Keppel REIT

UOB Kay Hian S-REITs Virtual Corporate Day

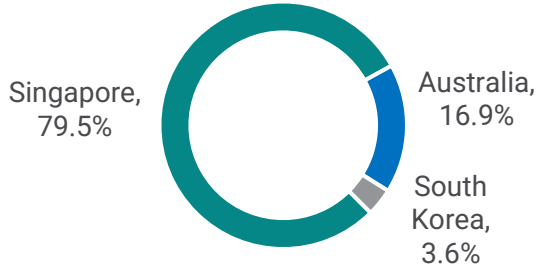
11 August 2021



Sustainable Pan-Asian Portfolio with Income Resilience

$8.7b

Grade A commercial portfolio with strong committed occupancy to an established and diversified tenant base





ESG Awards

- **BCA Green Mark Platinum** award for all Singapore assets
- 5 Stars and above in the **NABERS Energy** rating for majority of the Australian assets

ESG Benchmarking

- **ISS ESG corporate rating** – Prime status
- **Global Real Estate Sustainability Benchmark (GRESB)** – Green Star status

ESG Indices

- iEdge SG ESG **Transparency** Index
- iEdge SG ESG **Leaders** Index

Note: Information as of 30 Jun 2021 and assuming 275 George Street in Brisbane had been divested before 30 Jun 2021. Including 275 George Street, assets under management was $9.0b.

1H 2021 Key Highlights

2.94 cents

1H 2021 DPU(1)

Up 5.0% y-o-y; Comprises advanced distribution of 0.94 cents paid on 31 Mar 2021 and 2.00 cents to be paid on 27 Aug 2021

$105.7m

1H 2021 distributable income(1)

Up 11.5% y-o-y

38.9%(2)

Aggregate leverage as at 30 Jun 2021

Low all-in interest rate of 1.97% p.a.

96.7%

High portfolio committed occupancy as at 30 Jun 2021

6.2 years

Long portfolio weighted average lease expiry (WALE) as at 30 Jun 2021

Top 10 tenants' WALE was 11.2 years

Keppel Bay Tower

Completed acquisition of Grade A office building in Keppel Bay waterfront precinct on 18 May 2021



Continuing Portfolio Optimisation

Divestment of 275 George Street in Brisbane to realise attractive gains and provide financial flexibility

(1) *Includes advanced distribution of $32.2m (0.94 cents per Unit) for the period from 1 Jan 2021 to 28 Feb 2021 that was paid to eligible Unitholders on 31 Mar 2021, in connection with the private placement launched on 18 Feb 2021. Distribution for the period from 1 Mar 2021 to 30 Jun 2021 is 2.00 cents per Unit and will be paid on 27 Aug 2021.*

(2) *A contract of sale was entered into on 30 Jun 2021 for the divestment of 275 George Street which is targeted for completion in 3Q 2021. Assuming the entire amount of adjusted consideration is used to repay debt and related transaction costs before 30 Jun 2021, Keppel REIT's aggregate leverage would be lowered to 37.4%.*

Portfolio Review



Ocean Financial Centre, Singapore

Photo Credit: Central Narcotics Bureau

Continuing Portfolio Optimisation

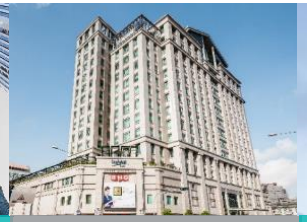
- Portfolio optimisation strategy to enhance income resilience and deliver sustainable total return to Unitholders
- Build a robust portfolio of quality and well-located assets across different markets for improved income stability and more long-term growth opportunities



Dec 2018: Divested 20% of Ocean Financial Centre in Singapore



May 2019: Acquired T Tower in Seoul



Nov 2019: Divested Bugis Junction Towers in Singapore



Jul 2020: Completed Victoria Police Centre in Melbourne



Dec 2020: Acquired Pinnacle Office Park in Sydney

Developments in 1H 2021:

- Acquired Keppel Bay Tower, a Grade A office building in the Keppel Bay waterfront precinct in HarbourFront on 18 May 2021
- Unlocking value with the divestment of 275 George Street in Brisbane



