portfolio are held under the various Lower Tier LLCs respectively.

Information as at 29 April 2022. Unitholding in KORE is subject to an ownership restriction of 9.8% of the total Units outstanding.

Strong Sponsors: Keppel Capital and KORE Pacific Advisors



- **Asset management arm of Keppel Corporation**
and a premier manager in Asia
- **US\$31 billion⁽¹⁾**
Global assets under management as at end-2021
- **~40 cities across key global markets**
Diversified portfolio of real estate, infrastructure,
data centres and alternative assets
- **17 Funds**
Over 200 professionals managing five listed REITs and
business trust and 12 private funds



- Established **commercial real estate investment manager** in the US
- **US\$4.0 billion**
Assets under management as at end-2021
- **Over 20 markets**
High quality commercial, single-family, multi-family,
hospitality real estate portfolio across the US
- **5 Funds**
Proven expertise in managing two public REITs and
three private funds