



# Financial Results for 2<sup>nd</sup> Quarter 2020

23 July 2020

# Important Notice

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The information and opinions contained in this presentation are subject to change without notice.

# Agenda

- Key Highlights
- Financial Performance and Capital Management
- Commercial Segment
- Hospitality Segment
- Impact of COVID-19
- Outlook
- Appendices

# Key Highlights

## Financial Highlights

2Q 2020  
Revenue

**S\$64.3m**

▲ 23.9% YoY

2Q 2020  
Net Property Income

**S\$50.4m**

▲ 23.7% YoY

1H 2020 Amount Available  
for Distribution

**S\$68.3m**

▲ 40.6% YoY

1H 2020  
Distribution<sup>(1)</sup>

**S\$54.5m**

▲ 12.1% YoY

## Portfolio Performance

Commercial Segment<sup>(2)</sup>  
Committed Occupancy

**91.6%**

2Q 2019: 94.5%

Singapore Office  
Rental Reversions

**6.8% - 14.8%**

Gross Rental Income Due for  
Renewal for Balance of 2020

**5.8%**

## Capital Management

Aggregate  
Leverage

**40.1%**

2Q 2019: 39.3%

Weighted Average  
Cost of Debt

**3.1%**

2Q 2019: 3.5%

% Fixed Rate Debt

**80.7%**

2Q 2019: 76.1%

Issued in June 2020

**S\$100.0m**

4.0% Notes due 2025

(1) After retention of S\$13.8 million, of which S\$3.0 million is for ongoing working capital requirements

(2) Commercial segment comprises OUE Bayfront, One Raffles Place (67.95% effective interest), office components of OUE Downtown ("OUE Downtown Office"), Lippo Plaza (91.2% strata interest) and Mandarin Gallery



# Financial Performance & Capital Management



# Summary of Results – 2Q 2020 & 1H 2020

	2Q 2020 (S\$m)	2Q 2019 (S\$m)	Change (%)	1H 2020 (S\$m)	1H 2019 (S\$m)	Change (%)
Revenue	64.3	51.9	23.9	142.0	107.2	32.4
Net Property Income	50.4	40.8	23.7	112.5	84.3	33.4
Amount Available for Distribution	30.7	22.5	36.0	68.3	48.6	40.6
Distribution to Unitholders				54.5	48.6	12.1
Distribution per Unit				1.00 <sup>(1)</sup>	1.68 <sup>(2)</sup>	(40.5)

- Net property income in 2Q 2020 and 1H 2020 of S\$50.4 million and S\$112.5 million respectively, was higher YoY due primarily to contribution from Mandarin Gallery, Mandarin Orchard Singapore and Crowne Plaza Changi Airport upon completion of the merger with OUE Hospitality Trust in 2019. This increase was partially offset by provision for rental rebates to tenants
- Amount available for distribution of S\$30.7 million in 2Q 2020 and S\$68.3 million in 1H 2020 were respectively higher YoY
- In view of continued uncertainties posed by the COVID-19 pandemic, S\$13.8 million of distribution was retained to preserve financial flexibility. Consequently, 1H 2020 distribution to Unitholders was S\$54.5 million, 12.1% higher YoY

(1) Based on 5,415 million Units in issue and to be issued as at 30 June 2020

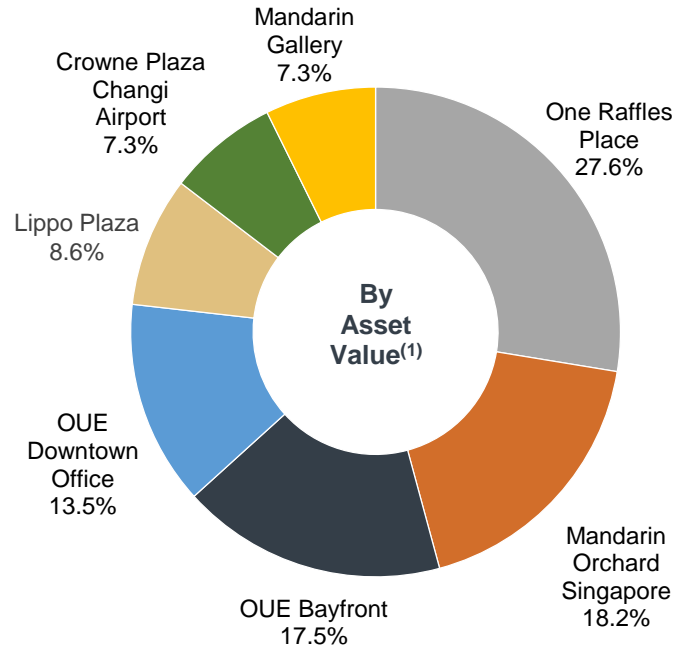
(2) Based on 2,872 million Units in issue and to be issued as at 30 June 2019

# Distribution Details

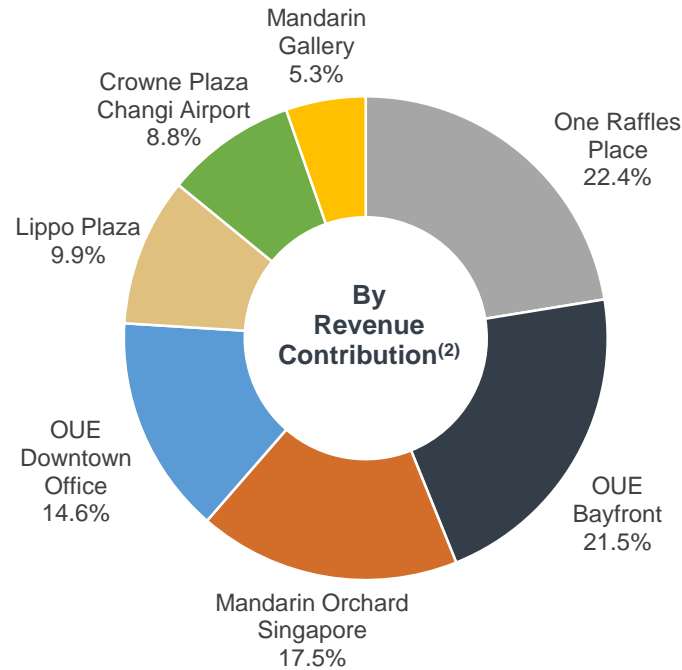
Distribution for 1H 2020 comprises taxable income distribution of 1.00 cents per Unit

<b>Distribution Period</b>	1 January 2020 to 30 June 2020
<b>Distribution Per Unit</b>	<b>1.00 cents</b>
<b>Notice of Books Closure Date</b>	23 July 2020
<b>Books Closure Date</b>	3 August 2020
<b>Distribution Payment Date</b>	11 September 2020

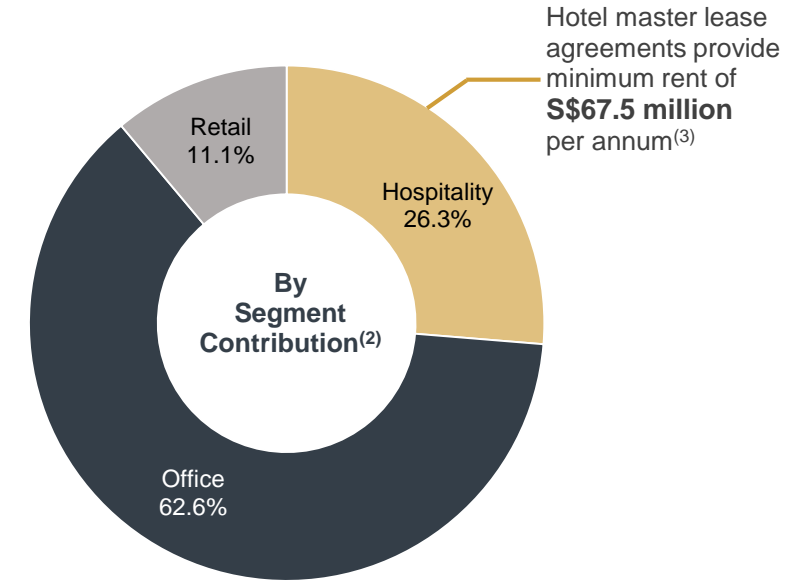
# Portfolio Composition



■ 91.4% of assets under management in Singapore



■ No single asset contributes more than 22.4% to total revenue



■ Hospitality segment revenue was supported by the minimum rent under the hotels' respective master lease agreements

Commercial segment comprises the office and/or retail contribution from OUE Bayfront, One Raffles Place (67.95% effective interest), OUE Downtown Office, Lippo Plaza (91.2% strata interest) and Mandarin Gallery

(1) Based on independent valuations as at 31 December 2019 and SGD:CNY exchange rate of 1:5.092 as at 30 June 2020

(2) For 2Q 2020

(3) Mandarin Orchard Singapore and Crowne Plaza Changi Airport's master lease agreements are subject to a minimum rent of S\$45.0 million and S\$22.5 million per annum respectively, totalling S\$67.5 million per annum



# Balance Sheet as at 30 Jun 2020

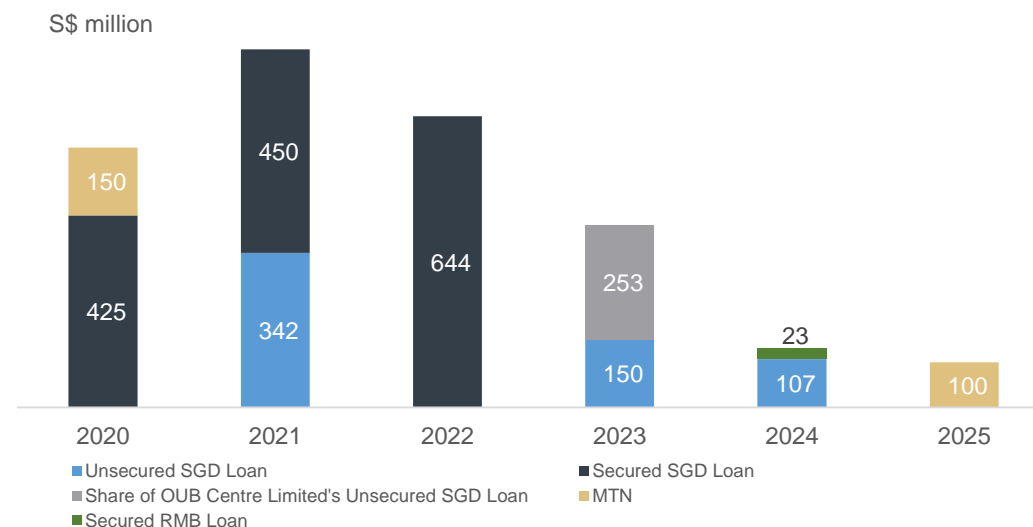
S\$ million	As at 30 Jun 2020
Investment Properties	6,782.2
Total Assets	6,913.4
Borrowings	2,681.4
Total Liabilities	3,012.6
Net Assets Attributable to Unitholders	3,296.2
Units in issue and to be issued ('000)	5,414,715
NAV per Unit (S\$)	0.61

# Capital Management

- Issued S\$100 million 4.0% notes due 2025 on 24 June 2020 to refinance existing borrowings
- Balance of 2020 debt to be refinanced ahead of maturity, with average cost of debt expected to remain stable
- With 80.7% of debt on fixed rate basis, earnings are mitigated against interest rate fluctuations

	As at 30 Jun 2020	As at 31 Mar 2020
<b>Aggregate Leverage</b>	40.1%	40.2%
<b>Total debt</b>	S\$2,644m <sup>(1)</sup>	S\$2,656m <sup>(2)</sup>
<b>Weighted average cost of debt</b>	3.1% p.a.	3.2% p.a.
<b>Average term of debt</b>	1.8 years	1.9 years
<b>% fixed rate debt</b>	80.7%	76.6%
<b>% unsecured debt</b>	41.6%	40.7%
<b>Average term of fixed rate debt</b>	2.1 years	2.1 years
<b>Interest coverage ratio<sup>(3)</sup></b>	2.8x	2.9x

## Debt Maturity Profile as at 30 June 2020



(1) Based on SGD:CNY exchange rate of 1:5.092 as at 30 June 2020 and includes OUE C-REIT's share of OUB Centre Limited's loan

(2) Based on SGD:CNY exchange rate of 1:4.885 as at 31 March 2020 and includes OUE C-REIT's share of OUB Centre Limited's loan

(3) Interest coverage ratio as prescribed under Appendix 6 of the Monetary Authority of Singapore's Code on Collective Investment Schemes (last revised on 16 April 2020).

