Keppel Pacific Oak US REIT

(Constituted in the Republic of Singapore pursuant to a
trust deed dated 22 September 2017 (as amended))

ANNUAL GENERAL MEETING ON 3 JUNE 2020
RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS

Keppel Pacific Oak US REIT Management Pte. Ltd., as manager of Keppel Pacific Oak US REIT (the "**Manager**"), refers to:

(a) Keppel Pacific Oak US REIT's notice of annual general meeting ("**AGM**") dated 12 May 2020; and

(b) the accompanying announcement released on 12 May 2020 setting out, *inter alia*, the alternative arrangements relating to attendance at the AGM via electronic means.

The Manager wishes to inform that the responses to all substantial and relevant questions which have been submitted by unitholders shall be published in this announcement.

Please refer to **Annex A** hereto for the list of substantial and relevant questions, and the Manager's responses to these questions.

By Order of the Board
Keppel Pacific Oak US REIT Management Pte. Ltd.
(Company Registration Number: 201719652G)
as manager of Keppel Pacific Oak US REIT

Kelvin Chua
Company Secretary
2 June 2020

ANNEX A - LIST OF SUBSTANTIAL AND RELEVANT QUESTIONS AND ANSWERS

<table>
<tr><th>No</th><th>COVID-19 Impact</th><th>Responses</th></tr>
<tr><td>1</td><td>How has the COVID-19 impacted KORE’s financial and operational performance?</td><td rowspan="2">The COVID-19 pandemic has had a profound impact on the global economy, impacting businesses worldwide, including that of KORE.
In the US, the retail sector seems by far the most affected, and tenants in this sector, including those in medical retail, account for less than 2% of KORE’s total gross revenue, with the remaining being attributable to office spaces.

Since the onset of the pandemic, we have implemented precautionary measures across our portfolio to protect the health, safety and well-being of our employees and tenants. This includes increased frequency of cleaning for common areas and the provision of hand sanitisers, as well as the closing of fitness centres, lounges and conference rooms, while ensuring that all our properties remain safe, secure and operational.

On the leasing front, property tours have slowed across the US since the pandemic outbreak. In end-2019, we early renewed a number of the leases expiring in 2020, and signed a further 104,000 sf of office space, mainly in Seattle, Atlanta and Houston in 1Q 2020. These brought our percentage of leases due for renewal in 2020 to only 5.7% of the total portfolio by cash rental income as at the end of March 2020. Looking ahead, we can expect some near- to mid-term impact on our leasing activities. Nonetheless, we remain focused on delivering sustainable distributions and strong total returns to Unitholders over the long term. At the same time, we expect that KORE’s extensive and diversified tenant base, some of which are from the growth and defensive sectors such as technology, as well as medical and healthcare, will continue to support stable returns.</td></tr>
<tr><td>2</td><td>What is management doing to mitigate the impact from the COVID-19?</td></tr>
<tr><td>3</td><td>Are you expecting any significant loss of tenants?</td><td>As at end-March 2020, KORE has only 5.7% of leases by cash rental income due for renewal for the rest of 2020. Most of these are from our offices and business campuses in the tech hubs of Seattle.

Despite the COVID-19 situation, we remain cautiously optimistic of leasing performance in the Seattle market, which has shown robust growth as demonstrated over the past years.</td></tr>
<tr><td>4</td><td>How has rental collection been to date? Has the REIT experienced any significant increase in payment delays or rental defaults?</td><td>We have, to-date, collected over 90% of rents for the month of April 2020.</td></tr>
</table>