May 2021: Acquired Keppel Bay Tower in Singapore



Jun 2021: Signed contract of sale for 275 George Street in Brisbane

2018 2019 2020 **2021**



Divestment of 275 George Street, Keppel REIT's first Australian asset acquired in 2010

Unlocking Value with Divestment of Brisbane Asset

- Sale of 50% interest in 275 George Street is part of continuing portfolio optimisation and expected to complete in 3Q 2021
- Before redeployment to strategic and higher yielding growth opportunities, the divestment proceeds will be used to repay debt and transaction costs in the interim to enhance capital efficiency and manage borrowing costs

Divestment of 50% interest in 275 George Street, Brisbane	
Adjusted Consideration	A$264.0m(1) (7.8% above the last valuation(2), 59.0% above the original purchase price)
Estimated Accounting Gain(3)	A$9.8m (approximately $10.0m)

(1) *Aggregate sale consideration of A$275.0m net of A$11.0m of outstanding incentives, capital expenditures and related costs payable to the Northbank Trust, which is wholly owned by Charter Hall Prime Office Fund, before transaction costs.*
(2) *Valuation by CBRE Valuations Pty Limited as at 31 Dec 2020.*
(3) *Based on the last valuation of A$245.0m as at 31 Dec 2020, after transaction costs and capital gains tax.*

Grade A Portfolio with High Occupancy and Long WALE

$8.7b portfolio in key business districts of Singapore, Australia and South Korea enhances income diversification and long-term stability

Pinnacle Office Park, Sydney
100% Interest
Occupancy: 90.0%



8 Chifley Square, Sydney
50% Interest
Occupancy: 100%



8 Exhibition Street, Melbourne
50% Interest
Occupancy: 96.0%



Victoria Police Centre, Melbourne
50% Interest
Occupancy: 100%



Australia
16.9%

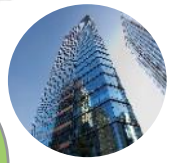
275 George Street, Brisbane
(pending divestment completion)
50% Interest
Occupancy: 90.6%





David Malcolm Justice Centre, Perth
50% Interest
Occupancy: 100%

South Korea
3.6%



T Tower, Seoul
99.4% Interest
Occupancy: 100%

Singapore
79.5%



Ocean Financial Centre
79.9% Interest
Occupancy: 96.5%



Marina Bay Financial Centre
33.3% Interest
Occupancy: 97.6%



One Raffles Quay
33.3% Interest
Occupancy: 96.8%



Keppel Bay Tower
100% Interest
Occupancy: 97.7%

Note: Information as of 30 Jun 2021 and assuming 275 George Street in Brisbane had been divested before 30 Jun 2021. Including 275 George Street, assets under management was $9.0b.

1H 2021 Portfolio Update

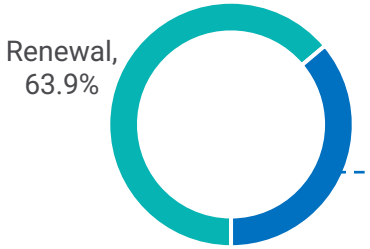
Total Leases Committed
~721,500 sf
(Attributable ~319,000 sf)

Retention Rate
60%[1]

Leases Committed by Geography[2]



Leases Committed by Type[2]



New leasing demand and expansions from:

Banking, insurance and financial services	32.6%
Manufacturing and distribution	29.5%
Technology, media and telecommunications	20.3%
Energy, natural resources, shipping and marine	7.3%
Legal	6.4%
Real estate and property services	1.5%
Government agency	1.0%
Accounting and consultancy services	0.7%
Retail and F&B	0.7%

- High portfolio committed occupancy of 96.7%
- Long overall portfolio WALE of 6.2 years (Singapore portfolio: 2.9 years, Australia portfolio: 12.5 years, South Korea portfolio: 2.2 years); Top 10 tenants' WALE was 11.2 years
- Rental collection remained healthy, while outstanding rent deferrals were reduced to $0.5m as tenants progressively repay their deferred rents

