

Nomura Global Real Estate Forum

26 February 2021

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.

Content Outline

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Overview

Tenant lounge
The Westpark Portfolio
Redmond, Seattle, Washington





Tenant lounge, Bellevue Technology Center, Bellevue, Seattle, Washington

About Keppel Pacific Oak US REIT (KORE)

Distinctive US office REIT focused on **key growth markets** with **positive economic and office fundamentals** that generally outpace that of the US national average, as well as the average of the gateway cities

Focus on
key growth
markets in the US

Resilient
and diversified
portfolio with
low tenant
concentration
risk

Exposure to
high growth and
defensive tech
and healthcare
sectors

Sponsors

- Keppel Capital and KPA

US Asset Manager

- Pacific Oak Capital Advisors LLC, also advisor for Pacific Oak Strategic Opportunity REIT

Manager

- Keppel Pacific Oak US REIT Management Pte. Ltd.

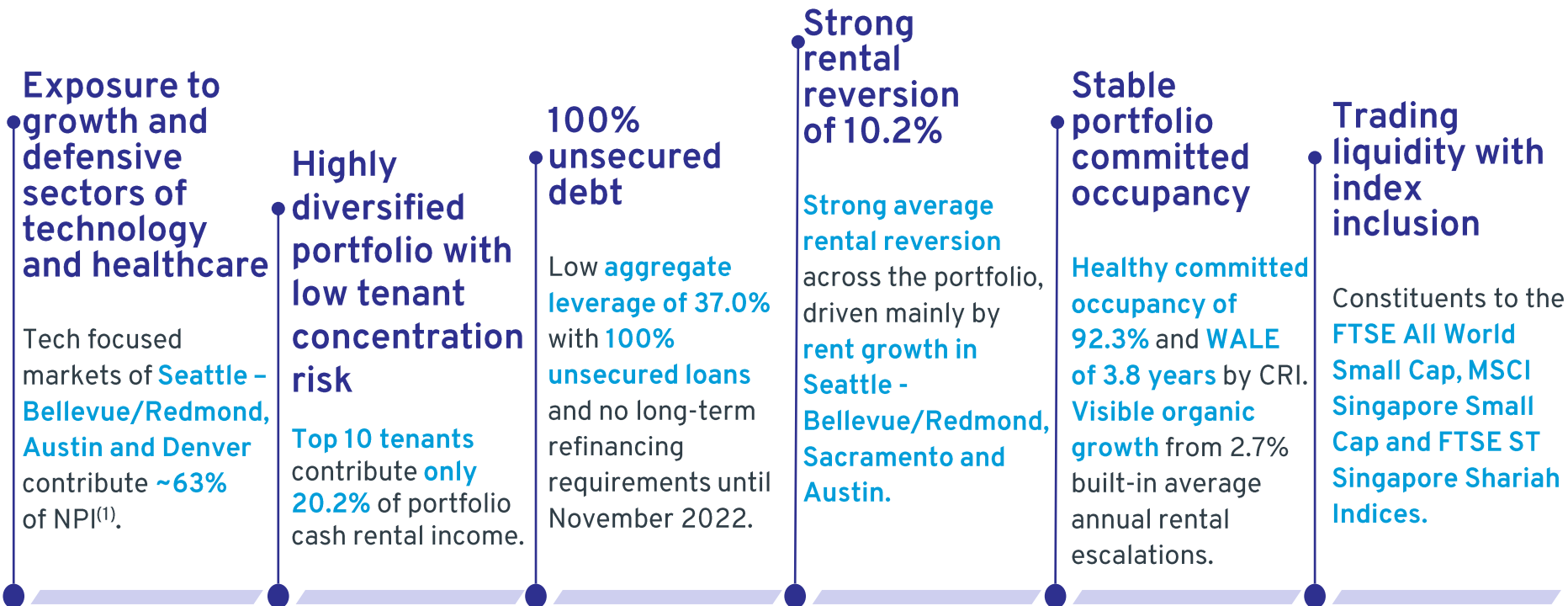
Investment Mandate

- 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**

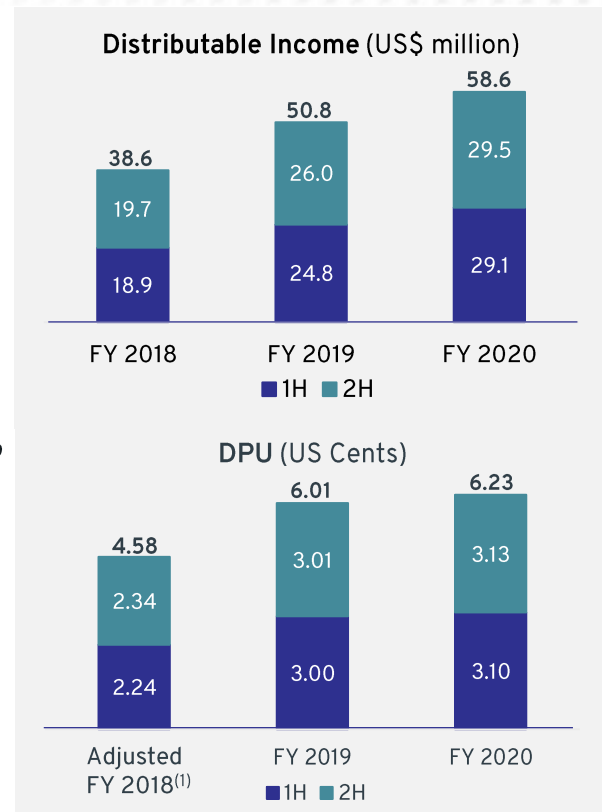
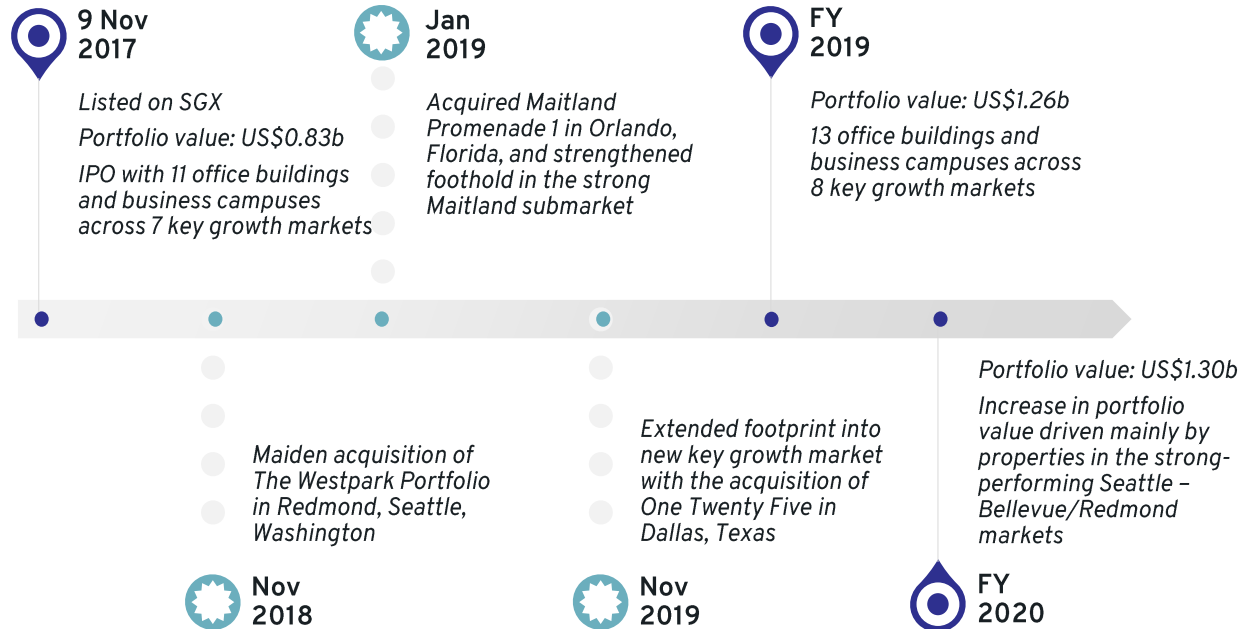
Distribution Policy & Distribution Currency