5	**Have you received requests for rent waivers, reductions or deferrals?** **And if so, which industries and sectors are they from, what percentage of the portfolio do they constitute and how is the REIT helping its tenants who may be facing cash flow issues?**	The majority of KORE's leases does not have pre-termination rights, neither are tenants entitled to rental rebates. In fact, such lease terms are not typical for smaller tenants, and only infrequently exist in larger and longer leases. We have, to-date, collected over 90% of rents for the month of April 2020. Nevertheless, we continue to be in close contact with our tenants, reaching out to understand their needs during this unprecedented time. We have, so far, received rental reduction requests from about 14% of our tenancies from across different industries. Most of these are not likely to be granted as many tenants have not even filled out our rent deferral questionnaires. Depending on negotiations with the specific tenant, as well as the specific business issues and remaining lease term, among other factors, we may grant some tenants rent deferrals with most being only for half of the monthly rent, but we expect these to be repaid over a timeframe of 12 to 18 months, though in some cases we may extend the lease for the length of the deferral instead. Notwithstanding any possible near-term impact from COVID-19, we remain confident about the long term prospects and are focused on delivering sustainable distributions and strong total returns to Unitholders. This is supported by a resilient portfolio that has an extensive and highly diversified tenant base, as well as low tenant concentration risk. As at 31 March 2020, KORE's top 10 tenants contribute only 19.5% of total cash rental income, with the largest tenant contributing only 3.5%.
6	**Have there been any government mandated tenant relief measures in the states that KORE operates in?**	No, there are no regulations that allow tenants to delay nor reduce rent payments. However, some cities have halted or plan to stop evictions temporarily, but we do not expect this to have significant impact on KORE's operations at this point in time.
7	**How have cities in KORE's portfolio been impacted by the pandemic? What about Houston – how has the oil crisis affected that market?**	Most cities, if not the entire states, had stay at home orders in place. Many states, including those where KORE owns properties, have since started the prudent approach of reopening their economies in phases, paving the way for some businesses to reopen with restrictions and enabling them to move forward with a careful and thoughtful balance of their state's health and economic needs. Office dynamics and economic fundamentals in most of our key growth markets remain sound with limited supply expected over the next few years. Before the onset of COVID-19 and recent current oil and gas crisis, Houston was still recovering from the previous financial and oil crises. It remains a challenging market for us, but we are cautiously optimistic of the long term prospects owing to our limited exposure to oil & gas tenants and location away from the traditional CBD and energy corridor, where most oil & gas tenants are located. Less than 1% of KORE's total portfolio by cash rental income comprise tenants from the O&G sector. Our two buildings – 1800 West Loop South and Bellaire Park are located in the Galleria submarket with tenants predominantly from the healthcare and medical and professional services.
8	**Several states are beginning to reopen to some degree over the last few weeks – what are the various stages of reopening within your submarkets?**	

9	**Will the Manager consider reducing its management fees during this period?**	The management base and performance fees are structured such that they are aligned with the REIT's performance, specifically distributable income and year-on-year increase in distribution per Unit respectively, and as such, there is no need to review the fee structure at this point in time.
10	**If the spread of COVID-19 extends into 2021, how will this impact KORE?**	It is too preliminary to provide an outlook at this juncture, but we can expect the economic, social and political ramifications of the virus to continue for some time. Many states, including those where KORE owns properties, have since started the prudent approach of reopening their economies in phases, paving the way for some businesses to reopen with restrictions and enabling them to move forward with a careful and thoughtful balance of their state's health and economic needs. We can expect some near- to mid-term impact to KORE's leasing activities, which could see a spill over effect on rents. That said, we remain confident of the mid- to long-term prospects of our key growth markets, many of which are seeing low or even zero oncoming supply in the next few years. The pandemic could also see corporations rethink their office space design and usage, as well as re-evaluate the employee-to-space ratio. We can potentially expect some corporations to adopt higher levels of remote working and gradually transition to a more flexible working culture that reduces their footprint. On the other hand, there are companies that are concerned about the impact that social isolation would have on productivity and innovation, and are therefore looking into de-densification to future-proof their space, and ensuring that it meets business continuity plans and increased health safety requirements. It is currently still too early to make predictions in terms of the space requirements of tenants coming out of this pandemic, but having a space where employees can gather and collaborate will likely remain essential to most businesses. Our overarching goal has always been to provide sustainable distributions and strong total returns for Unitholders, and we will continue to focus on optimising our portfolio of assets and strengthening our income to achieve our goal. A key component of our strategy is also to continue to invest in key growth markets where economic and office fundamentals are above the national average. KORE's strong performance in 2019 was in large part due to the contributions from the 2018 acquisition of The Westpark Portfolio in Seattle, Washington, as well as the 2019 acquisitions of Maitland Promenade I in Florida, Orlando, and One Twenty Five in Dallas, Texas. When we inevitably emerge from this pandemic, which will depend also on the pace of recovery of the US and global economies, we expect to continue to grow through value accretive acquisitions and strong organic growth. Potential investments will be carefully evaluated to make sure they are in the REIT and Unitholders' best interests.