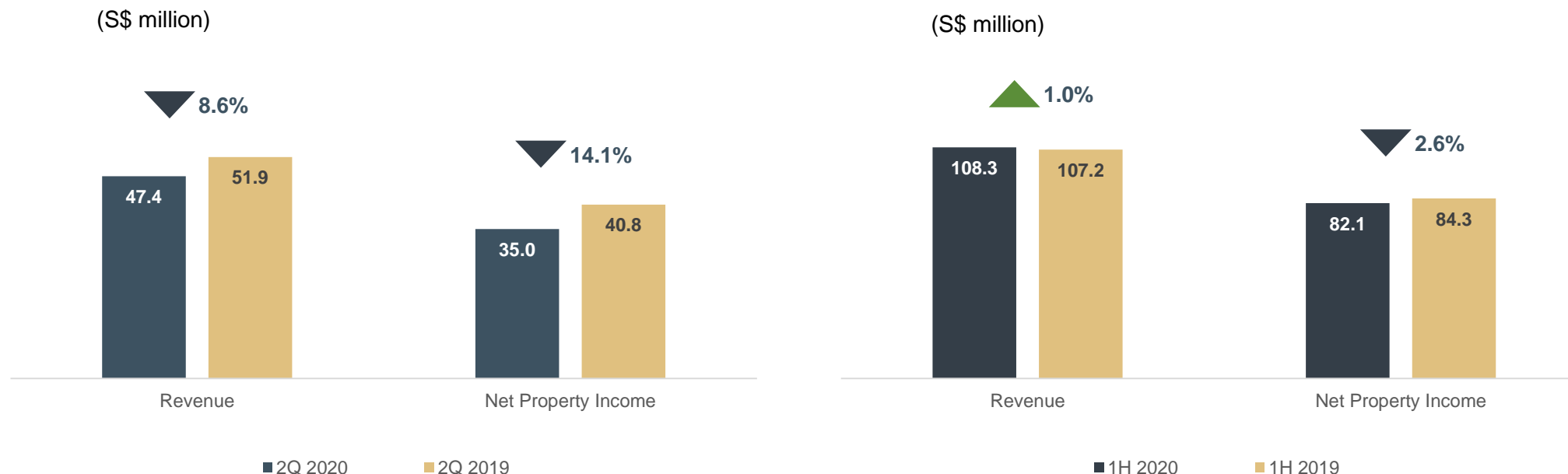


# Commercial Segment





# Portfolio Performance – Commercial Segment 2Q 2020 & 1H 2020

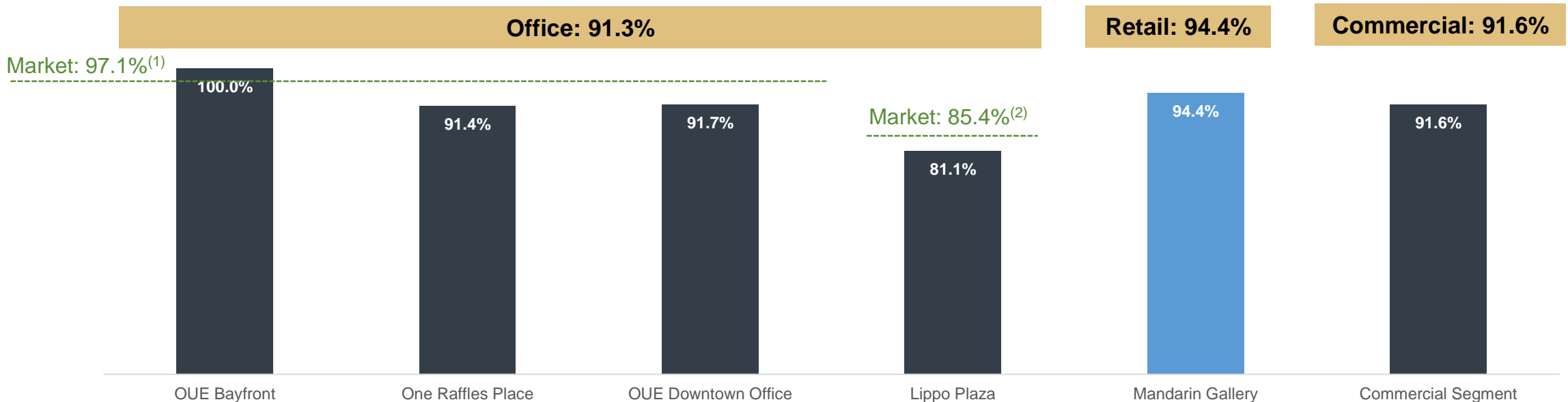


- The lower YoY performance in revenue and net property income was mainly due to provisions for rental rebates extended to tenants to cushion the impact of business disruption caused by COVID-19 pandemic
- Rental rebates committed to commercial tenants to date amount to approximately S\$13.8 million



# Commercial Segment Occupancy

- Commercial segment committed occupancy declined 2.7 percentage points (“ppt”) quarter-on-quarter (“QoQ”) to 91.6% as at 30 June 2020
- In Singapore, committed office occupancy eased 2.0 ppt QoQ to 93.7% as the weak economic outlook dampened leasing momentum, compounded by the suspension of leasing activities during the circuit breaker period
- Mandarin Gallery’s committed occupancy fell 3.4 ppt QoQ to 94.4% due to continued operating challenges facing the retail segment amidst the pandemic situation
- Lippo Plaza’s committed office occupancy declined 4.7 ppt QoQ to 81.1% as demand continued to be weak due to persistent business uncertainty exacerbated by COVID-19



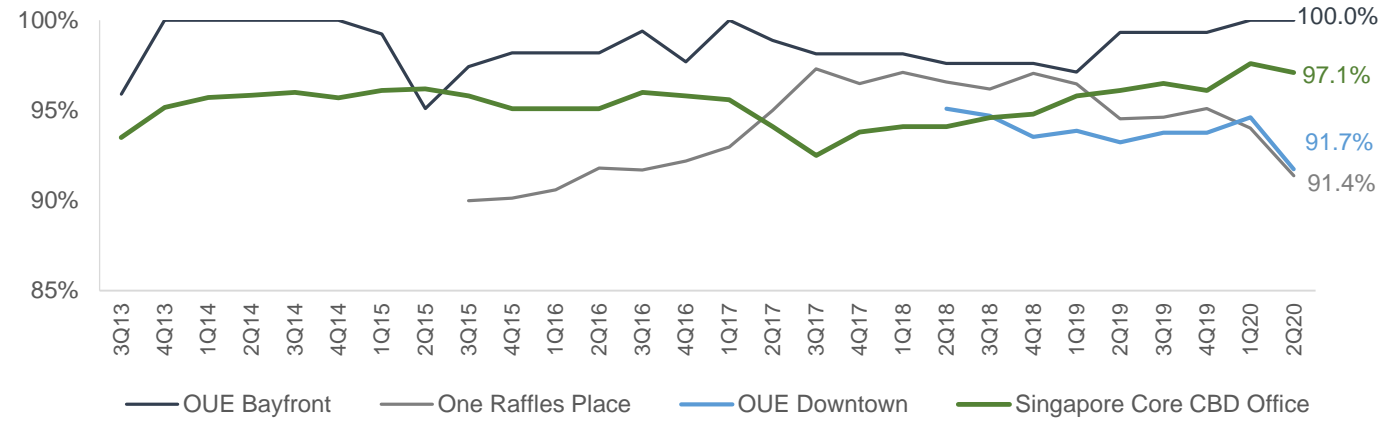
(1) Source: CBRE Singapore MarketView 2Q 2020 for Singapore Grade A office occupancy of 97.1%

(2) Source: Colliers Shanghai Office Property Market Overview 2Q 2020 for Shanghai CBD Grade A office occupancy of 85.4%

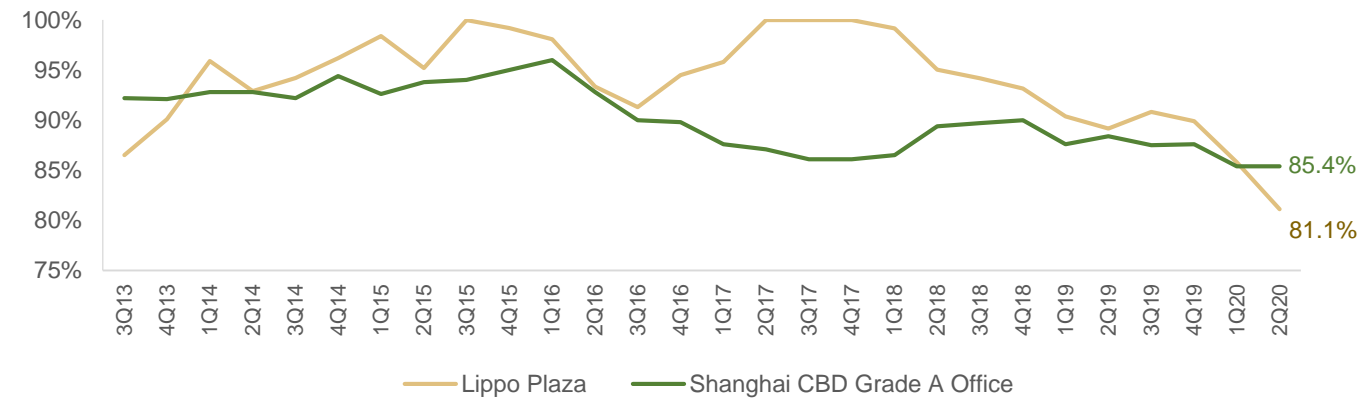
As at 30 Jun 2020

# Office Segment Occupancy

## Singapore



## Shanghai



# Committed Office Rents In Line Or Above Market

- Singapore office properties continued to achieve rents which were in line or above their respective market rents
- Continued to record positive rental reversions across Singapore office properties in 2Q 2020, ranging from 6.8% to 14.8%

2Q 2020	Average Expired Rents	Committed Rents <sup>(1)</sup>	Sub-market	Comparable Sub-market Rents	
				Colliers <sup>(2)</sup>	Savills <sup>(3)</sup>
Singapore					
OUE Bayfront	S\$11.50	S\$13.20	New Downtown/ Marina Bay	S\$11.98	S\$12.98
One Raffles Place	S\$8.89	S\$8.80 – S\$10.20	Raffles Place	S\$10.29	S\$10.17
OUE Downtown Office	S\$7.32	S\$8.00 – S\$8.80	Shenton Way/ Tanjong Pagar	S\$10.43	S\$8.91 – S\$9.26
Shanghai					
Lippo Plaza	RMB9.73	RMB5.50 – RMB10.90	Puxi	RMB8.83	RMB10.40 <sup>(4)</sup>

(1) Committed rents for renewals and new leases

(2) Source: Colliers Singapore Office Quarterly 2Q 2020 for Singapore comparable sub-market rents; Colliers Shanghai Office Property Market Overview 2Q 2020 for Shanghai comparable sub-market rents