Rental collection[3]
99%
in 1H 2021

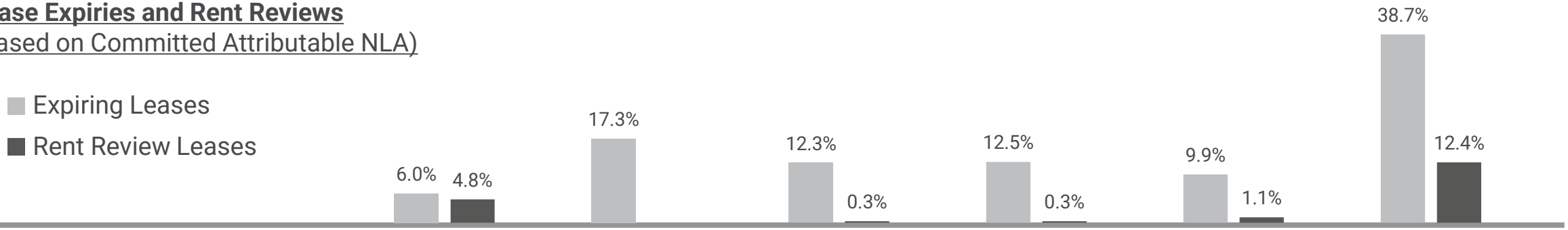
Tenant relief measures
~$1.6m
granted in 1H 2021

(1) For 1H 2021. Retention rate for 2Q 2021 was 79%.
(2) Based on committed attributable area.
(3) Rent deferrals are excluded from rental collection in 1H 2021.

1H 2021 Portfolio Update (Cont'd)

- Average signing rent for Singapore office leases[(1)] concluded in 1H 2021 was $10.73 psf pm
- Average expiring rents of Singapore office leases[(2)](psf pm): $10.03 in 2021, $10.26 in 2022 and $10.90 in 2023

Lease Expiries and Rent Reviews
(Based on Committed Attributable NLA)



	2021	2022	2023	2024	2025	2026 and beyond
Lease Expiries and Rent Reviews (Based on Committed Attributable Gross Rent)						
Expiring leases	6.5%	18.7%	13.3%	15.2%	11.5%	34.8%
Rent review leases	5.6%	-	0.4%	0.3%	1.4%	11.1%
Geographic Breakdown of Expiries and Rent Reviews[(3)]						
Singapore	9.0%	13.3%	9.1%	11.4%	8.4%	13.5%
Australia	1.3%	1.7%	2.2%	1.3%	2.5%	36.6%
South Korea	0.5%	2.3%	1.3%	0.1%	0.1%	1.0%

(1) Weighted average for Ocean Financial Centre, Marina Bay Financial Centre and One Raffles Quay. Simple average signing rent was $10.95 psf pm.
(2) Weighted average based on attributable NLA of office lease expiries and rent reviews in Ocean Financial Centre, Marina Bay Financial Centre and One Raffles Quay.
(3) Based on committed attributable area.

Established and Diversified Tenant Base

- Keppel REIT has a diversified tenant base of 385[(1)] tenants, many of which are established blue-chip corporations