11	**What is the likelihood of KORE embarking on an equity fund raising exercise to help tide it through the economic slowdown caused by COVID-19?**	An equity fund raising, if any, will most likely be tied to an acquisition, and we are cognisant that acquisitions in the current environment will likely be challenging. Nonetheless, we continue to be on the lookout and will seize opportunistic acquisitions, if and when they come along, and if it is in the REIT and its Unitholders' best interests. In addition, the REIT currently has sufficient committed and uncommitted revolving credit facilities to meet its current requirements.
12	**Post-COVID-19, how do you think the landscape for commercial assets and the office market will change?**	The pandemic will see corporations rethink their office space design and usage, as well as re-evaluate the employee-to-space ratio. We can potentially expect some corporations to adopt higher levels of remote working and gradually transition to a more flexible working culture that reduces their footprint. On the other hand, there are companies that are concerned about the impact that social isolation would have on productivity and innovation and are therefore looking into de-densification to future-proof their space, and ensuring that it meets business continuity plans and increased health safety requirements. It is currently still too early to make predictions in terms of the space requirements of tenants coming out of this pandemic but having a space where employees can gather and collaborate will likely remain essential to most businesses.
No	**Outlook**	**Responses**
13	**What is your outlook for growth over the next 12-18 months and how is management preparing for it?**	We can expect a near- to mid-term impact on our leasing activities given the current uncertainties, which could see a spill over effect on rents. That said, we remain confident of the mid- to long-term prospects of our key growth markets, many of which are seeing limited oncoming supply in the next few years.
14	**In the Chairman's Statement dated 20 February 2020, it was disclosed that the Manager "will continue to selectively acquire and deepen [the REIT's] footprint in key growth markets where key metrics, including economic, population and employment growth, generally outpace that of the US national average, as well as the average of the gateway cities".** **The global economy has been severely disrupted by the COVID-19 pandemic. Is the Manager making changes to the pace of its acquisitions?**	Acquisitions, if any, will likely be challenging given the current environment. Nonetheless, we continue to be on the lookout and will seize opportunistic acquisitions, if and when they come along. Our long-term plan is to continue growing through accretive acquisitions in key growth markets where metrics including employment, population and GDP growth generally outpace the US national average and where there are strong office demand and supply fundamentals. Potential investments, from both the Sponsor and third-party deals, will be carefully evaluated to make sure they are value accretive, and in the REIT and its Unitholders' best interests.

15	**What are KORE's ESG plans going forward?**	Sustainability remains an integral part of KORE's strategy. We also consider and integrate environmental, social and governance (ESG) standards and targets into KORE's business practices, where it makes business sense. Notwithstanding the current situation, we expect to continue with our planned sustainability upgrades at some of the properties. We believe such enhancements support our drive to create long-term value for our stakeholders,
No.	**Financials**	**Responses**
16	**The Monetary Authority of Singapore has raised the aggregate leverage to 50%. As at 31 December 2019, the REIT has an aggregate leverage of 36.9%. Will the Manager be utilising the higher aggregate leverage as a buffer or would the Manager be making use of the higher limit to acquire new assets?**	The increased leverage limit gives us greater flexibility and a larger debt headroom, but this is something we will utilise only if it makes business sense for the REIT and its Unitholders. That said, we would expect to keep leverage below the 45% level.
17	**Reference to page 2 of the Report to Unitholders 2019 where the Manager provided an overview of the Key Figures for 2019, including Growth in Distributable Income and Increase in Distribution per Unit (DPU).** **Would the Manager think that it would be more balanced if it had included a comparison to the actual DPU as well to give Unitholders a more holistic understanding of the "31.2% increase in DPU"? Would the Manager be able to provide a breakdown to show how much of the "31.2% increase in DPU" was due to better performance of the core assets on a year-to-year basis (for assets held in both years) and how much was due to acquisitions and the enlarged Unit base?**	The Adjusted DPU, which removes the effects of the enlarged Unit base, allows Unitholders to compare DPU for the respective periods on a like-for-like basis. At the same time, Unitholders can refer to the 'Financial Highlights' on page 6 of the Report to Unitholders 2019, which details comprehensively the following for the respective periods: - Available DPU (US cents) - DPU (US cents) restated for Rights Issue - Adjusted DPU (US cents) On the better performance, it was explained in the 'Financial Review' section on page 55 of the Report to Unitholders 2019 that this was driven mainly by: - positive rental reversion for the whole portfolio, especially from KORE's properties in the technology-focused markets of Seattle and Austin; - full-year contributions from The Westpark Portfolio, which was acquired in November 2018; as well as - the two acquisitions in January and November 2019 – Maitland Promenade I in Orlando, Florida, and One Twenty Five in Dallas, Texas, respectively. Unitholders can also refer to page 5 of KORE's 4Q and FY 2019 SGX announcement, which showed that approximately 7.5% of the Income Available for Distribution was contributed by the IPO portfolio and the remaining from the newly acquired properties.