- Semi-annual distributions
- Distributions declared in US dollars

KORE Strengths



Steady Growth Since IPO



Key Growth Markets driven by Tech and Innovation

SEATTLE – BELLEVUE/REDMOND, Washington



The Plaza Buildings
Occupancy: 93.4%



Bellevue Technology Center
Occupancy: 96.1%



The Westpark Portfolio
Occupancy: 94.9%

ATLANTA, Georgia



Powers Ferry
Occupancy: 88.8%



Northridge Center I & II
Occupancy: 82.1%

DENVER, Colorado



Westmoor Center
Occupancy: 96.8%

SACRAMENTO, California



Iron Point
Occupancy: 97.8%

AUSTIN, Texas



Great Hills Plaza
Occupancy: 100.0%



Westech 360
Occupancy: 83.1%

HOUSTON, Texas



1800 West Loop South
Occupancy: 76.4%



Bellaire Park
Occupancy: 90.7%

ORLANDO, Florida



Maitland Promenade I & II
Occupancy: 94.5%

DALLAS, Texas



One Twenty Five
Occupancy: 95.2%

Overview

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

**Portfolio NLA
Over 4.7 million sf**

**Portfolio Value
US\$1.30 billion**

**Portfolio Committed
Occupancy (by NLA)
92.3%**

Resilient and Highly Diversified Portfolio

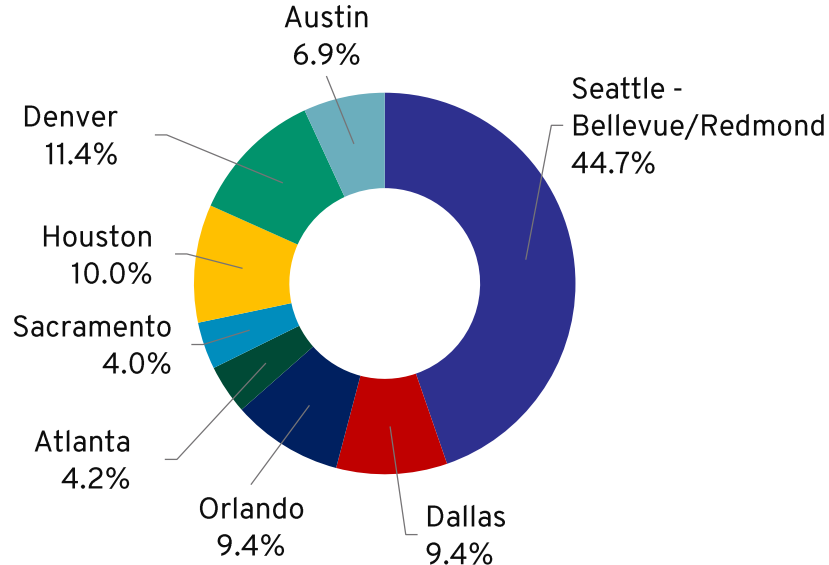


KORE's buildings and business campuses in the tech hubs of Seattle – Bellevue/Redmond, Austin and Denver contribute ~63% of NPI

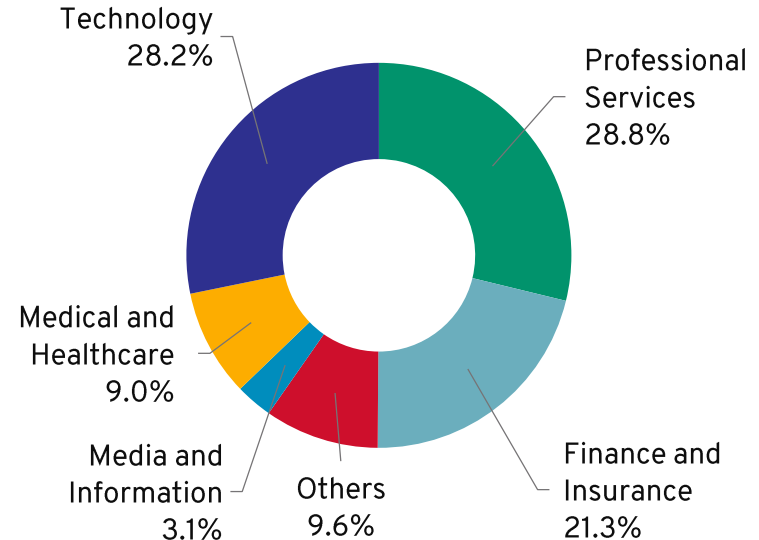


High quality and diverse tenants from the growing and defensive sectors of technology, as well as medical and healthcare

Geographic Diversification by NPI⁽¹⁾ contribution
as at 31 December 2020



Industry Diversification by NLA
as at 31 December 2020



Low Tenant Concentration Risk

Top 10 tenants contribute only 20.2% of CRI, and majority are from the fast-growing tech sectors

As at 31 December 2020

Top 10 Tenants	Sector	Asset	% of CRI
Ball Aerospace	Technology	Westmoor Center	3.3
Lear	Technology	The Plaza Buildings	2.8
Oculus VR	Technology	The Westpark Portfolio	2.3
Zimmer Biomet Spine	Technology	Westmoor Center	2.0
Spectrum	Media & Information	Maitland Promenade I	1.8
Unigard Insurance ⁽¹⁾	Finance & Insurance	Bellevue Technology Center	1.7
Bio-Medical Applications	Medical & Healthcare	One Twenty Five	1.7
US Bank	Finance & Insurance	The Plaza Buildings	1.6
Auth0	Technology	The Plaza Buildings	1.6
Reed Group	Technology	Westmoor Center	1.4
Total			20.2
WALE (by NLA)			4.5 years
WALE (by CRI)			4.8 years