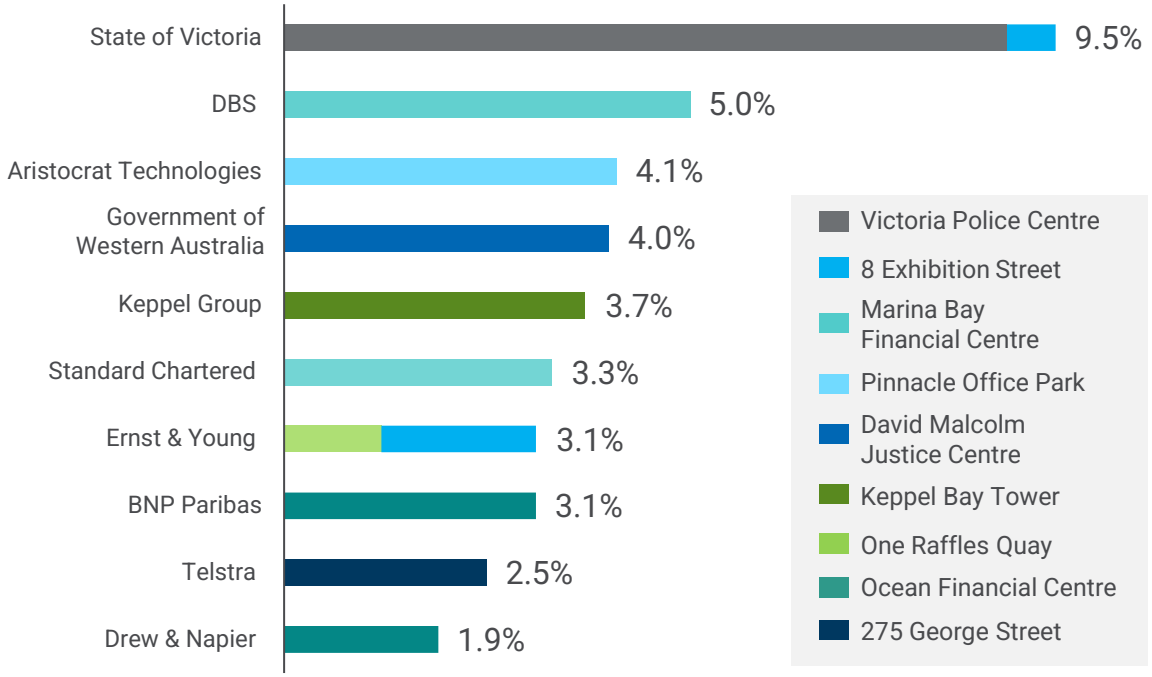
- Top 10 tenants take up 40.2% of NLA and contribute 35.6% of gross rent



Tenant Business Sector

Banking, insurance and financial services	29.2%
Technology, media and telecommunications	15.5%
Government agency	14.8%
Energy, natural resources, shipping and marine	7.4%
Legal	6.7%
Manufacturing and distribution	6.7%
Real estate and property services	5.9%
Accounting and consultancy services	4.4%
Services	4.3%
Retail and food & beverage	2.5%
Others	2.6%
Total	**100%**

Top 10 Tenants



Note: All data as at 30 Jun 2021 and based on portfolio committed NLA.
(1) Tenants with multiple leases were accounted as one tenant.

Portfolio Valuation

- Excluding Keppel Bay Tower, Singapore building valuations remained largely stable with a 0.9% decrease in Marina Bay Financial Centre Tower 3's valuation due mainly to potential occupancy changes and lower rental assumptions

Valuation based on attributable interest	31 Dec 2020	30 Jun 2021	Variance		30 Jun 2021	Cap Rate
			S$	%		
Ocean Financial Centre (79.9% interest)	S$2,066.2m	S$2,066.2m	-	-	S$2,955psf	3.50%
Marina Bay Financial Centre (33.3% interest)	**Towers 1 & 2, and MBLM[1]:** S$1,665.0m	S$1,665.0m	-	-	S$2,881psf	3.45%[2]
	Tower 3: S$1,277.3m	S$1,265.3m	(S$12.0m)	(0.9)	S$2,840psf	3.63%
One Raffles Quay (33.3% interest)	S$1,240.0m	S$1,240.0m	-	-	S$2,811psf	3.45%
Keppel Bay Tower (100% interest)	-	S$667.3m	S$667.3m	n.a.	S$1,726psf	3.60%
Singapore Portfolio	**S$6,248.5m**	**S$6,903.8m**				

(1) Refers to Marina Bay Link Mall.
(2) Refers to MBFC Towers 1 and 2.

Portfolio Valuation (Cont'd)

- Valuation increase of 0.5-5.4% at certain Australian properties due mainly to cap rate compression
- Valuation of T Tower in Seoul increased 1.8% due to cap rate compression