18	**Would the Manager clarify how the adjustment has been made? Was the FY2018 DPU recalculated using the enlarged unit base (keeping the distributed amount constant)? Mathematically speaking, any increase in the number of units will "dilute" the prior year DPU. Any such year-on-year comparison may not be meaningful. If so, would the independent directors consider the current approach a fair and balanced way to make adjustments to prior-year DPU and to state that DPU increased by 31.2%?**	For a like-for-like comparison, the Adjusted DPU for FY 2018 (Actual) and Forecast FY 2019 were calculated based on the weighted average number of Units for FY 2019 of 843,917,481 Units to remove the effects of the enlarged Unit base in FY 2019, with the distributable amount constant. As explained above, Unitholders can also refer to the 'Financial Highlights' on page 6 of the Report to Unitholders 2019, which details comprehensively the following for the respective periods: - Available DPU (US cents) - DPU (US cents) restated for Rights Issue - Adjusted DPU (US cents)
19	**Would the Manager help Unitholders understand if the DPU used in the calculation for performance fees is on a realised basis or on an adjusted basis?**	For FY 2019, as we are still in the forecast period, the annual performance fee is based on 25.0% of the difference in actual DPU for FY 2019 with the unadjusted projected DPU of 6.32 US cents as listed in the Prospectus, multiplied by the weighted average number of Units in issue for such period. It should also be noted that for FY 2019, there were no performance fees earned by the Manager. For FY 2020 and beyond, the performance fees will be based on 25.0% of the difference in actual DPU in the financial year with the actual (unadjusted) DPU in the preceding financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Units in issue for the financial year.
No.	**Others**	**Responses**
20	**With regards to Resolution No. 2, I would like to suggest that the board engage mid-tier and less expensive audit firms like RSM & BDO as in the long run, this may result in costs savings which will in turn benefit investors.**	Ernst & Young (EY) was appointed as Keppel Pacific Oak US REIT's auditor since it listed in November 2017. As one of the top auditing firms globally, EY have a presence in Singapore and the US, and bring with them extensive real estate experience and expertise in cross border taxes and other regulations. On an annual basis, the Manager reviews and carefully considers the auditor's independence, expertise, experience, resources, and service offerings to assess its ability to provide the REIT with sound professional audit services.

<table>
<tr><td>22</td><td>How does KORE view itself against its peers? Especially with regards to building class, tenant mix, and markets?</td><td rowspan="2">KORE’s unique focus on investing in key growth markets where key metrics, including economic, population and employment growth, generally outpace the US national average and the average of the gateway cities, is a distinctive factor and a cornerstone of our strategy. We also have a high concentration on tenants from the growth and defensive technology and healthcare sectors, as well as a far more diversified tenant base and tenant mix with higher built in rent growth.</td></tr>
<tr><td>23</td><td>How do you account for the difference in share price performance versus your peers?</td></tr>
<tr><td>24</td><td>Can the REIT Manager point out the differences between the Pacific Oak Management Agreement and the former agreement with KBS?</td><td>There is no change to the scope of asset management functions provided by the US asset manager, Pacific Oak Capital Advisors LLC.

KORE continues to receive the full support of the same Core Plus Team that has been and will continue to exclusively source and manage core real estate for KORE.</td></tr>
</table>