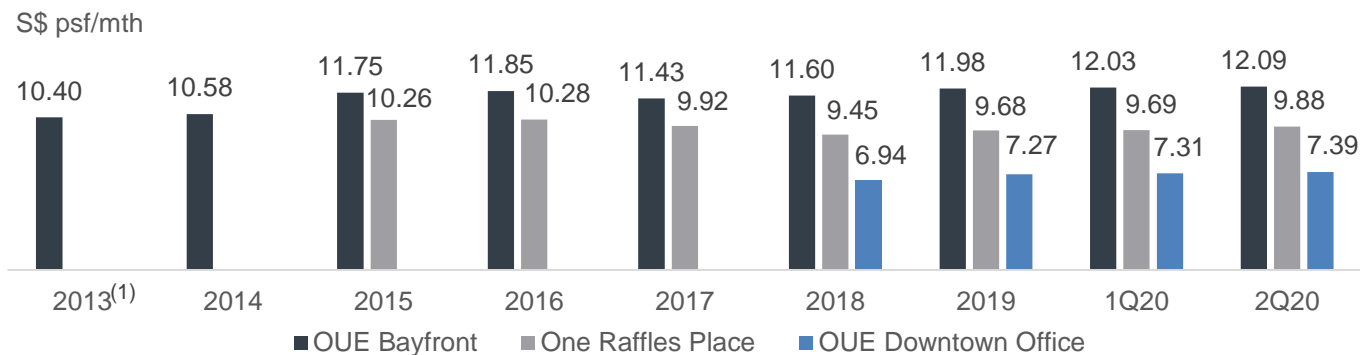
(3) Source: Savills Singapore Office Briefing 1Q 2020 for Singapore comparable sub-market rents; Savills Shanghai Office Market in Minutes Update 1Q 2020 for Shanghai comparable sub-market rents

(4) Shanghai Grade A office rent for prime districts of Nanjing Road West, Huaihai Middle Road and Lujiazui as defined by Savills

Note: For reference, CBRE Research's 2Q 2020 Grade A Singapore office rent is S\$11.15 psf/mth. Sub-market rents are not published

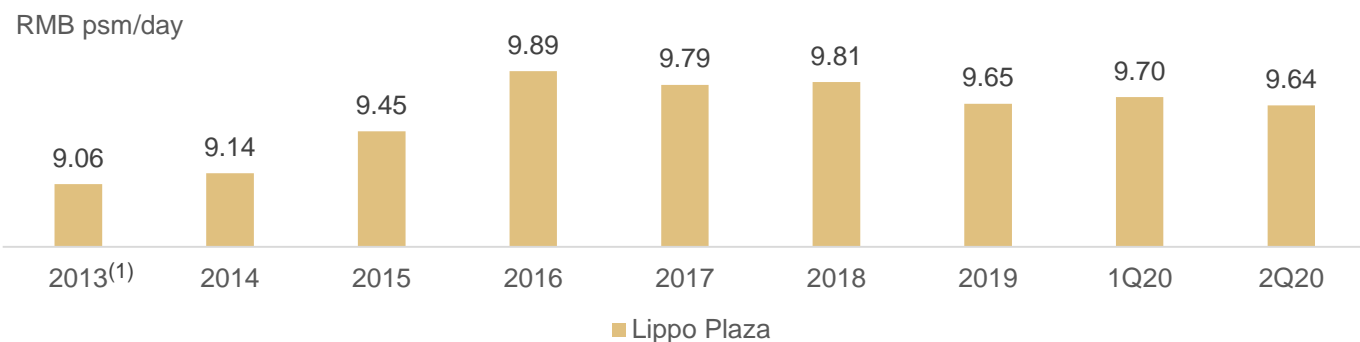
# Average Passing Rents

## Singapore (Office)



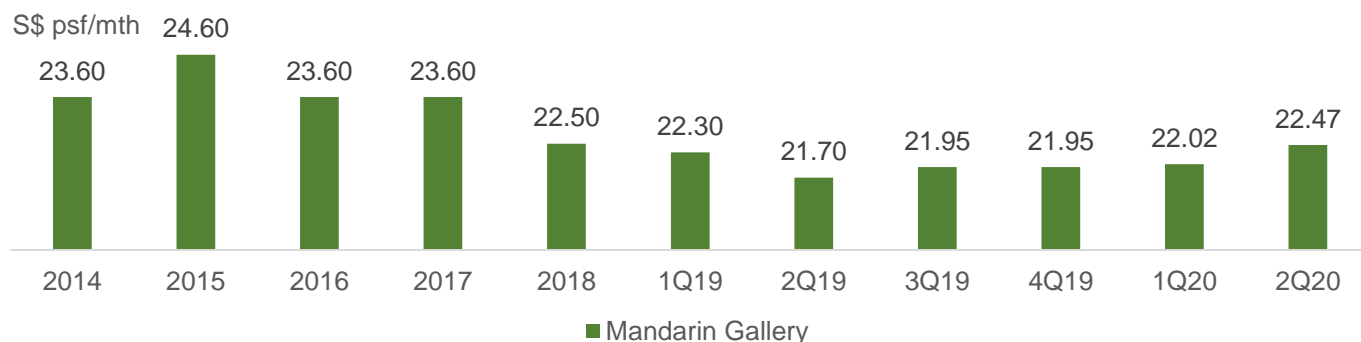
- Average passing office rent for all Singapore office properties improved as of June 2020 due to consecutive quarters of positive rental reversions

## Shanghai (Office)



- Lippo Plaza's average passing office rent was stable at RMB9.64 psm/day as of June 2020

## Mandarin Gallery



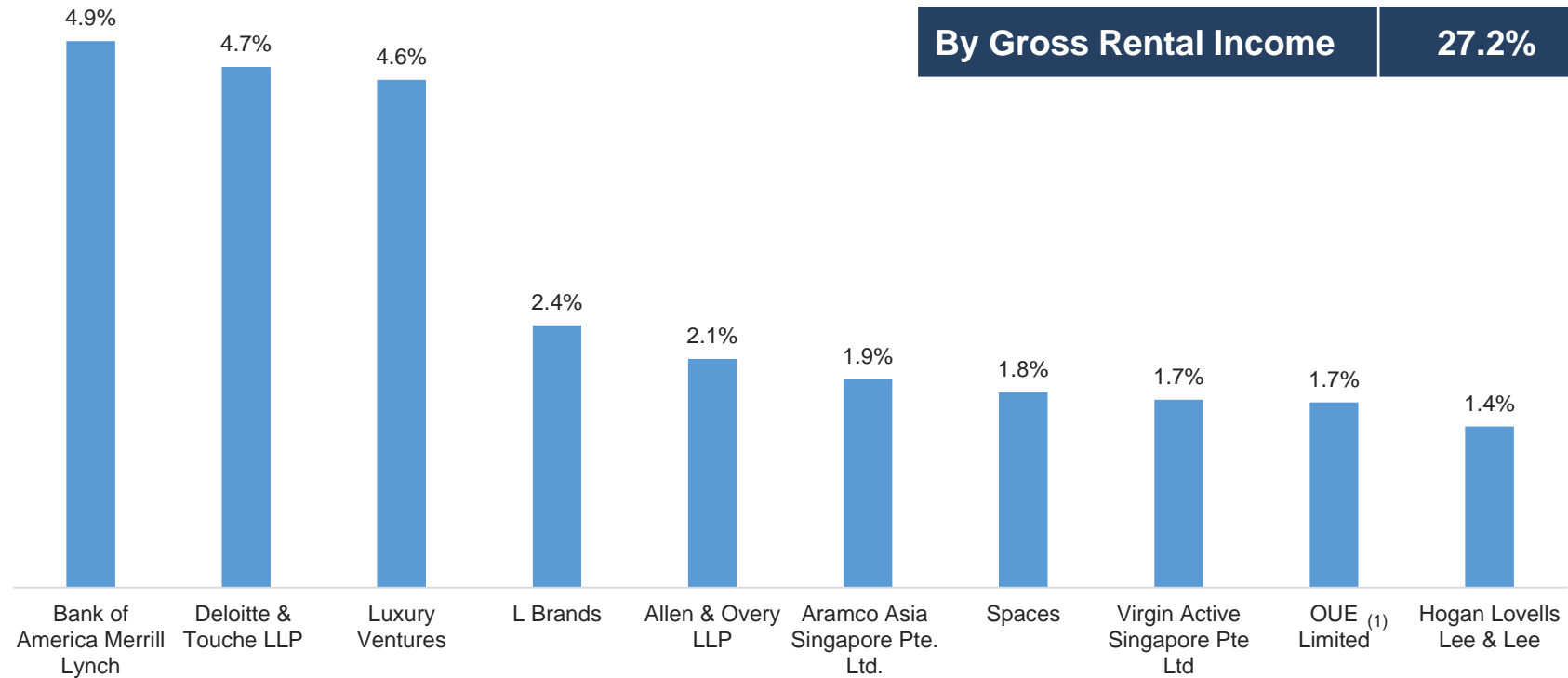
- Average retail rent at Mandarin Gallery remained stable

(1) Proforma average passing rents as at 30 September 2013 as disclosed in OUE C-REIT's Prospectus dated 17 January 2014



# Top 10 Tenants – Commercial Segment

## Top 10 Tenants

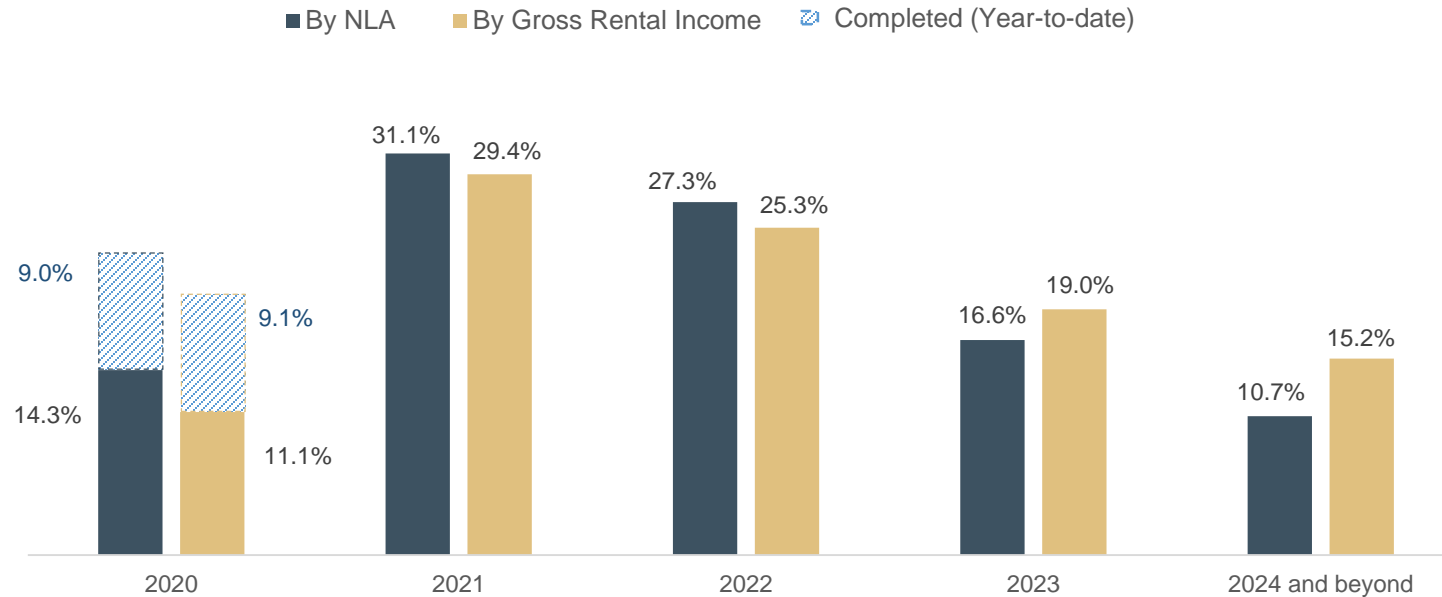


As of Jun 2020

(1) Including the hotel master lease arrangements for Mandarin Orchard Singapore and Crowne Plaza Changi Airport, where OUE Limited is the master lessee, OUE Limited's contribution to the portfolio by gross rental income is 23.5%

# Lease Expiry Profile - Commercial Segment

- 11.1% of OUE C-REIT's commercial segment gross rental income is due for renewal for the rest of 2020. This has been reduced to 5.8% post the quarter-end