FY2020 Performance

*Tenant space at
The Westpark Portfolio
Redmond, Seattle, Washington*



Continued Growth Despite the COVID-19 Pandemic



DI of US\$58.6 million for FY 2020 was 15.4% higher y-o-y, driven by contributions from One Twenty Five⁽¹⁾ and higher rental income from the rest of the portfolio

	FY 2020 (US\$'000)	FY 2019 (US\$'000)	% Change
Gross Revenue	139,590	122,886	13.6
Property Expenses	(56,607)	(48,133)	17.6
Net Property Income	82,983	74,753	11.0
Income Available for Distribution⁽²⁾	58,628	50,783	15.4
DPU (US cents)	6.23	6.01	3.7
Distribution Yield ⁽³⁾	9.0%	7.7%	130bps

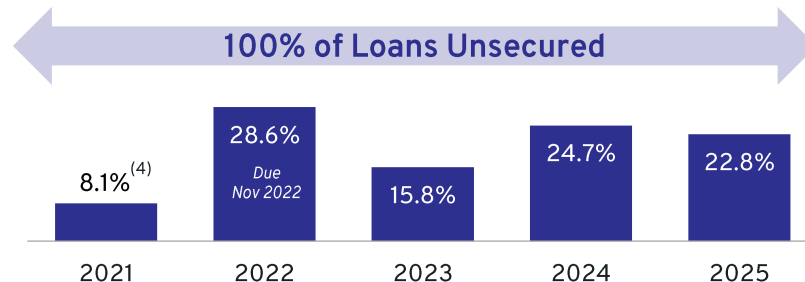
Robust Financial Position

Low aggregate leverage and 100% unsecured loans provide greater financial flexibility

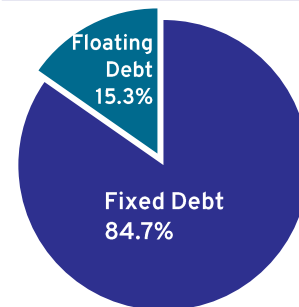
As at 31 December 2020

Total Debt	<ul style="list-style-type: none"> US\$505.7 million of external loans 100% unsecured
Available Facilities	<ul style="list-style-type: none"> US\$50.0 million of revolving credit facility US\$9.0 million of uncommitted revolving credit facility
Aggregate Leverage⁽¹⁾	37.0%
All-in Average Cost of Debt⁽²⁾	3.22 % p.a.
Interest Coverage⁽³⁾	4.7 times
Average Term to Maturity	2.9 years

Debt Maturity Profile



Interest Rate Exposure



Sensitivity to LIBOR⁽⁵⁾

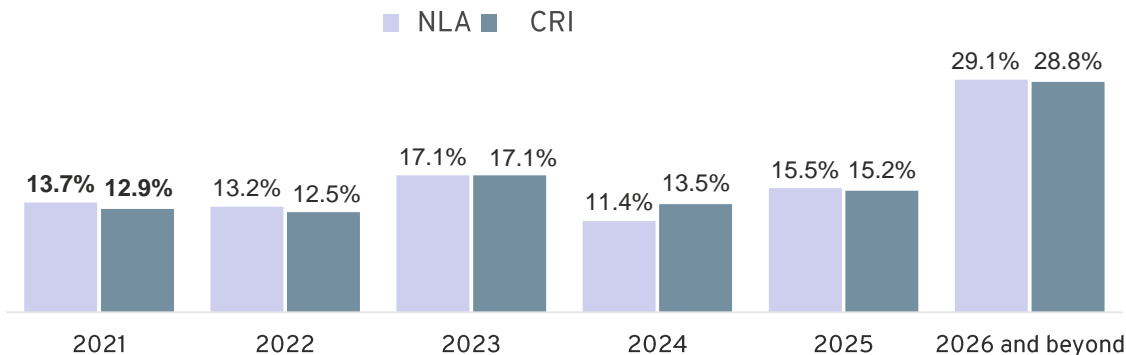
Every +50bps in LIBOR translates to -0.059 US cents in DPU p.a.

- (1) Calculated as the total borrowings and deferred payments (if any) as a percentage of the total assets.
- (2) Includes amortisation of upfront debt financing costs.
- (3) Interest Coverage Ratio (ICR) 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 management fees taken in Units, the ICR would be 5.1 times.
- (4) Refers to the US\$41 million uncommitted revolving credit facility drawn.
- (5) Based on the 15.3% floating debt, US\$41 million uncommitted revolving credit facility drawn which are unhedged and the total number of Units in issue as at 31 December 2020.

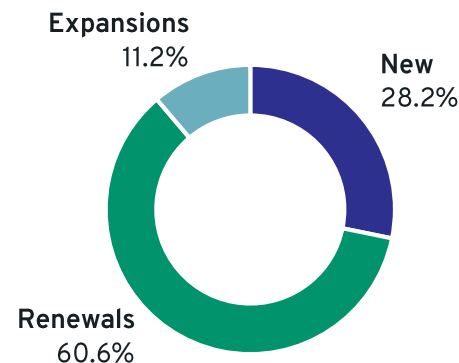
Healthy Leasing Momentum and Stable Income Stream

- Committed total of ~367,000 sf and ~121,500 sf of space in FY 2020 and 4Q 2020 respectively
 - Equivalent to 7.8% and 2.6% of portfolio NLA respectively
 - Leasing activity for the full year occurred mainly in Seattle - Bellevue/Redmond, Atlanta and Sacramento
 - Achieved strong rental reversion of 10.2% for the whole portfolio, driven mainly by strong rent growth in Seattle - Bellevue/Redmond, Sacramento and Austin
- Average rental collection for FY 2020 was ~99%, and ~99% for 4Q 2020⁽¹⁾
- Rental collections for October, November and December 2020 were ~99.3%, ~98.4% and ~98.5% respectively⁽¹⁾
- Committed portfolio occupancy was 92.3%⁽²⁾ and portfolio WALE was 3.8 years⁽³⁾ as at 31 December 2020
- 2.7 % built-in average annual rent escalations

Lease Expiry Profile as at 31 December 2020



Leases Signed in FY 2020



Business Continuity and Strength Through the Pandemic

✓ Strong rent collection is testament to KORE's portfolio and tenant quality

- Collected ~99% of rents in FY 2020, and ~99% for 4Q 2020⁽¹⁾
 - 100% of rent collected from top 10 tenants
- ~0.8% impact on FY 2020 NPI as a result of rent relief requests granted during the year
 - Limited rent deferment requests received in 4Q 2020, ~0.6% of NLA
 - Scheduled repayment of deferred rent has started for some tenants