Valuation based on Keppel REIT's interest	Local currency				S$				
	31 Dec 2020	30 Jun 2021	Variance A$	Variance %	31 Dec 2020	30 Jun 2021	Variance S$	30 Jun 2021	Cap Rate
8 Chifley Square[1] (50% interest)	A$234.5m	A$234.5m	-	-	S$231.5m	S$239.9m	S$8.4m	A$24,258 psm	4.63%
Pinnacle Office Park[1] (100% interest)	A$306.1m	A$307.5m	A$1.4m	+0.5	S$302.1m	S$314.6m	S$12.5m	A$8,780 psm	5.13%
8 Exhibition Street[1,2] (50% interest)	A$259.5m	A$273.4m	A$13.9m	+5.4	S$256.2m	S$279.7m	S$23.5m	A$12,028 psm	5.00%[3]
Victoria Police Centre[1] (50% interest)	A$385.0m	A$385.0m	-	-	S$380.0m	S$393.9m	S$13.9m	A$11,379 psm	4.50%
275 George Street[1] (50% interest)	A$245.0m	Note 4	n.a.	n.a.	S$241.8m	Note 4	n.a.	n.a.	n.a.
David Malcolm Justice Centre[1] (50% interest)	A$232.5m	A$235.0m	A$2.5m	+1.1	S$229.5m	S$240.4m	S$10.9m	A$15,076 psm	5.38%
Australia Portfolio	**A$1,662.6m**	**A$1,435.4m**[5]			**S$1,641.1m**	**S$1,468.5m**[5]			
T Tower[6] (99.4% interest)	KRW 260.2b	KRW 264.7b	KRW 4.6b	+1.8	S$314.3m	S$315.3m	S$1.0m	KRW 21.2m/py	3.80%
Total Portfolio					**S$8,203.9m**	**S$8,687.7m**[5,7]	**S$483.8m**[5]		

(1) Based on the exchange rates of A$1=S$0.9871 as at 31 Dec 2020 and A$1=S$1.0231 as at 30 Jun 2021.
(2) Includes 100% interest in the three adjacent retail units.
(3) Refers to Keppel REIT's 50% interest in the office building.
(4) 275 George Street was not revalued as at 30 Jun 2021 as a contract of sale was entered into on 30 Jun 2021, with completion targeted in 3Q 2021.
(5) Assuming 275 George Street had been divested before 30 Jun 2021.
(6) Based on the exchange rate of KRW 1,000 = S$1.208 as at 31 Dec 2020 and KRW 1,000 = S$1.191 as at 30 Jun 2021.
(7) Due to rounding to the nearest 1 decimal place, numbers in the table may not add up exactly to the total .

Meeting Diverse Tenant Needs

Robust portfolio of Grade A office properties that caters to tenants' diverse business needs

Quality Workplaces with Strong ESG Focus

Grade A office buildings that are well managed with sustainable and technologically-advanced features

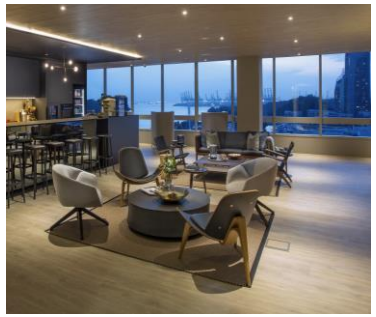





Fitted/Flexible Solutions

Providing greater tenant flexibility with fully fitted out spaces and/or flexible space operators in Keppel REIT's portfolio





Hub-and-Spoke Business Model

Offering alternatives to tenants seeking cost-effective solutions or dual locations for business continuity purposes