**WALE of 1.9 years by NLA<sup>(1)</sup> and 2.2 years by Gross Rental Income**

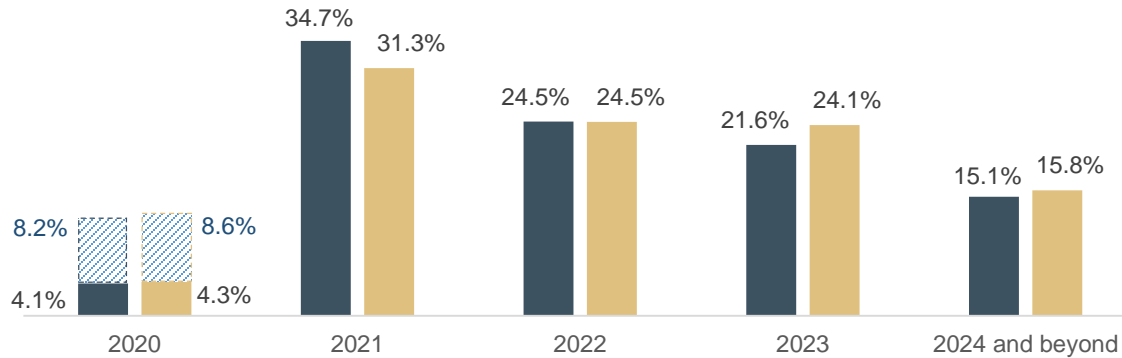
As at 30 Jun 2020

Based on committed tenancies and excludes turnover rent

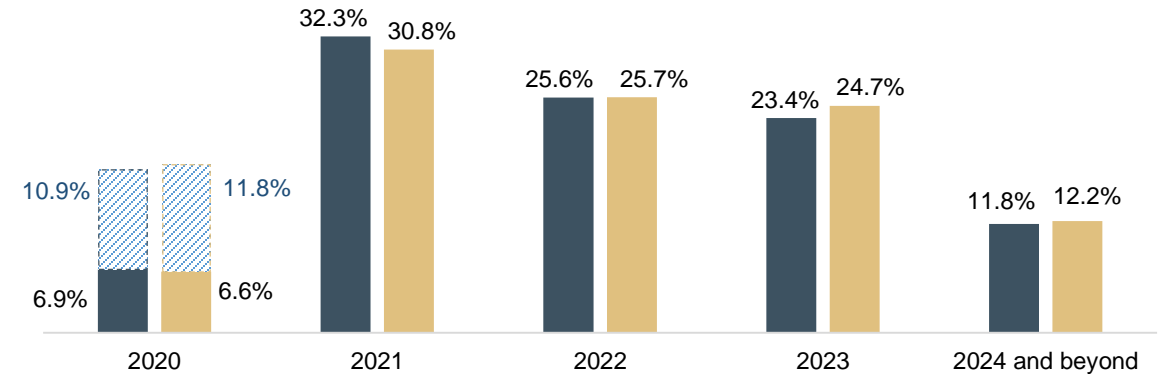
(1) "NLA" refers to net lettable area

# Lease Expiry Profile by Commercial Property

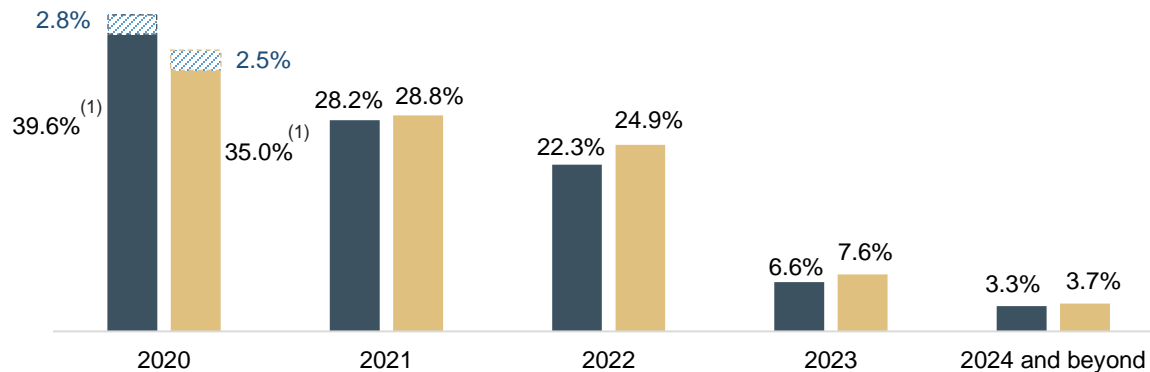
**OUE Bayfront**  
WALE: 2.3 years (NLA); 2.3 Years (GRI)



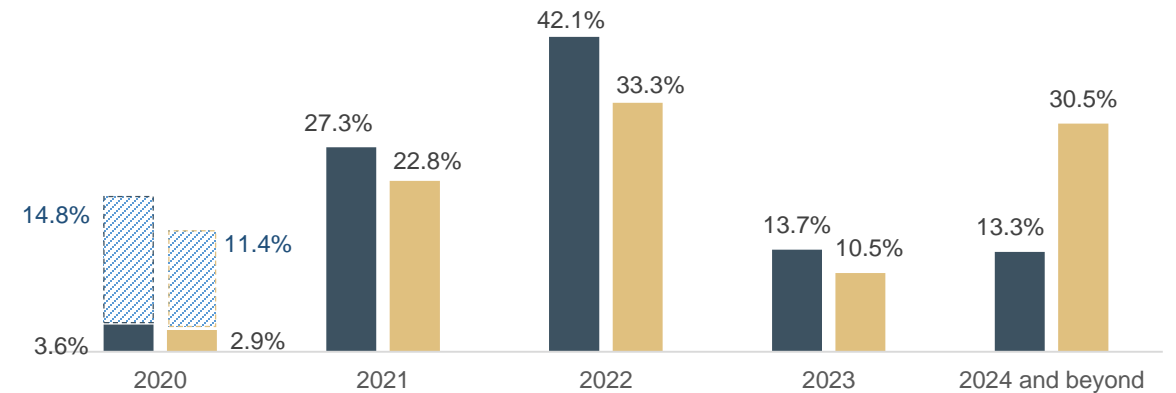
**One Raffles Place**  
WALE: 2.1 years (NLA); 2.1 Years (GRI)



**OUE Downtown Office**  
WALE: 1.2 years (NLA); 1.3 years (GRI)



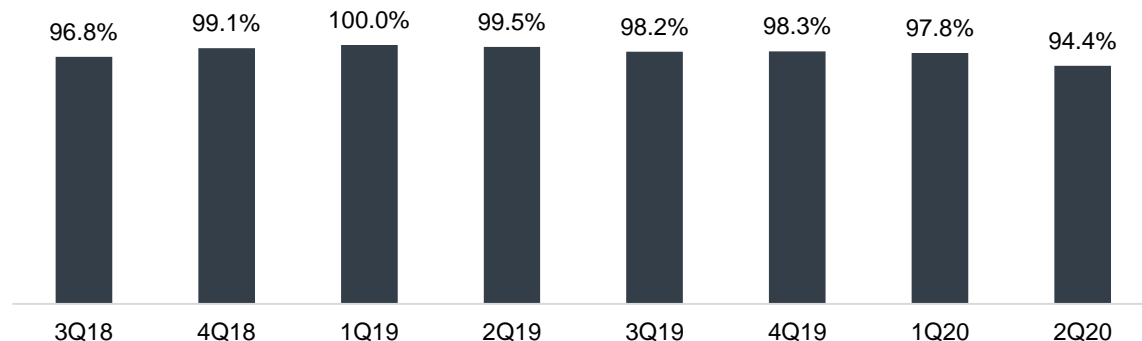
**Lippo Plaza**  
WALE: 2.3 years (NLA); 2.9 years (GRI)



(1) Post the quarter-end, 8.3% of NLA and 8.6% of gross rental income remains to be renewed for the balance of 2020

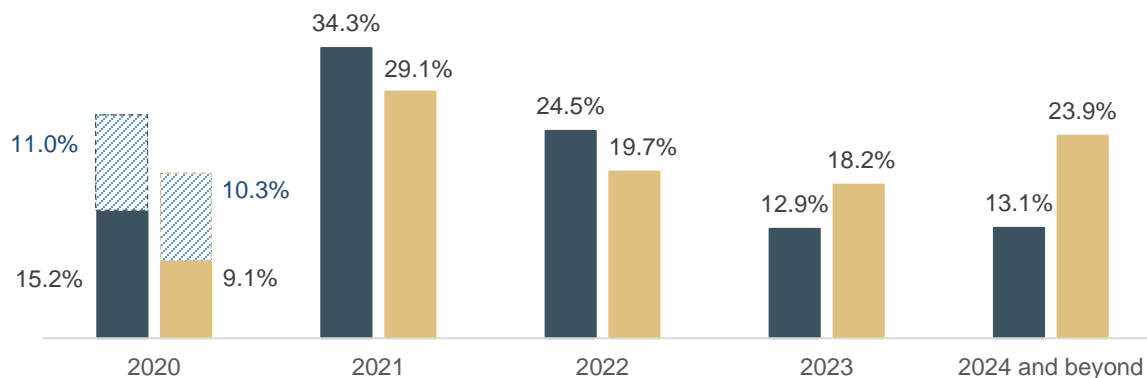
# Mandarin Gallery – Stable Performance

## Committed Occupancy<sup>(1)</sup>



**WALE: 2.1 years (NLA); 2.7 Years (GRI<sup>(2)</sup>)**

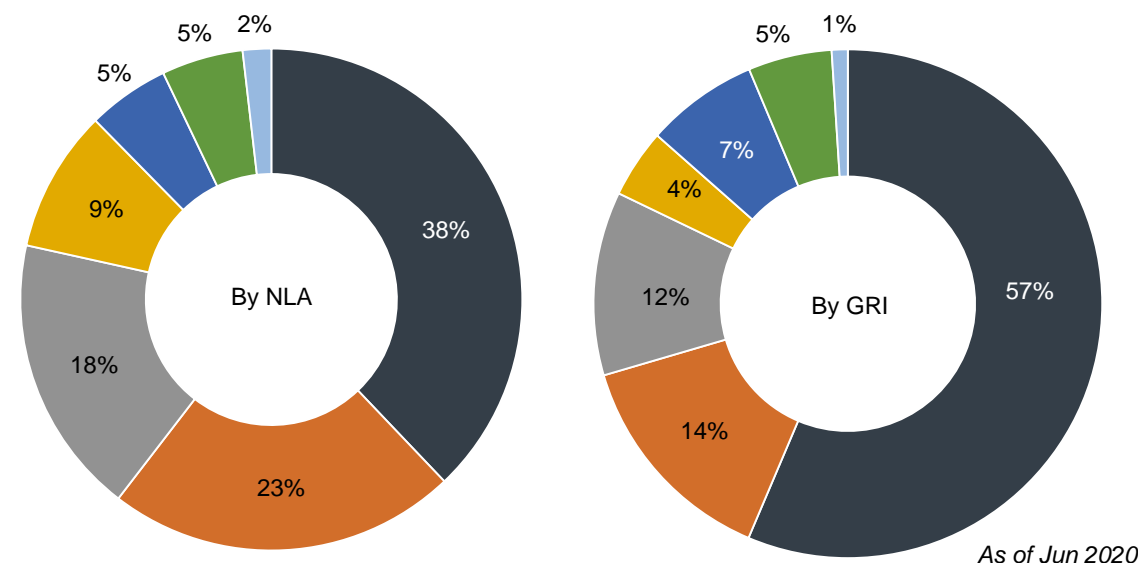
■ By NLA ■ By Gross Rental Income ■ Completed (Year-to-date)