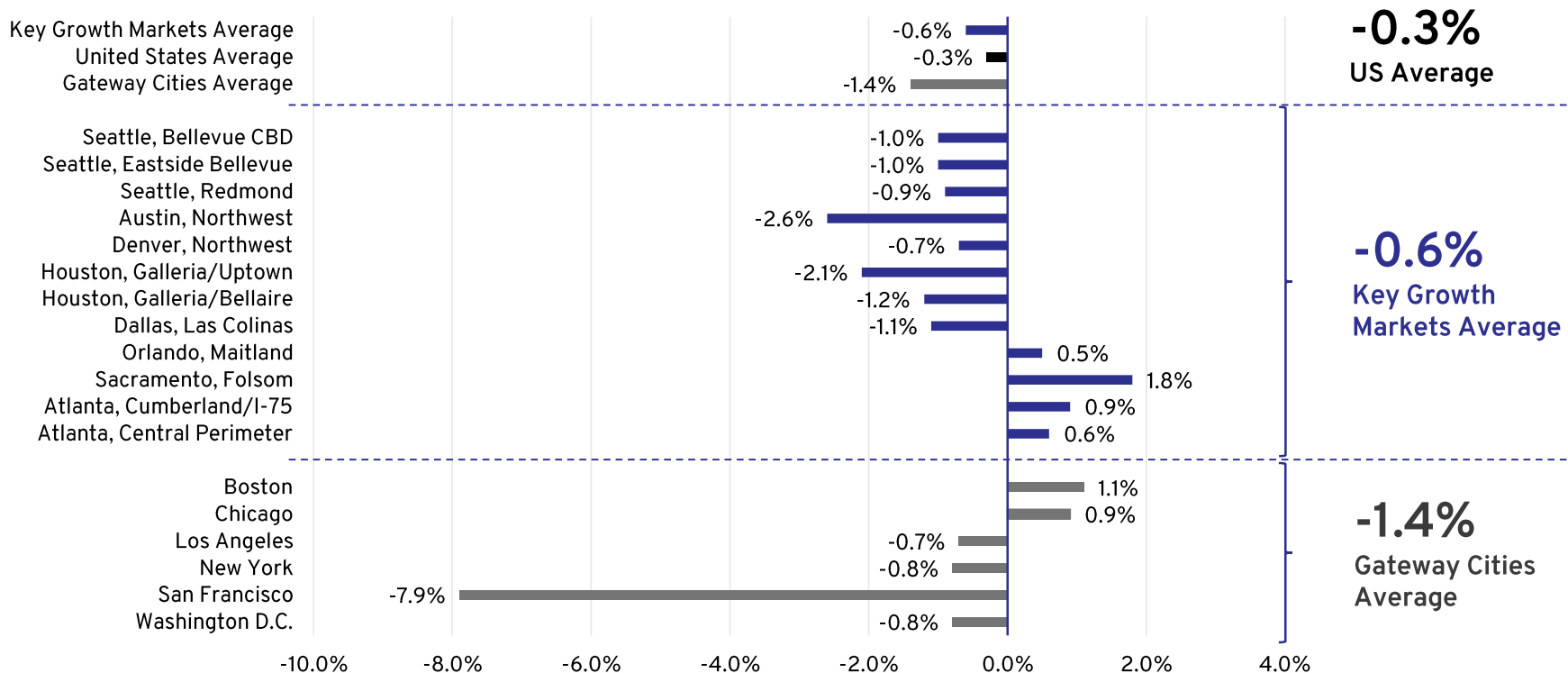
✓ Income resilience continues to be supported by

- **Highly diversified tenant base with low tenant concentration risk**
 - Limited retail exposure of <2% of CRI
 - Minimal co-working tenants at ~2% of CRI
 - Low exposure to oil & gas tenants at <1% of CRI
- **Average in-place rents are ~8% below asking rents**
 - Continue to capture positive rental reversions as leases expire, primarily supported by the strong Seattle – Bellevue/Redmond market
- **Continued healthy leasing activities** driven by demand from the finance, technology and professional services sectors



Projected 12-Month Rent Outlook

KORE's average in-place rents are ~8% below asking rents, which will continue to drive growth



First Choice Submarkets Outlook

Submarket <i>Property</i>	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>	6.6	7.9	-	(456.0)	3,155 ⁽¹⁾	(1.0)	(1.0)
Seattle, Eastside Bellevue <i>Bellevue Technology Center</i>	3.9	4.1	-	(86.2)	246.6 ⁽¹⁾	(0.9)	(1.0)
Seattle, Redmond <i>The Westpark Portfolio</i>	5.1	3.6	-	38.2	0.0	(0.7)	(0.9)
Austin, Northwest <i>Great Hills Plaza & Westech 360</i>	0.0 ⁽²⁾ / 16.9 ⁽³⁾	19.6	50.7	(523.0)	0.0	(1.5)	(2.6)
Denver, Northwest <i>Westmoor Center</i>	3.2	8.8	34.0	114.0	214.5 ⁽¹⁾	0.6	(0.7)
Houston, Galleria/Uptown <i>1800 West Loop South</i>	23.6	20.0	-	(655.0)	70.0	(0.8)	(2.1)
Houston, Galleria/Bellaire <i>Bellaire Park</i>	9.3	10.5	52.8	225.0	0.0	0.8	(1.2)
Dallas, Las Colinas <i>One Twenty Five</i>	4.8	21.8	32.5	(542.0)	22.5	(1.3)	(1.1)
Orlando, Maitland <i>Maitland Promenade I & II</i>	5.5	10.1	-	(60.9)	0.0	1.2	0.5
Sacramento, Folsom <i>Iron Point</i>	2.2	5.9	3.4	(90.2)	0.0	2.4	1.8
Atlanta, Cumberland/I-75 <i>Powers Ferry</i>	11.2	14.8	37.8	(406.0)	395.6 ⁽¹⁾	0.5	0.9
Atlanta, Central Perimeter <i>Northridge Center I & II</i>	17.9	18.6	960.0	(103.0)	429.2 ⁽¹⁾	(0.8)	0.6

Market Outlook

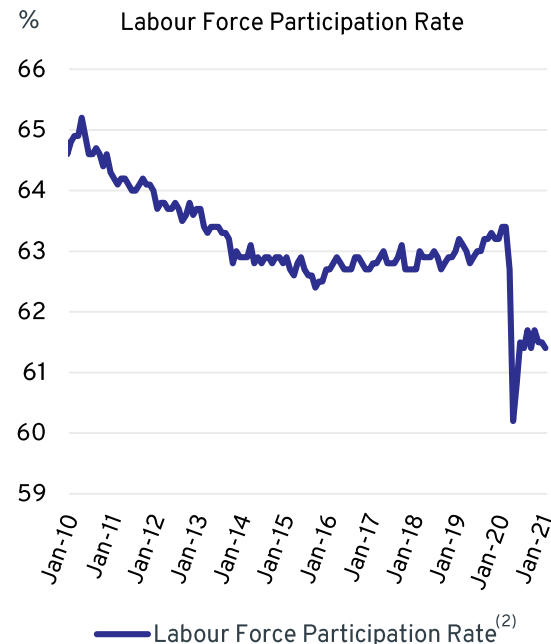
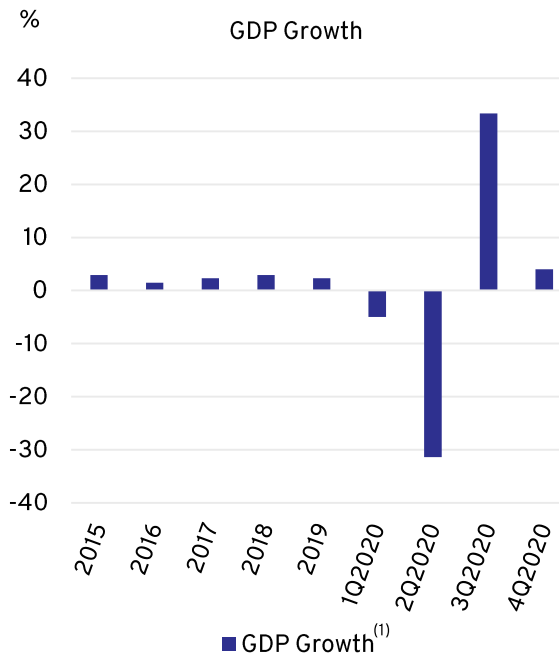
*Tenant space,
Westmoor Center
Denver, Colorado*