Market Update

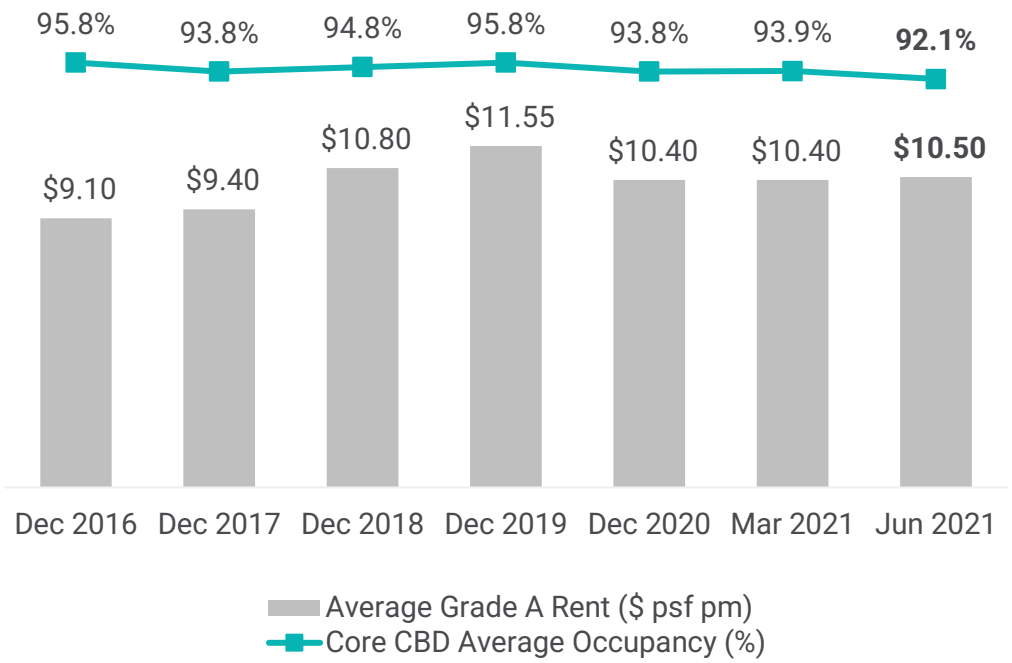


Pinnacle Office Park,
Sydney

Singapore Office Market

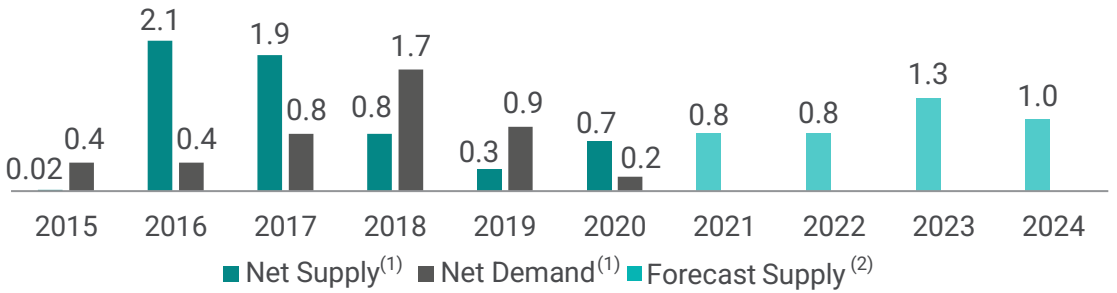
- Average core CBD Grade A office rents increased slightly to $10.50 psf pm in 2Q 2021 while average occupancy in core CBD decreased to 92.1%

Grade A Rent and Core CBD Occupancy



Source: CBRE, 2Q 2021.

Demand and Supply



Key Upcoming Supply in CBD(2)		sf
2H 2021	CapitaSpring	635,000
2022	Guoco Midtown	650,000
	Hub Synergy Point Redevelopment	131,200
2023	IOI Central	1,258,000
	333 North Bridge Road	40,000
2024	Keppel Towers Redevelopment	525,600
	Shaw Towers Redevelopment	435,600

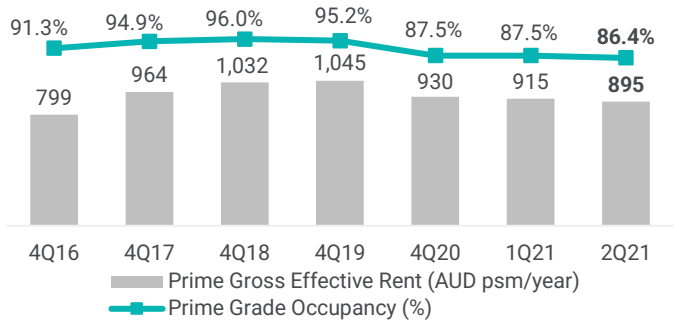
(1) Based on URA data on historical net demand and supply of office space in Downtown Core and Rest of Central Area. Supply is calculated as net change of stock over the year and may include office stock removed from market due to demolitions or change of use.

(2) Based on CBRE data on CBD Core and CBD Fringe.