(1) Excludes pop-up stores  
(2) Excludes turnover rent

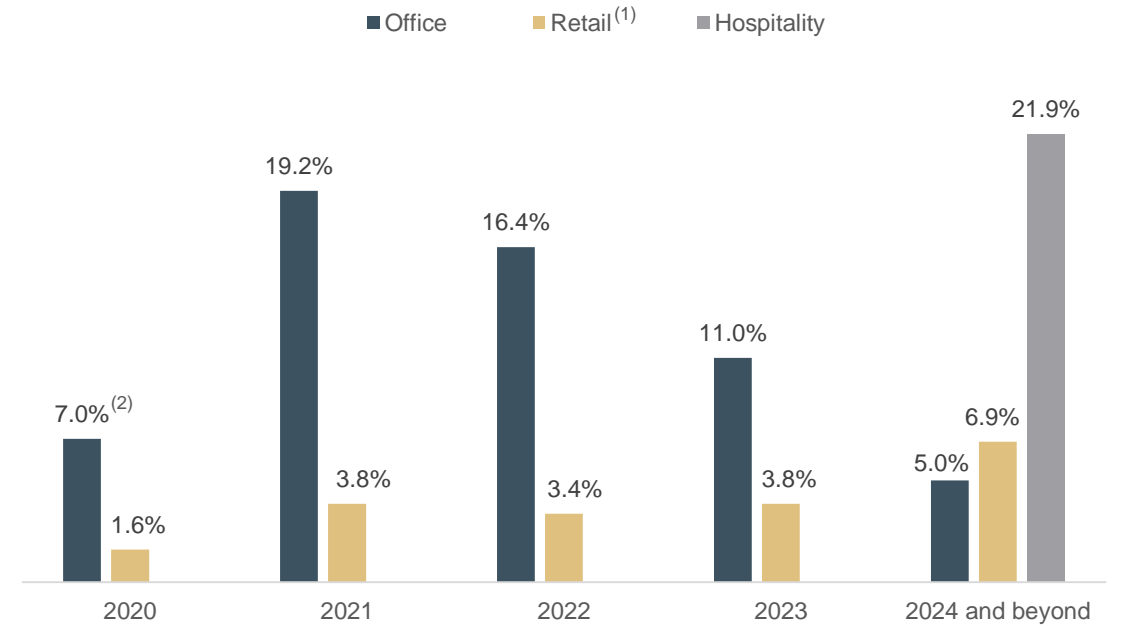
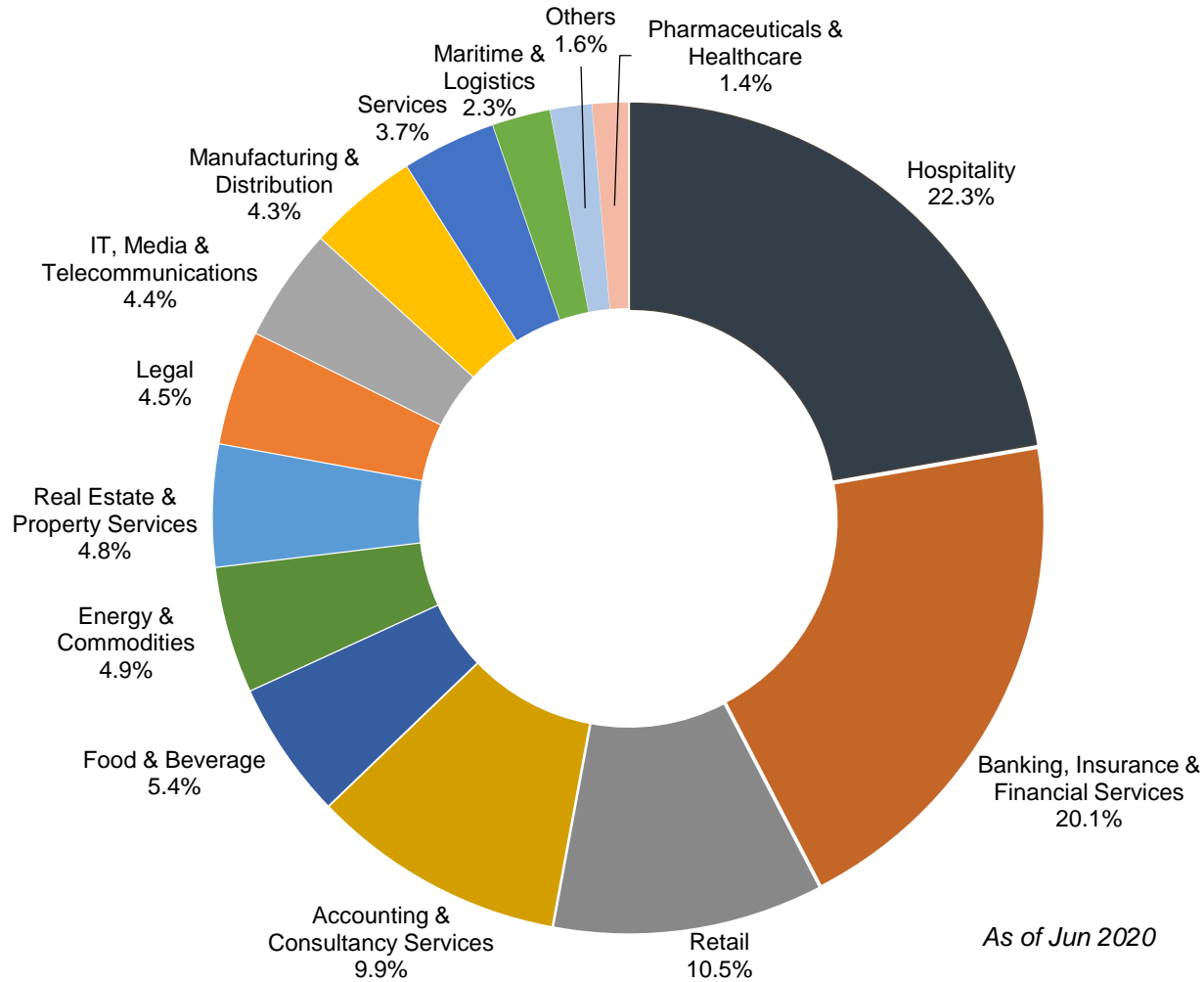
As at 30 Jun 2020

## Differentiated Tenant Mix





# Tenant Base and Lease Expiry Profile – All Segments



**WALE<sup>(3)</sup> of 3.5 years by Gross Rental Income**

As at 30 Jun 2020

Note: Tenant by trade sector is based on gross rental income excluding any provisions of rental rebates

(1) Refers to contribution from Mandarin Gallery and all other retail components within OUE C-REIT's portfolio

(2) Post the quarter-end, 2.9% of office gross rental income remains to be renewed for the balance of 2020

(3) "WALE" refers to the weighted average lease term to expiry. Based on committed tenancies and excludes turnover rent



# Hospitality Segment

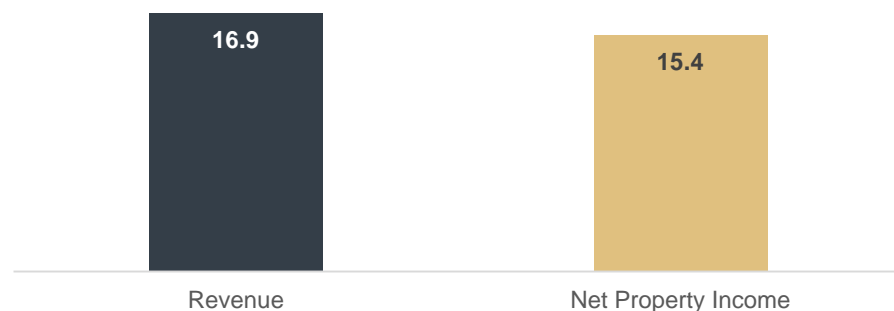




# Portfolio Performance – Hospitality Segment 2Q 2020 & 1H 2020

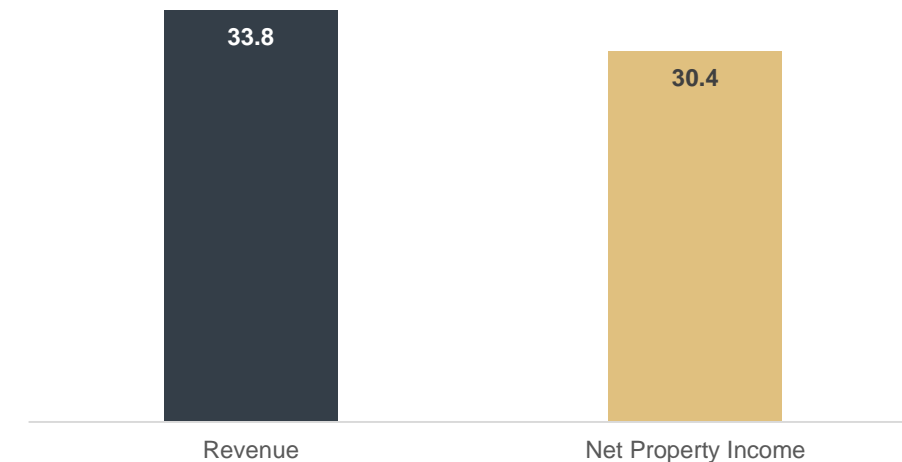
2Q 2020

(S\$ million)



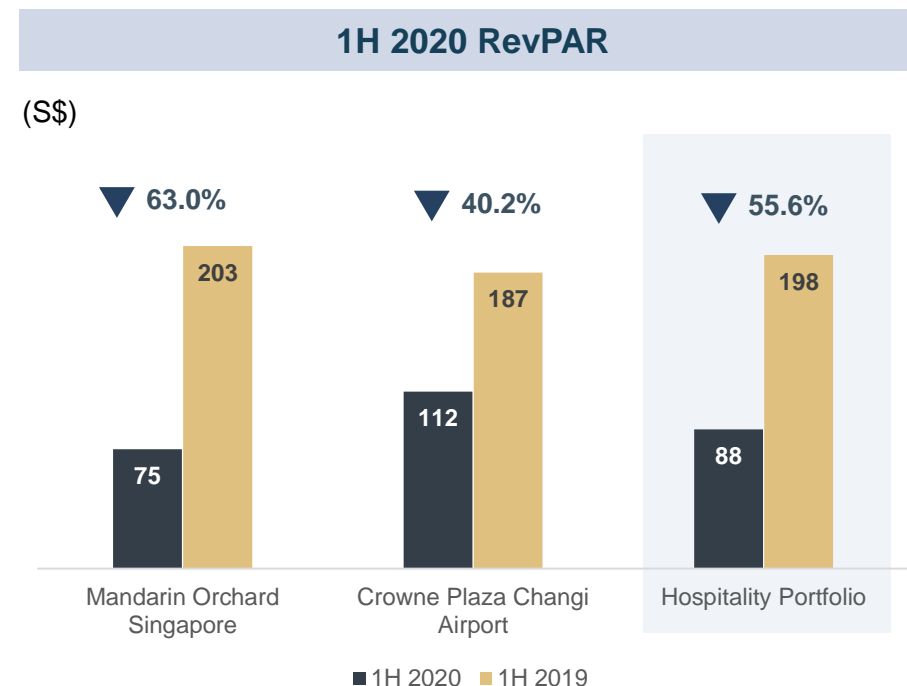
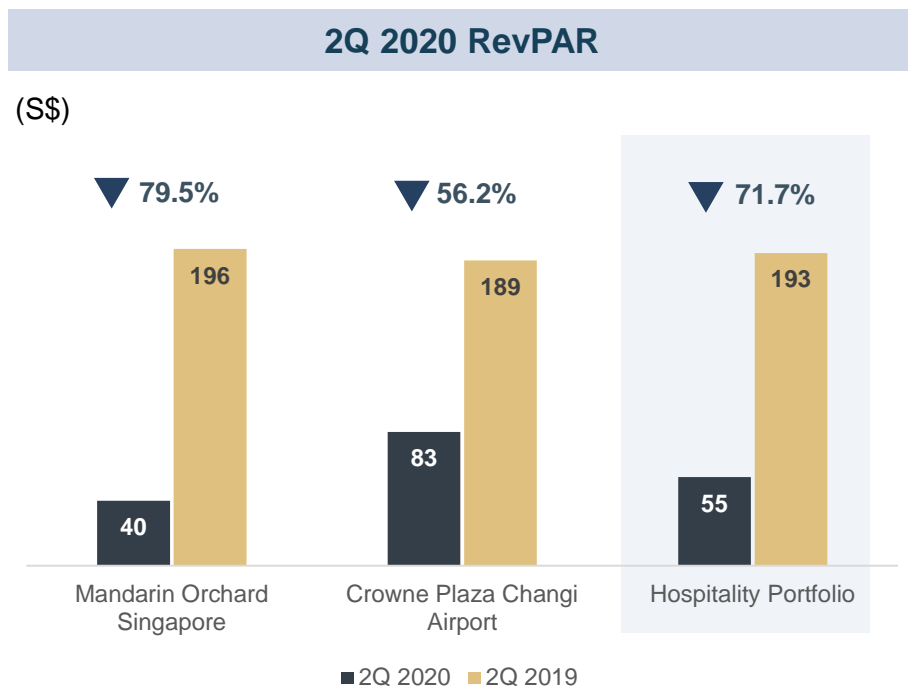
1H 2020

(S\$ million)



- Hospitality segment revenue for 2Q 2020 of S\$16.9 million and S\$33.8 million for 1H 2020 was the minimum rent under the master lease arrangements of the hotel properties
- OUE C-REIT's hotel properties have sought alternative demand sources such as healthcare and eldercare workers, inbound travellers serving out Stay-Home Notices, and workers affected by border shutdowns.