US Economy at a Glance

Recovery apace with continued resumption of economic activity in Q3 2020

- US Real GDP increased 4.0% q-o-q in 4Q 2020, following a 31.4% q-o-q decline in 2Q 2020⁽¹⁾
- Unemployment rate was 6.3% in January 2021, down from its peak of 14.8% in April 2020⁽²⁾
- Labour force participation rate was 61.4% in January 2021, with 7.0 million persons seeking jobs⁽²⁾
- Economy will continue to benefit from the US government's support:
 - Coronavirus Aid, Relief and Economic Security (CARES) Act
 - Additional US\$900 billion coronavirus relief package announced in December 2020 to aid US businesses, families and local governments



The Great American Move

Demographic trends accelerated by COVID-19 favour suburban locations due to logistical barriers and concerns over mass transit

2020 City Inflows and Outflows⁽¹⁾

Top Cities Gaining	Top Cities Losing
1. Austin, TX	1. Hartford, CT
2. Phoenix, AZ	2. New York City, NY
3. Nashville, TN	3. San Francisco Bay Area, CA
4. Tampa, FL	4. Chicago, IL
5. Jacksonville, FL	5. Cleveland, OH
6. Charlotte, NC	6. Norfolk, VA
7. Dallas, TX	7. Boston, MA
8. Denver, CO	8. Detroit, MI
9. Charleston, SC	9. Cincinnati, OH
10. Seattle, WA	10. Pittsburgh, PA

Sources: Bloomberg, LinkedIn, Council for Community and Economic Research

Accelerated by COVID-19⁽²⁾:

- Move to Sun Belt states
 - Suburban migration
 - Public open spaces
 - Building safety/health concerns
 - Affordable housing
- **Less dense:** COVID-19 has caused people to move out of large metro areas at higher rates in 2020 than in 2019⁽³⁾
 - **Bang for your buck:** People are leaving high-cost cities in exchange for lower cost of living⁽⁴⁾
 - **Tax incentives:** States with low-or zero-income taxes are attracting the most people and companies⁽⁵⁾
 - **Housing costs:** Amid the pandemic, people are flocking to cities with cheaper housing options⁽⁴⁾

(1) Data shows zip code changes on LinkedIn user profiles from April to October 2020

(2) Emerging trends in Real Estate 2021 – US & Canada by PwC and the Urban Land Institute

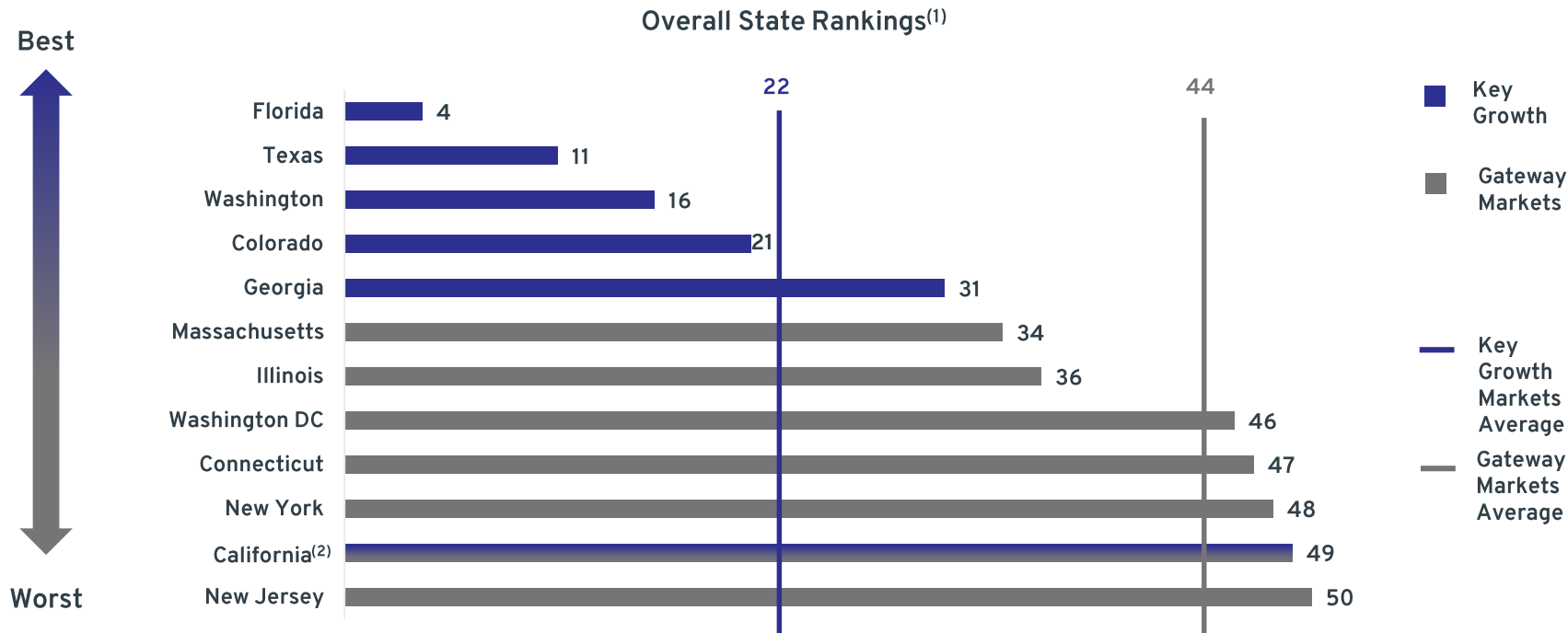
(3) Webster Pacific analytic and United Van Lines moving company, Bloomberg

(4) The Council for Community and Economic Research, Bloomberg

(5) Tax Foundation

2021 Rankings for Overall State Taxes

Lower overall tax rates in KORE's key growth markets vs gateway cities



Increased Mobility is Driving Corporate Relocations

- Accelerated by COVID-19, increased mobility is driving corporate relocations to states such as Texas and Florida for their tax and lifestyle advantages