Australia Office Market

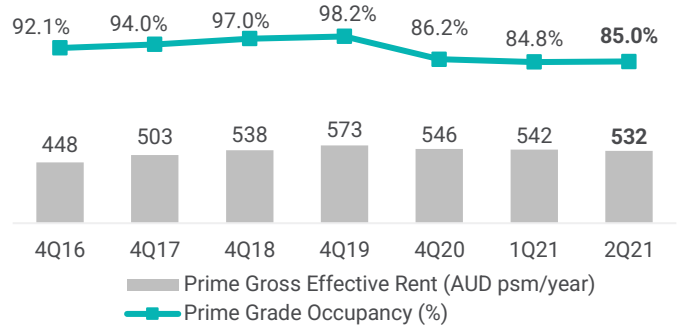
Sydney CBD

Prime Grade occupancy was lower at 86.4%



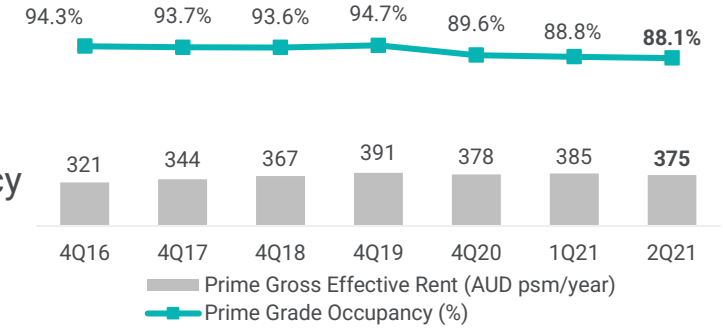
Melbourne CBD

Prime Grade occupancy was higher at 85.0%



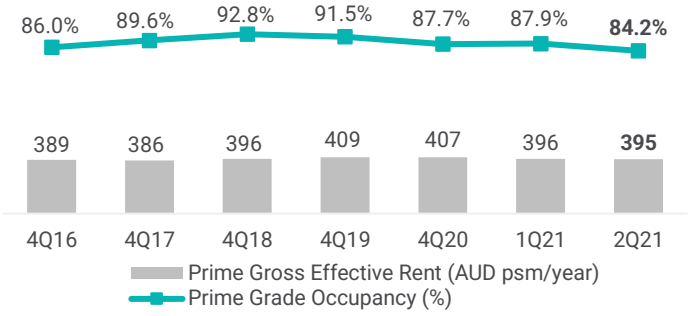
Macquarie Park

Prime Grade occupancy was lower at 88.1%



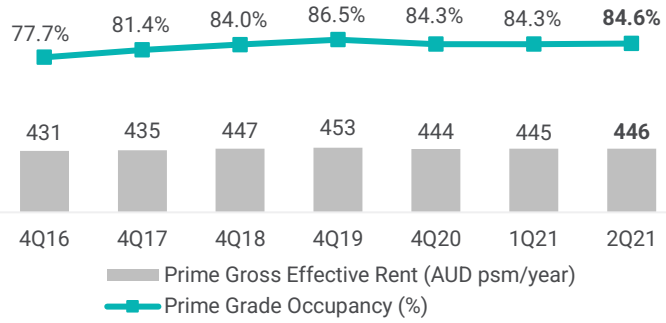
Brisbane CBD

Prime Grade occupancy was lower at 84.2%



Perth CBD

Prime Grade occupancy was higher at 84.6%

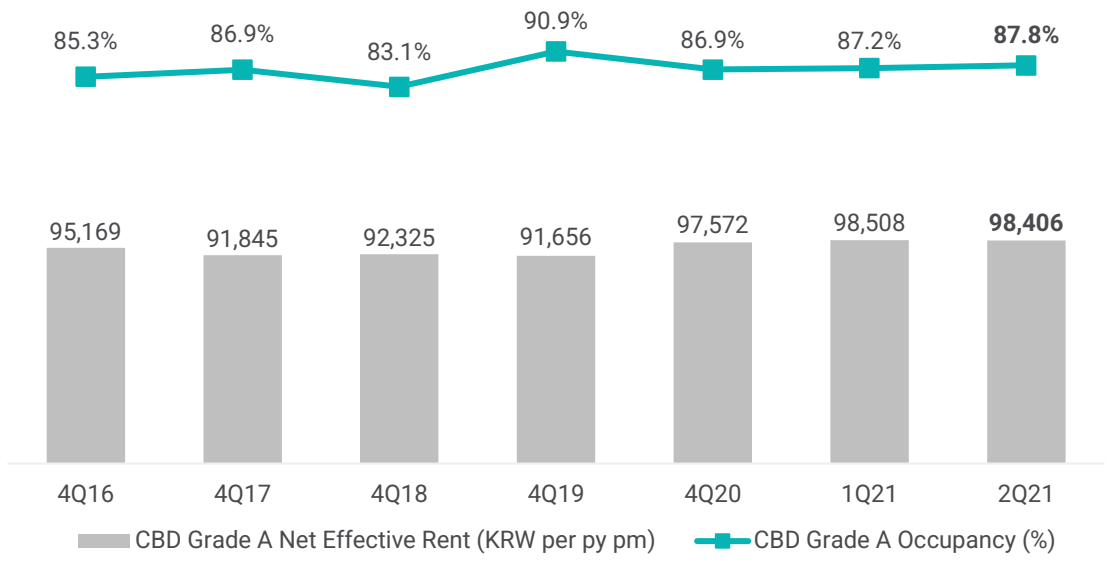


Source: JLL Research, 2Q 2021.

Seoul Office Market

- CBD Grade A occupancy increased to 87.8% in 2Q 2021

CBD Grade A Rent and Occupancy





Source: JLL Research, 2Q 2021.

Committed to Delivering Stable Income & Sustainable Returns

Portfolio Optimisation

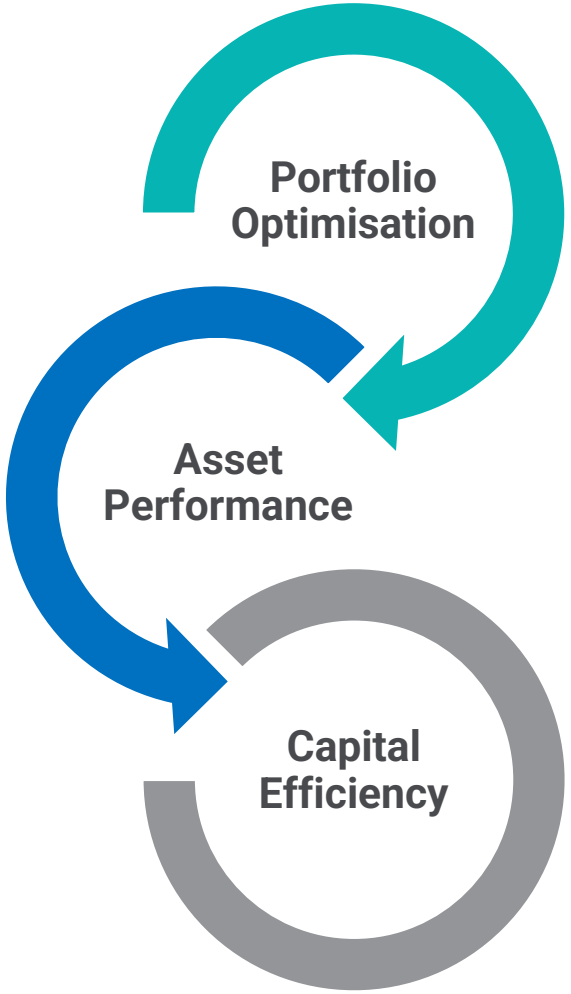
- Portfolio optimisation to improve yield, while maintaining exposure to Singapore CBD
- Hold quality assets across different markets for improved income stability and to provide more long-term growth opportunities

Asset Performance

- Drive individual asset performance with proactive leasing and cost management strategies
- Implement initiatives to future proof assets and enhance sustainability

Capital Efficiency

- Optimise capital structure to reduce borrowing costs and improve returns
- Manage debt maturities and hedging profiles to reduce risk



Thank You

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FTSE ST Large & Mid Cap Index

GPR 250 Index Series

FTSE EPRA Nareit Global Developed Index

MSCI Singapore Small Cap Index



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