# Portfolio Performance – Hospitality Segment 2Q 2020 & 1H 2020



- For 2Q 2020, Mandarin Orchard Singapore's RevPAR declined 79.5% YoY to S\$40, while RevPAR for Crowne Plaza Changi Airport declined 56.2% YoY to S\$83. Hospitality segment RevPAR was 71.7% lower YoY in 2Q 2020 at S\$55.
- The relatively smaller decline in RevPAR for Crowne Plaza Changi Airport was due to additional demand from the air crew segment.



# Impact of COVID-19





# Tenant Support Measures

## SG Office (55.4% of Revenue)

- Passing on in full property tax rebate from the Singapore Government
- Eligible tenants have been extended flexible rental payment schemes

## SG Hospitality (26.3% of Revenue)

- Passing on in full property tax rebate from the Singapore Government

## SG Retail (8.4% of Revenue)

- Passing on in full property tax rebate from the Singapore Government
- Various assistance schemes such as rental rebates, flexible rental payment and rental reductions have been extended to eligible tenants

## Shanghai Office & Retail (9.9% of Revenue)

- Rental rebates and flexible payment schemes have been extended to eligible tenants

- **Less than 10 tenants** have invoked the COVID-19 (Temporary Measures) Act to defer rental payments
- **Total relief commitment to tenants is S\$13.8 million to date**
  - Includes provision for rental rebates to be extended to qualifying tenants under the New Rental Relief Framework for Small and Medium Enterprises (“SME”) announced on 5 June 2020 by the Singapore Government<sup>(1)</sup>
  - Excludes an estimated S\$19.9 million of support from the Singapore Government, comprising property tax rebates and mandated share of SME relief

(1) “Ministry of Law Press Release, New Rental Relief Framework for SMEs, 3 June 2020  
URL: <https://www.mlaw.gov.sg/news/press-releases/new-rental-relief-framework-for-smes>

# Priorities for 2020

## Operations

- Flexible leasing terms to selected tenants to sustain occupancy and preserve cash flows
- Intensified frequency of cleaning and implemented various safe management measures to ensure a safe and clean environment for tenants and visitors
- Suspension of non-essential capital and operating expenditure across OUE C-REIT's properties

## Capital Management

- Issued S\$100 million of 4.0% notes due 2025 for refinancing existing borrowings in June 2020. Balance of borrowings due in latter part of 2020 to be refinanced ahead of maturity. Average cost of debt is expected to remain stable
- Balance sheet remains healthy, with available credit facilities to tap on where necessary
- Asset values would need to correct by ~20%, before regulatory limit of 50% is reached

- ☑ Tenant retention through proactive lease management
- ☑ Focus on cost management and cash conservation, and maintaining financial flexibility
- ☑ Preserve sustainable long term returns for Unitholders

# Outlook



## Commercial

### Singapore - Office

- Occupancy and office rents are expected to remain under pressure as occupiers look to streamline operating costs, although the situation is partially mitigated by limited supply of new CBD Grade A office in the medium term.
- OUE C-REIT's office properties are expected to continue to achieve rents which are in line with or above market rents. As current expiring rents are below that of market rents, operating performance expected to remain resilient.

### Singapore - Retail

- Most retailers have resumed operations since Phase 2 of reopening the economy and shopper traffic has rebounded to ~70% of pre-COVID-19 levels at Mandarin Gallery. With continued business uncertainties, operating environment for the retail segment is expected to remain challenging.

### Shanghai

- While business activities have resumed, office leasing momentum continued to be slow due to economic uncertainty, exacerbated by the COVID-19 pandemic.
- Rental outlook is expected to be subdued given intense leasing competition amidst significant office supply in the medium term.

## Hospitality

- Due to continued restrictions on inbound short-term visitors to Singapore to stem the spread of COVID-19, visitor arrivals for Jan - May 2020 decreased by 65.7% YoY to 2.7 million.
- OUE C-REIT's hotel properties will continue to seek alternative sources of demand from eldercare workers, inbound travellers serving out Stay-Home Notices, and workers affected by border shutdowns.
- Staycation bookings by locals, once approved by the authorities, will also augment hotel demand.
- Minimum rent component of S\$67.5 million per annum under the master lease arrangements of OUE C-REIT's hotel portfolio provides downside protection.

## Overall

- In 1H 2020, the Manager has retained ~S\$13.8 million of distribution, comprising tax-exempt income and capital distribution, in view of the on-going uncertainties caused by the COVID-19 pandemic globally. The prudent measure to conserve cash while balancing returns to Unitholders will provide financial flexibility for OUE C-REIT to better address the challenges ahead.
- The Manager will continue to prioritise tenant retention through proactive asset management, and manage our capital prudently to maintain financial flexibility, so as to preserve sustainable long term returns for Unitholders.





# Appendices

- Overview of OUE C-REIT
- OUE C-REIT's Portfolio
- Singapore Office Market
- Shanghai Office Market
- Singapore Hospitality Market
- Hotel Master Lease Details



# Overview of OUE C-REIT

One of the  
**Largest Diversified**  
SGX-listed REITs

Total assets under management

**S\$6.8billion<sup>(1)</sup>**

**7** **High quality prime assets**

6 properties in Singapore and 1 property in Shanghai



OUE Bayfront



One Raffles Place



OUE Downtown Office



Lippo Plaza



Mandarin Orchard Singapore



Crowne Plaza Changi Airport



Mandarin Gallery

Strong Support  
OUE Group

**47.8%** stake<sup>(1)</sup>

More than  
in net lettable area **2.0** mil sq ft

**1,640** upscale  
hotel rooms

Investment Mandate

✓ **Commercial**  
✓ **Hospitality / Hospitality-related**

(1) As at 30 June 2020

# Premium Portfolio of Assets

## Strategically-located assets in the prime business districts of Singapore and Shanghai



	OUE Bayfront	One Raffles Place	OUE Downtown Office	Lippo Plaza	Mandarin Gallery	Mandarin Orchard Singapore	Crowne Plaza Changi Airport	Total
<b>Description</b>	A landmark Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place, completed in 2011	Iconic integrated development with two Grade A office towers and a retail mall located in Singapore's CBD at Raffles Place; latest AEI completed in 2019	Grade A office space, a mixed-used development with offices, retail and serviced residences at Shenton Way, recently refurbished in 2017	Grade A commercial building located along Huaihai Zhong Road within the established commercial district of Huangpu in Puxi, Shanghai	Prime retail landmark on Orchard Road – preferred location for flagship stores of international brands	A world class hospitality icon in Singapore since 1971, Mandarin Orchard Singapore is the largest hotel along Orchard Road	Award-winning hotel at Singapore Changi Airport and close to Changi Business Park with seamless connectivity to Jewel Changi Airport	<b>NLA:</b> <b>Office: 1,869,003</b> <b>Retail: 307,561</b> <b>Overall: 2,176,564</b>  <b>1,640 hotel rooms</b>
<b>Attributable NLA (sq ft)</b>	Office: 378,692 Retail: 21,132	Office: 598,814 Retail: 99,370	Office: 530,487	Office: 361,010 Retail: 60,776	Retail : 126,283	1,077 hotel rooms	563 hotel rooms	
<b>Occupancy<sup>(1)</sup></b>	Office: 100.0% Retail: 98.9% Overall: 99.9%	Office: 91.4% Retail: 96.5% Overall: 92.2%	Office: 91.7%	Office: 81.1% Retail: 85.0% Overall: 81.7%	Retail: 94.4%	-	-	<b>Office: 91.3%</b> <b>Retail: 93.6%</b> <b>Overall: 91.6%</b>
<b>Valuation<sup>(2)</sup></b>	S\$1,181.0m (S\$2,954 psf)	S\$1,862.0m <sup>(3)</sup> (S\$2,667 psf)	S\$912.0m (S\$1,719 psf)	RMB2,950.0m / RMB50,409 psm GFA S\$579.3m <sup>(4)</sup> (S\$1,374 psf)	S\$493.0m (S\$3,904 psf)	S\$1,228.0m (S\$1.1m / key)	S\$497.0m (S\$0.9m / key)	<b>S\$6,752.3m</b>

(1) Committed Occupancy as at 30 June 2020

(2) As at 31 December 2019

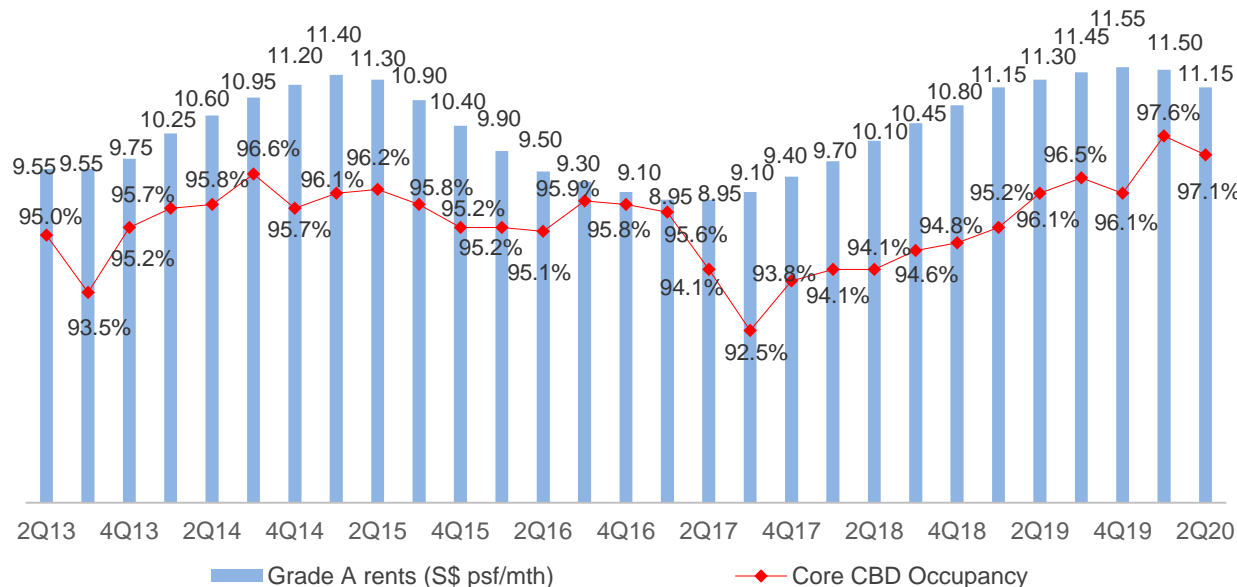
(3) Based on OUB Centre Limited's 81.54% interest in One Raffles Place. OUE C-REIT has an indirect 83.33% interest in OUB Centre Limited held via its wholly-owned subsidiaries