- Hewlett Packard Enterprise is moving its HQ from Silicon Valley, California to Springwood, Houston



- Oracle is moving its HQ to Austin, Texas from Silicon Valley



- Charles Schwab is relocating its HQ from San Francisco to the Dallas-Fort Worth area in Texas ⁽¹⁾



- Elon Musk, the founder of Tesla, is leaving Silicon Valley for Texas and is currently building a 4m sf facility in East Austin



- Goldman Sachs is also weighing plans for a new South Florida hub to house its asset management division, joining firms such as Blackstone and Citadel ⁽²⁾

Bloomberg

Technology

Oracle Moves Headquarters to Texas, Joining Valley Exodus

By Nico Grant and Scott Deveau

December 12, 2020, 5:38 AM GMT+8

Updated on December 12, 2020, 7:45 AM GMT+8

- Company says shifting locations to give flexibility to workers
- Software maker follows HPE, Palantir in leaving California

CNN Elon Musk is leaving Silicon Valley for Texas. These millionaires and companies are joining him

By Clare Duffy, CNN Business

Updated 1612 GMT (0012 HKT) December 14, 2020



Hewlett Packard Enterprise is the latest tech company to leave Silicon Valley, and is moving to Houston

PUBLISHED TUE, DEC 1 2020-4:09 PM EST | UPDATED WED, DEC 2 2020-7:58 AM EST

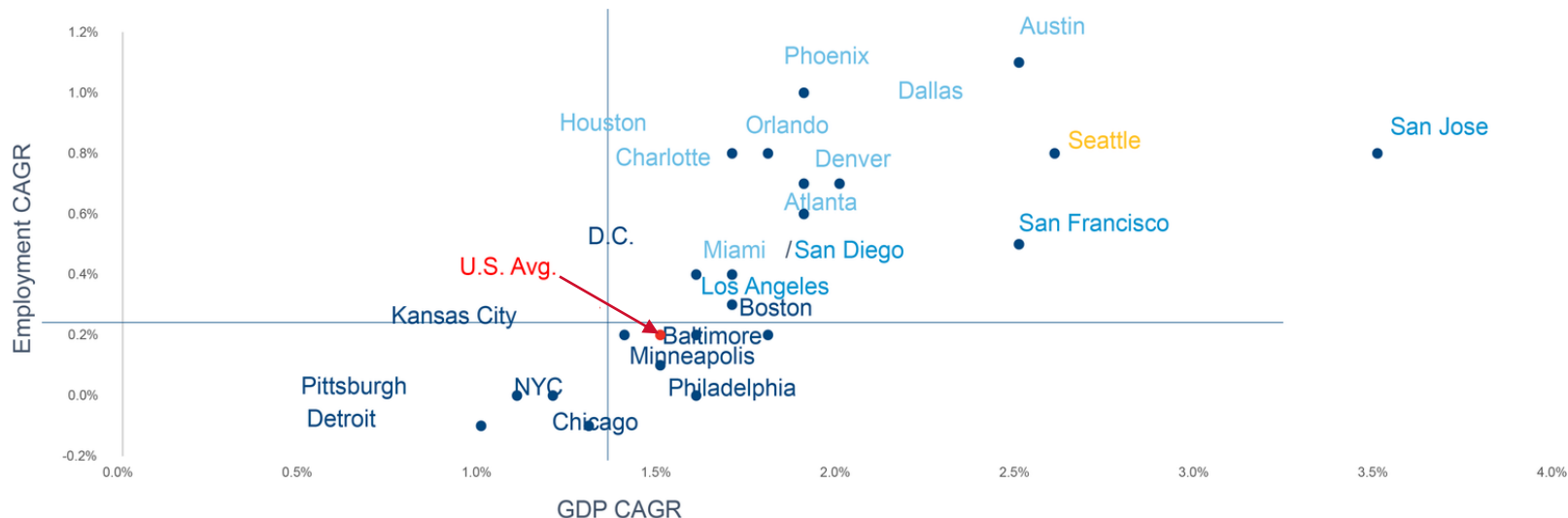
Spotlight on: Seattle – Bellevue/ Redmond

*Tenant lounge,
The Westpark Portfolio,
Redmond, Seattle,
Washington*



Seattle to Outperform in Employment and GDP Growth

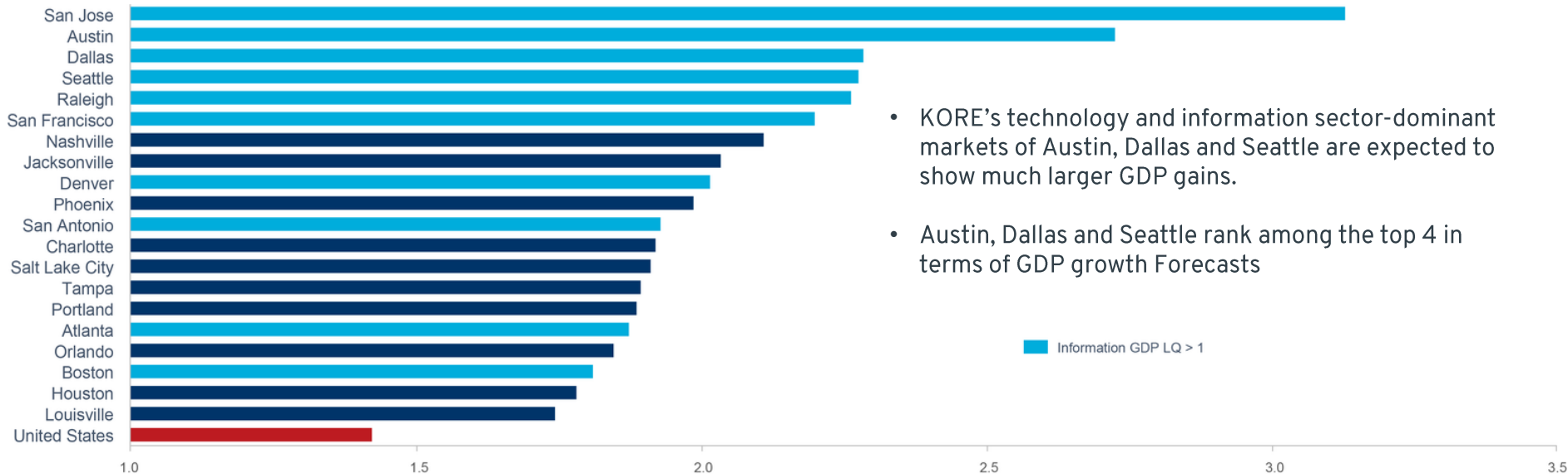
US Projected GDP & Employment Growth 2020-2024¹



- GDP and employment growth projections indicate Seattle and Austin are poised to outperform over the next 5 years
- Gateway cities such as San Francisco and New York are projected to see weaker employment and GDP growth
- Accelerated by COVID-19, these demographic tailwinds will continue to support growth in KORE's tech dominant markets of Seattle, Austin, and Denver²

Tech Markets Poised for Further Growth

Top 20 Major U.S. Metros - GDP Growth, 2020-2024⁽¹⁾



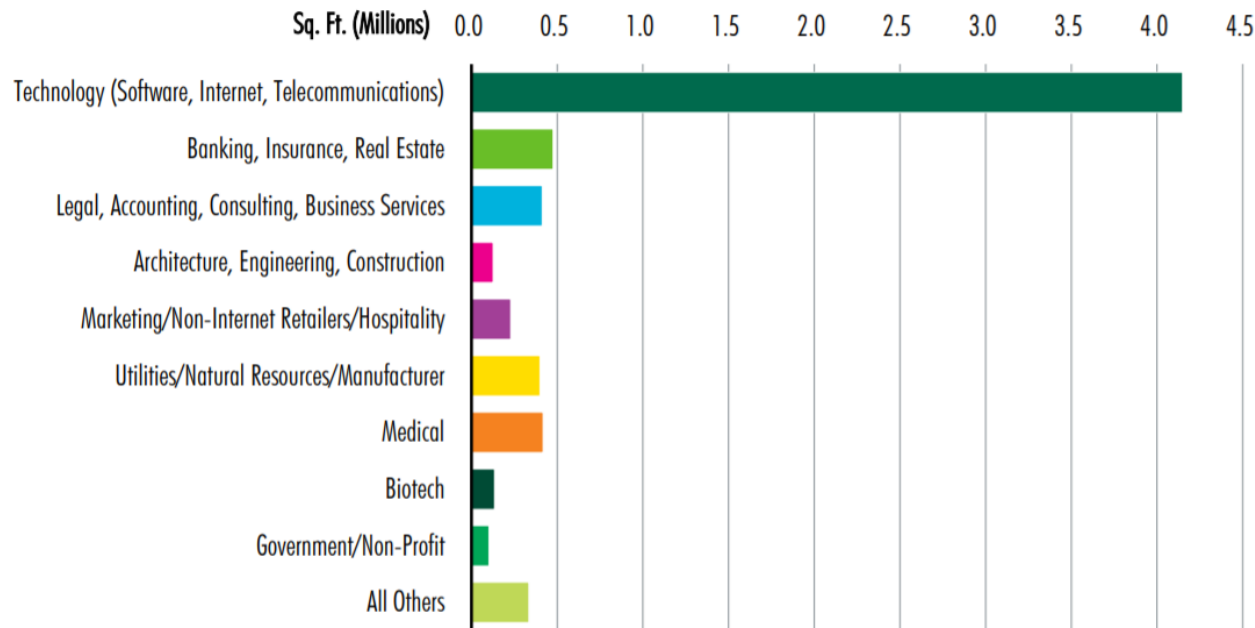
- KORE's technology and information sector-dominant markets of Austin, Dallas and Seattle are expected to show much larger GDP gains.
- Austin, Dallas and Seattle rank among the top 4 in terms of GDP growth Forecasts

Source: Oxford Economics, US Bureau of Economic Analysis

Tech to Lead Office Recovery

Over the last decade, the tech sector has become the core driver of economic growth in the US

New office leasing in Seattle by business sector (previous 12 months)



Source: CBRE Research, Q4 2020

- As the world accelerates towards a tech-driven economy, the tech sector is well poised to lead recovery and growth
- The Eastside markets of Bellevue and Redmond are attractive, flexible options for companies looking to escape the densely-populated downtown Seattle market and other areas that are dependent on public transportation

Tech Firms Led Some of the Largest Leases Signed in 2020

facebook

- Bought REI's 400,000 sf HQ in Sep 2020, expanding its Bellevue, Seattle area footprint to over 3 million sf⁽¹⁾
- Signed a 730,000 sf lease at the James A. Farley Building in Midtown Manhattan, New York⁽²⁾

amazon

- Pre-leased 555 Tower and West Main, totaling 2 million sf, downtown Bellevue, Seattle⁽³⁾
- Purchased the 630,000 sf Lord & Taylor Fifth Avenue Building in Midtown Manhattan, New York⁽⁴⁾

Microsoft

- Leased over 300,000 sf in Redmond, Seattle in 2020, including a 245,000 sf building in Esterra Park; as part of its massive campus redevelopment, which includes 17 new four- and five-story buildings that will total approximately 3m square feet⁽⁵⁾

Google

- In November 2020, Google increased its footprint in the Eastside Seattle with a purchase of 400,000 sf of office space in Kirkland, adding to the 200,000 sf it purchased earlier in August 2020⁽⁶⁾

Bloomberg

Technology

Facebook Buys REI Headquarters, Showing Life for Offices

By [Noah Buhayar](#)

September 15, 2020, 11:09 PM GMT+8

Updated on September 16, 2020, 2:04 AM GMT+8

- ▶ Property in Seattle suburb was never used by outdoor retailer
- ▶ Social media company still wants places for workers to gather



NEW YORK REAL ESTATE NEWS

Amazon nabs 2M sf of new office space near Seattle

E-commerce giant is planning a major expansion

National

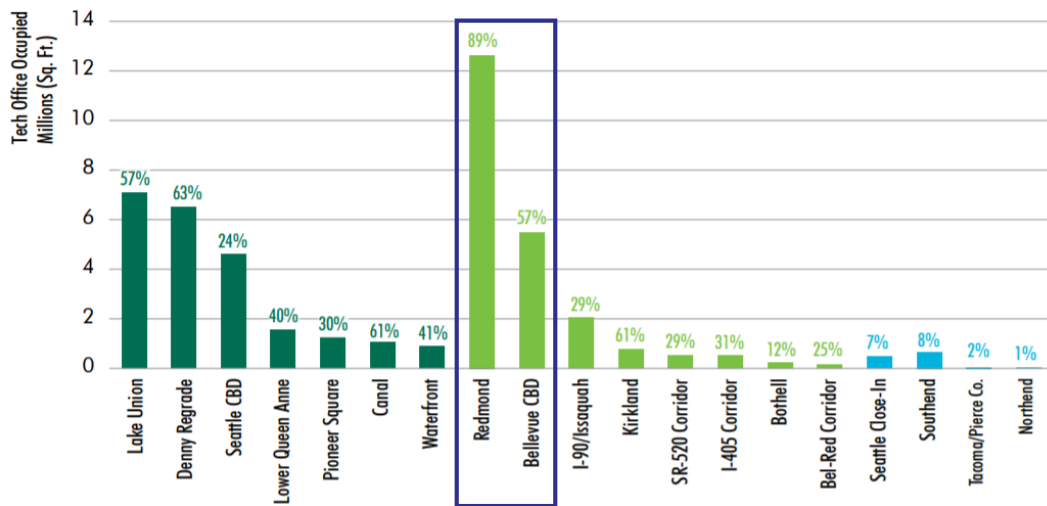
Sep. 04, 2020 04:15 PM

(1) <https://www.geekwire.com/2020/facebook-buys-reis-new-hq-367m-expanding-seattle-area-footprint-3m-square-feet/>; (2) <https://www.nytimes.com/2020/08/03/nyregion/facebook-nyc-office-farley-building.html>; (3) Amazon announcement, 25 September 2020; (4) Amazon announcement, 18 August 2020; (5) <https://news.theregistry.com/microsoft-solidifies-300000-sqft-plus-of-leases-in-redmond/>; (6) <https://www.geekwire.com/2020/google-keeps-growing-seattle-area-agrees-buy-10-acres-car-dealership-site-kirkland/>