(4) Based on SGD:CNY exchange rate of 1:5.092 as at 30 June 2020

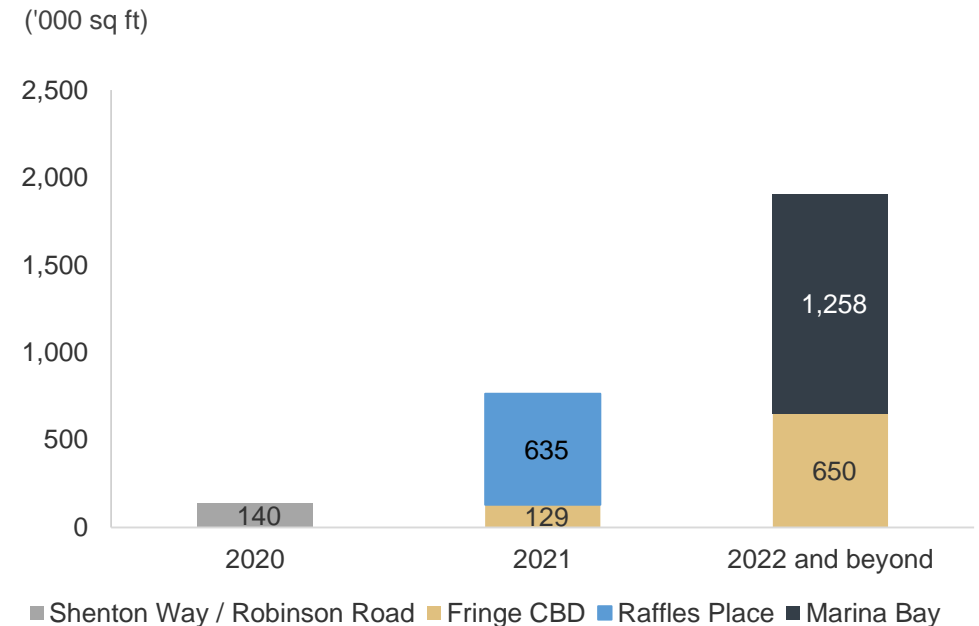
# Singapore Office Market

- Core CBD Grade A occupancy declined 0.5 ppt QoQ to 97.1% in 2Q 2020, while core CBD Grade A office rents corrected 3.0% QoQ to S\$11.15 psf/mth
- While the supply of new Grade A office space in the medium-term is limited, both occupancy and office rents are expected to come under pressure in view of subdued demand as occupiers focus on cost containment

## Singapore CBD Grade A Rents and Occupancy

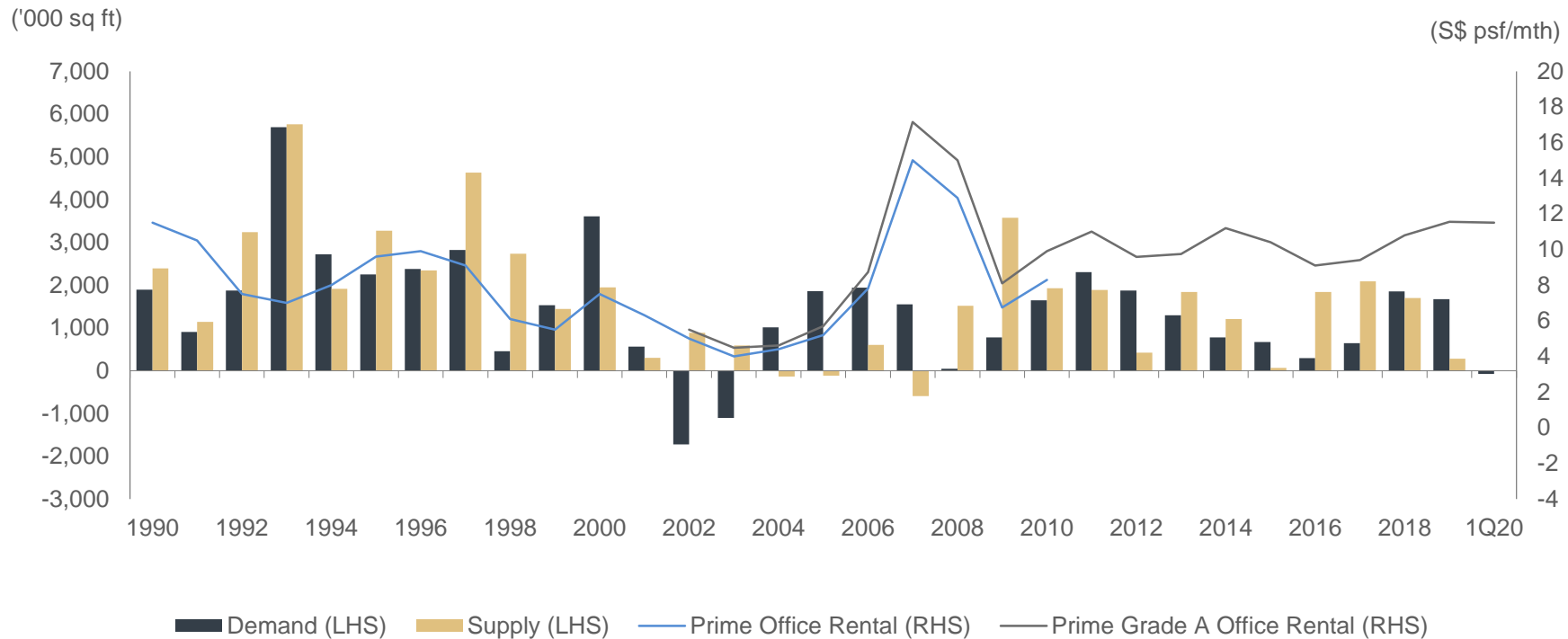


## Office Supply Pipeline in Singapore (CBD and Fringe of CBD)



# Singapore Office Demand and Supply vs Office Rental

## Island-wide Office Demand, Supply and Office Rents

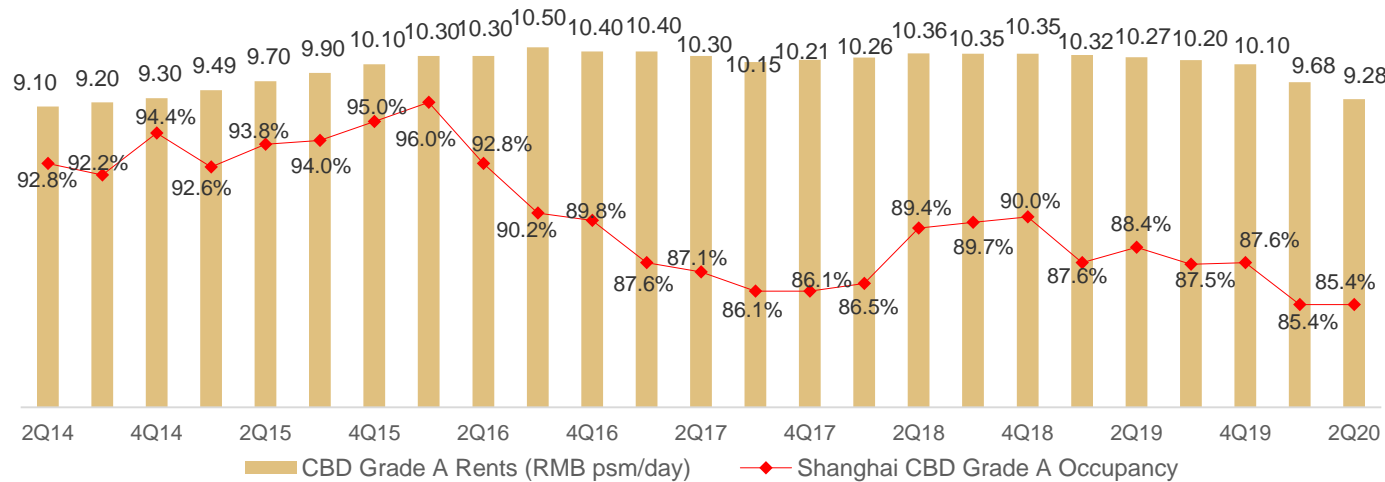


Source: URA statistics, CBRE Research  
2Q 2011 was the last period where CBRE provided Prime Office Rental data. Prime Grade A office rental data not available prior to 1Q 2002

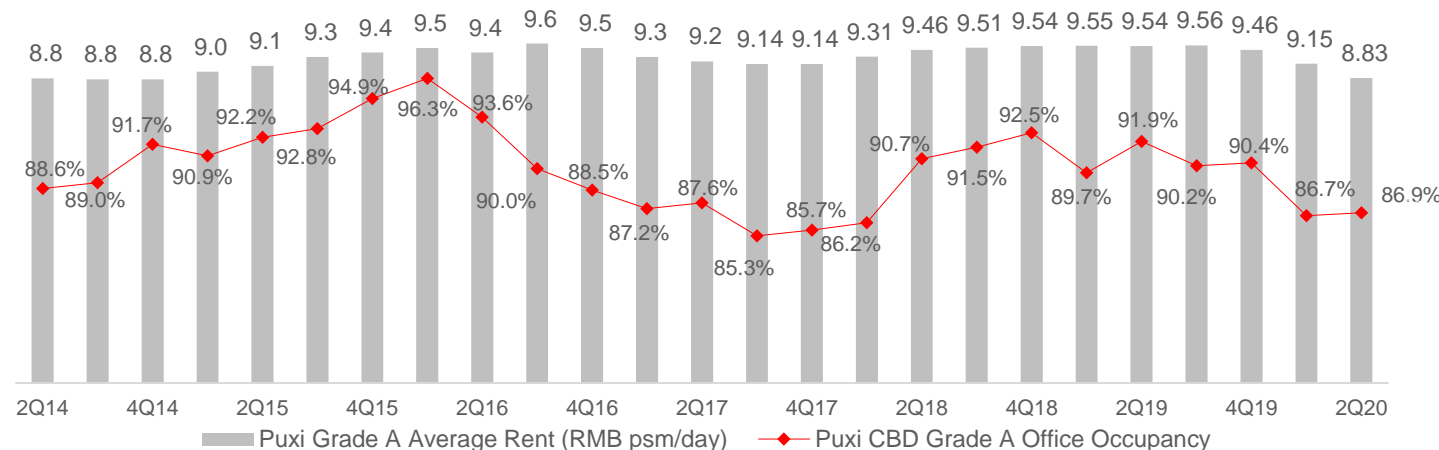


# Shanghai Office Market

## Shanghai



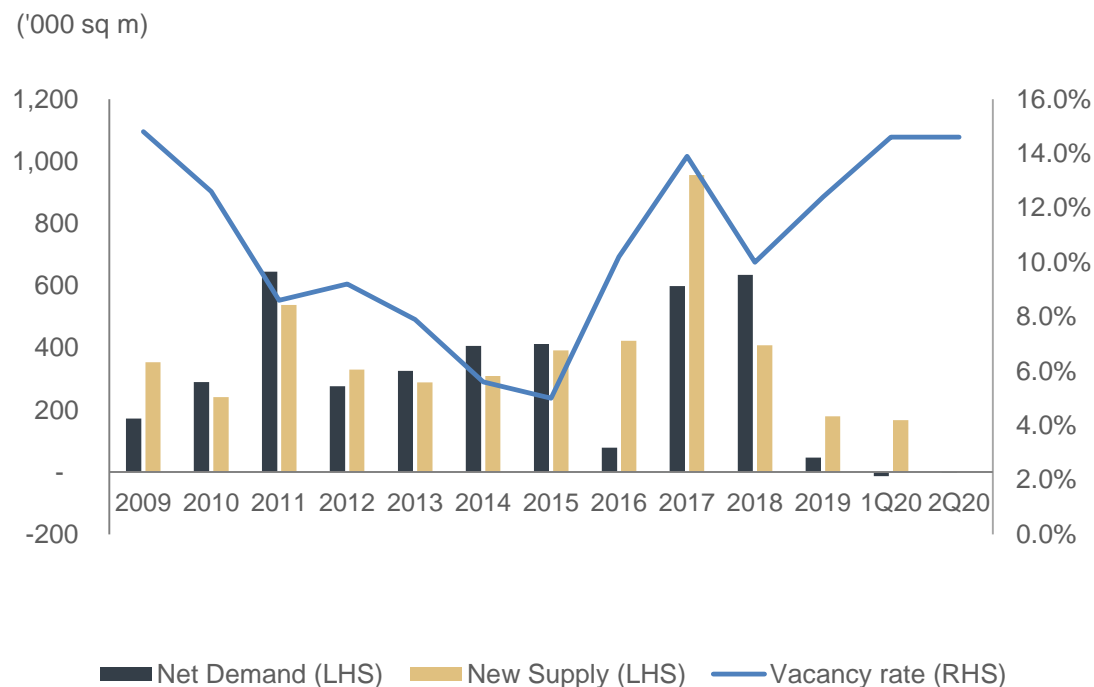
## Puxi



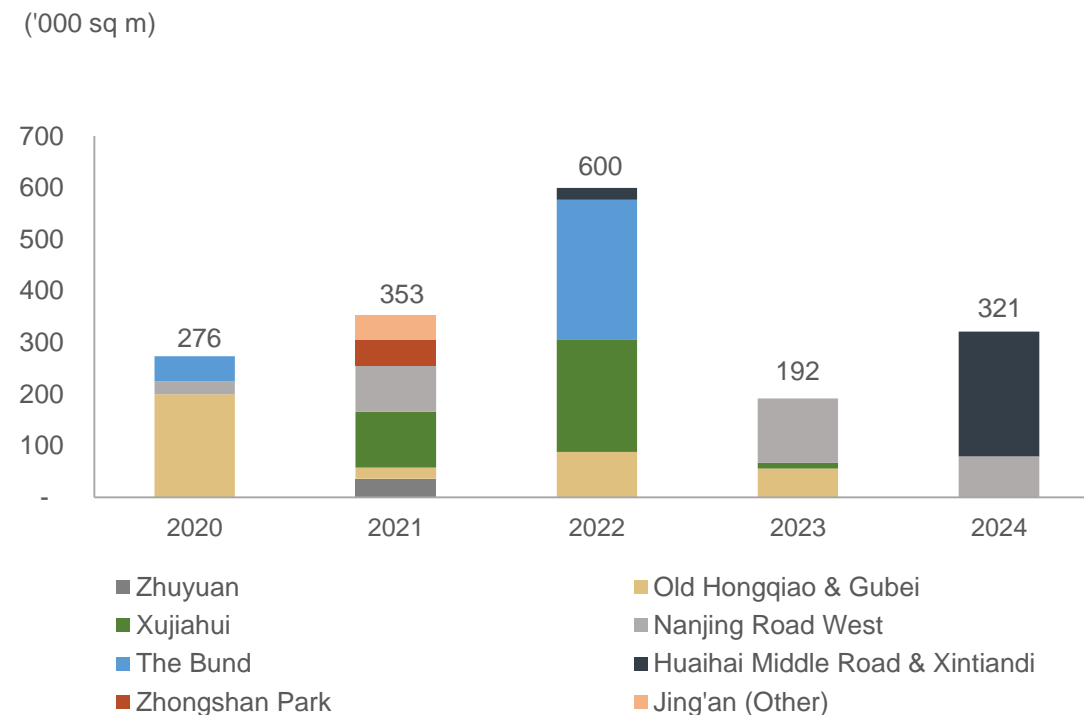
- Shanghai CBD Grade A office occupancy remained stable in 2Q 2020 at 85.4%. Rents declined 4.3% QoQ to RMB9.28 psm/day due to intense leasing competition among landlords
- Puxi Grade A office occupancy remained relatively stable at 86.9% as at 2Q 2020, while rents corrected a further 3.5% QoQ to RMB8.83 psm/day
- Given the significant office supply pipeline which only peaks in the medium term, the rental outlook is expected to remain subdued

# Shanghai CBD Demand, Supply and Vacancy

## Grade A Office Net Absorption, New Supply and Vacancy Rate



## Office Supply Pipeline in Shanghai CBD



- Shanghai CBD Grade A office supply expected to abate after 2022

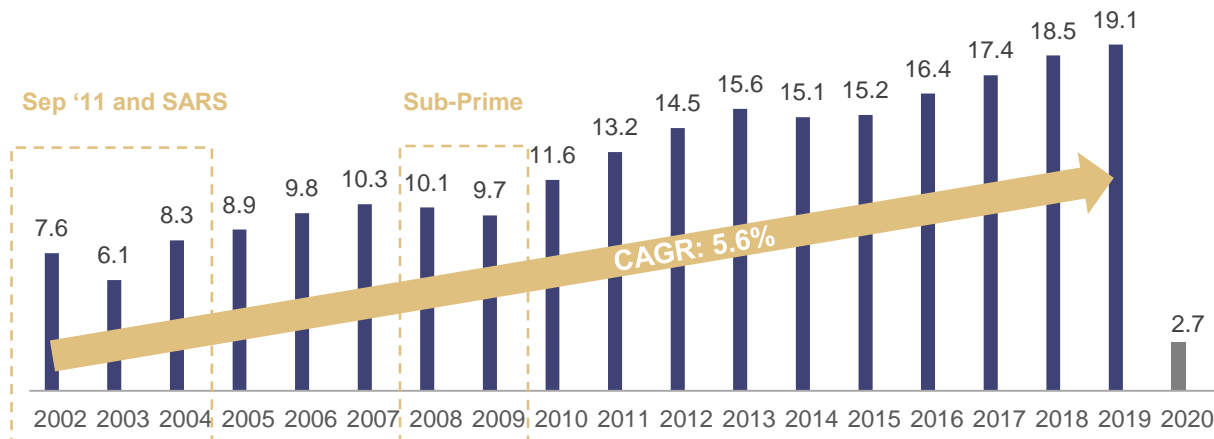
# Singapore Hospitality Market

- For Jan to May 2020, due to restrictions on inbound short-term visitors to stem the spread of COVID-19, Singapore visitor arrivals have fallen 65.7% YoY to 2.7 million
- Top source markets saw major declines led by China (-78.2% YoY), Indonesia (-62.4% YoY), India (-71.7% YoY), Malaysia (-69.7% YoY) and Australia (-54.7%)
- The World Tourism Organisation (UNWTO) has forecasted a 58-78% annual decline in international tourist arrivals worldwide due to COVID-19

## Visitor Arrivals in Singapore

(million)

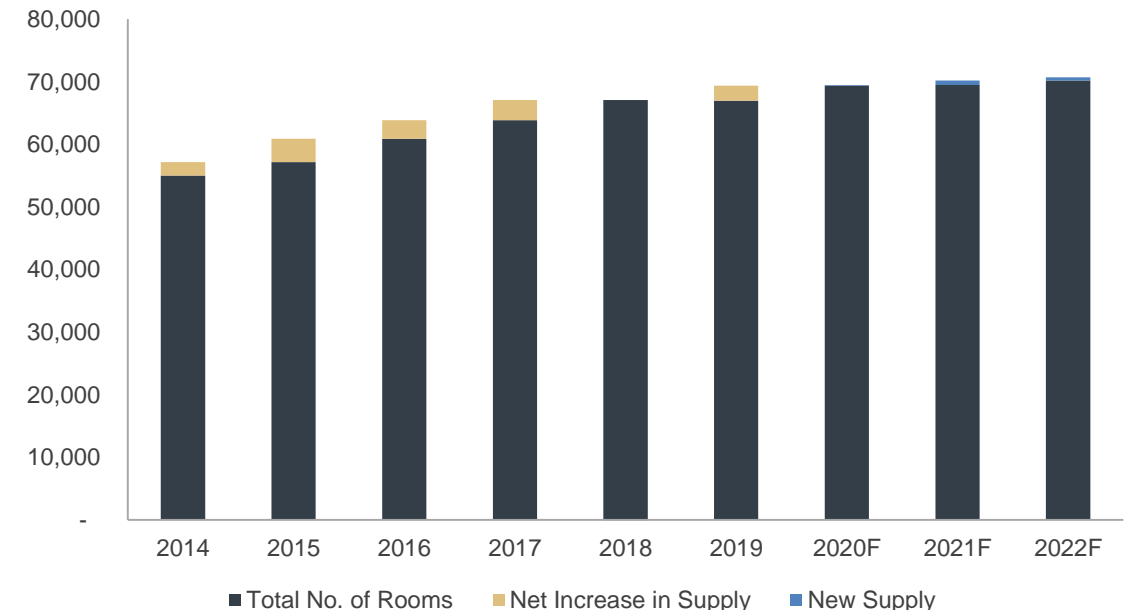
■ Visitor Arrivals ■ YTD May 2020



Source: Singapore Tourism Board, International Visitor Arrival Statistics, JLL Industry Sources

## Singapore Hotel Supply

(No. of Hotel Rooms)





# Singapore Hospitality Market – Investment in Tourism

## Strong Leisure and Events Calendar



## Tourism Investment

- ✓ **Greater Flight Connectivity**  
New and increased flights to key markets of China, India, Japan and USA
- ✓ **Partnerships to drive visitor arrivals**  
STB, CAG and Royal Caribbean collaborated on a new multimillion-dollar five-year tripartite marketing partnership to promote fly-cruises. The collaboration is expected to bring some 623,000 international fly-cruise visitors to Singapore and generate over S\$430 million in tourism receipts between end-2019 and 2024

Source: Singapore Tourism Board, Changi Airport Group and Singapore Airlines Media Releases

## Upcoming Attractions and Developments



Rejuvenation of Orchard Road



Resorts World Sentosa's expansion includes new attractions, hotels and lifestyle offerings



Greater Southern Waterfront (~2027)



Rejuvenation and Expansion of Mandai Nature Precinct (~2020)



Sentosa Redevelopment (~2030)  
Merlion Gateway (2021)



Expansion of Marina Bay Sands to include a 15,000-seat arena, a luxury hotel tower and additional MICE space



Jurong Lake District developmental project (~2026)

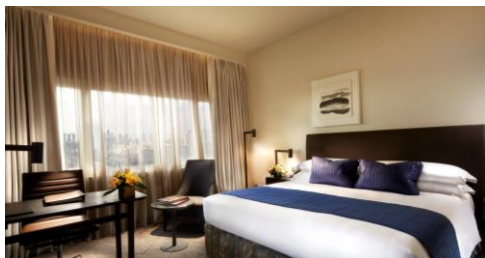
### Mandai Nature Precinct

- Rejuvenation of Mandai into an integrated nature and wildlife destination
- New developments include the Bird Park, Rainforest Park and a Nature Resort

### Jurong Lake District (JLD)

- Set to become the largest commercial and regional centre outside Singapore's CBD
- A new tourism development consisting of an attraction, retail, F&B, entertainment, hotel and open public spaces is envisioned to support JLD's position as a 'must visit' leisure and recreational cluster

# Hotel Master Lease Details



Property	Mandarin Orchard Singapore	Crowne Plaza Changi Airport
No. of Guestrooms	1,077	563
Master Lease Rental	Variable Rent Comprising Sum of: (i) 33.0% of MOS GOR <sup>(1)</sup> ; and (ii) 27.5% of MOS GOP <sup>(2)</sup> ; subject to minimum rent of S\$45.0 million <sup>(3)</sup>	Variable Rent Comprising Sum of: (i) 4% of Hotel F&B Revenues; (ii) 33% of Hotel Rooms and Other Revenues not related to F&B; (iii) 30% Hotel GOP; and (iv) 80% of Gross Rental Income from leased space; subject to minimum rent of S\$22.5 million <sup>(3)</sup>
Master Lessee	<ul style="list-style-type: none"> <li>OUE Limited</li> </ul>	<ul style="list-style-type: none"> <li>OUE Airport Hotel Pte. Ltd. (OUEAH)</li> </ul>
Tenure	<ul style="list-style-type: none"> <li>First term of 15 years to expire in July 2028</li> <li>Option to renew for an additional 15 years on the same terms and conditions</li> </ul>	<ul style="list-style-type: none"> <li>First term of Master Lease to expire in May 2028</li> <li>Option to renew for an additional two consecutive 5-year terms</li> </ul>
	FF&E Reserve	Capital Replacement Contribution
	<ul style="list-style-type: none"> <li>3% of GOR</li> </ul>	<ul style="list-style-type: none"> <li>Aligned with hotel management agreement between OUEAH and IHG</li> <li>Generally at 3% of GOR</li> </ul>

(1) GOR: Gross operating revenue

(2) GOP: Gross operating profit

(3) The rental under the master lease will be the minimum rent if the amount of variable rent for that operating year is less than the amount of minimum rent





Thank You