KORE to benefit from Eastside – Bellevue/Redmond Tech Growth



Tech Percentage of Total Office Occupancy in Seattle⁽¹⁾



- Eastside Seattle continued to record tech investment and leasing interest in both the Bellevue CBD and Eastside Suburban markets as Seattle's established tech companies search for cheaper alternatives with strong tech talent outside of the Seattle CBD⁽²⁾
- As vaccine distribution picks up, the Eastside is poised for a modest revitalisation with its concentration of established technology companies

Committed to Deliver Long-Term Value



Constituent of:

- MSCI Singapore Small Cap Index



- FTSE All World Small Cap Index

**FTSE
Russell**

Thank You

For more information, please visit

www.koreusreit.com

Connect with us on:



Westech 360
Austin, Texas



Additional Information

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





One Twenty Five, Dallas, Texas

Healthy Balance Sheet

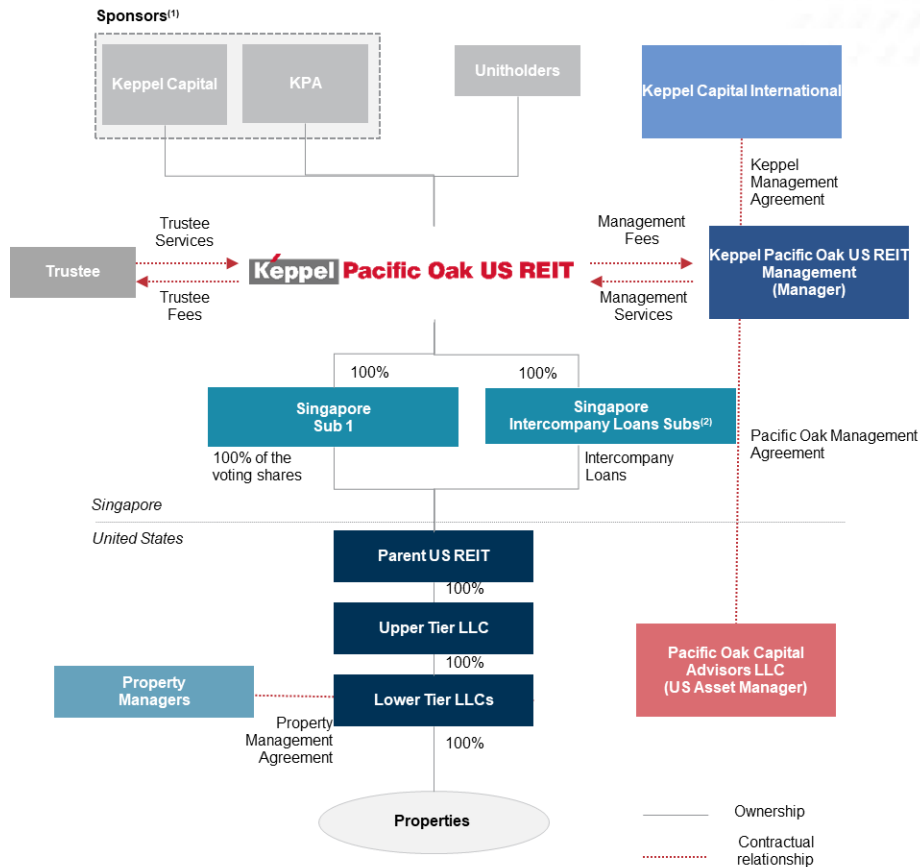
As at 31 December 2020	(US\$'000)
Total Assets	1,366,752
Investment Properties	1,304,900
Cash and Cash Equivalents	57,324
Other Assets	4,528
Total Liabilities	594,682
Gross Borrowings	505,720
Other Liabilities	88,962
Unitholders' Funds	772,070
Units in issue and to be issued ('000) ⁽¹⁾	945,265
NAV per Unit (US\$)	0.820
Adjusted NAV per Unit (US\$) ⁽²⁾	0.790
Unit Price (US\$)	0.690

Growing in Value

Increase in portfolio value driven mainly by properties in the strong-performing Seattle – Bellevue/Redmond markets

Property	As at 31 December 2020 (US\$ 'million)	As at 31 December 2019 (US\$ 'million)	Change (US\$ 'million)	Change (Percentage)
The Plaza Buildings <i>Seattle, Bellevue CBD</i>	312.0	275.0	37.0	13.5
Bellevue Technology Center <i>Seattle, Eastside Bellevue</i>	152.4	144.0	8.4	5.8
The Westpark Portfolio <i>Seattle, Redmond</i>	224.0	199.9	24.1	12.1
Great Hills Plaza <i>Austin, Northwest</i>	42.1	41.2	0.9	2.2
Westech 360 <i>Austin, Northwest</i>	49.2	49.5	(0.3)	(0.6)
Westmoor Center <i>Denver, Northwest</i>	121.4	132.0	(10.6)	(8.0)
1800 West Loop South <i>Houston, Galleria/Uptown</i>	79.9	82.0	(2.1)	(2.6)
Bellaire Park <i>Houston, Galleria/Bellaire</i>	52.9	53.0	(0.1)	(0.2)
One Twenty Five <i>Dallas, Las Colinas</i>	102.0	102.0	-	-
Maitland Promenade I & II <i>Orlando, Maitland</i>	92.3	96.0	(3.7)	(3.9)
Iron Point <i>Sacramento, Folsom</i>	42.3	39.4	2.9	7.4
Powers Ferry <i>Atlanta, Cumberland/I-75</i>	16.4	20.5	(4.1)	(20.0)
Northridge Center I & II <i>Atlanta, Central Perimeter</i>	18.0	22.0	(4.0)	(18.2)
Total Portfolio Value	1,304.9	1,256.5	48.4	3.9

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⁽²⁾

Leverage Sponsors' expertise and resources to optimise returns for Unitholders

Alignment of interests among Sponsors, Manager and Unitholders

- (1) Keppel Capital holds a deemed 8.0% stake in Keppel Pacific Oak US REIT (KORE). Pacific Oak Strategic Opportunity REIT, Inc. (KPA entity) holds a 6.8% stake in KORE. KPA holds a deemed interest of 1.2% in KORE, for a total of 8.0%.
- (2) There are three wholly-owned Singapore Intercompany Loan Subsidiaries extending intercompany loans to the Parent US REIT.

Information as at 8 February 2021. Unitholding in KORE is subject to an ownership restriction of 9.8% of the total Units outstanding.