



DBS-SGX-REITAS Virtual Conference

14 June 2021

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

Agenda

- Overview
- Financial Highlights
- Value-Enhancing Portfolio Management
- Looking Ahead

Overview





COMMERCIAL
REIT

Overview of OUE C-REIT

One of the
Largest Diversified
SGX-listed REITs

Total Assets
S\$6.8 billion⁽¹⁾

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 Gallery



Mandarin Orchard Singapore



Crowne Plaza Changi Airport

Strong Support
OUE Group
48.0% stake⁽²⁾

More than **2.0** mil sq ft
in net lettable area
1,640 upscale
hotel rooms

Investment Mandate
✓ Commercial
✓ Hospitality / Hospitality-related

(1) As at 31 December 2020

(2) As at 31 March 2021

Milestones Since Listing

- Maiden acquisition of One Raffles Place (67.95% effective interest)

➤ **Total assets of S\$3.5 billion**

- Established S\$1.5 billion Multi-Currency Debt Issuance Programme



- Merger with OUE Hospitality Trust by way of a trust scheme of arrangement (effective 4 Sep 2019)

➤ **Total assets of S\$6.9 billion**



- Asset recycling via divestment of 50% interest in OUE Bayfront at 7.3% premium to book value and 26.1% premium to purchase consideration



2014

2015

2018

2019

2020

2021



- Listed on SGX-ST with two assets – OUE Bayfront and Lippo Plaza

➤ **Total assets of S\$1.7 billion**

- Acquisition of OUE Downtown Office

➤ **Total assets of S\$4.6 billion**



- Re-branding of Mandarin Orchard Singapore to Hilton Singapore Orchard

- Established S\$2.0 billion Multi-Currency Debt Issuance Programme, and issued S\$100 million 4.0% fixed rate notes due 2025
- Obtained S\$1.0 billion of new facilities⁽¹⁾ for 2020 and 2021 refinancing requirements



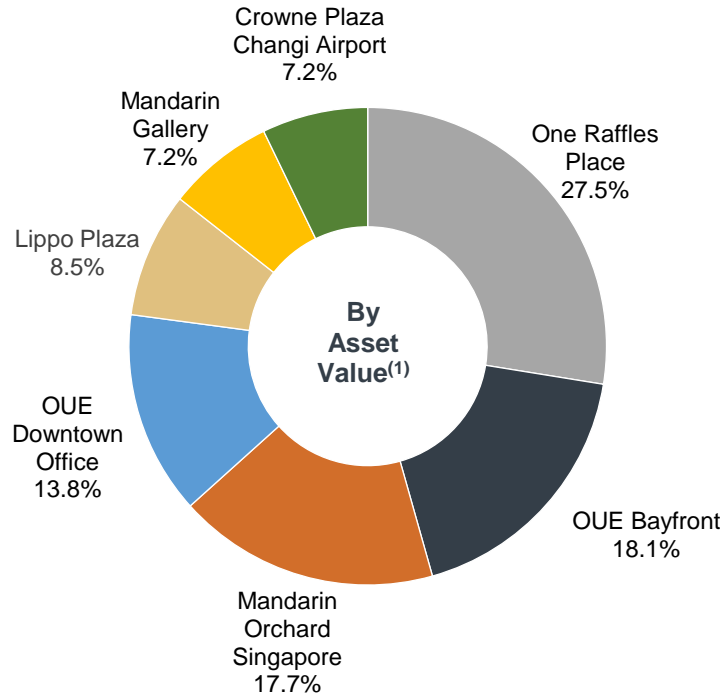
(1) Comprising S\$100 million of medium term notes and S\$900 million facilities. The S\$900 million facilities were upsized to S\$978 million upon exercise of greenshoe option in March 2021

Quality Portfolio

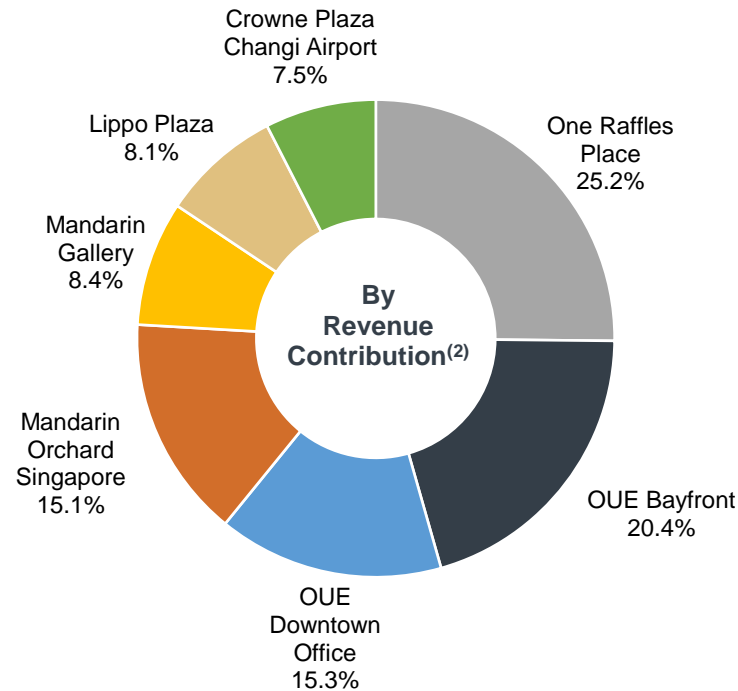
Strategically Located Assets in Prime Business Districts

Singapore			Shanghai
OUE Bayfront	One Raffles Place	OUE Downtown Office	Lippo Plaza
  			
<ul style="list-style-type: none"> Commercial assets situated in the three key office submarkets in Singapore of Marina Bay, Raffles Place and Shenton Way, where medium term supply is limited Delivered resilient performance in a challenging operating environment, underpinning OUE C-REIT's revenue contribution 			<ul style="list-style-type: none"> Benefits from Shanghai's dominant position as a major financial and service hub in China
Mandarin Gallery	Mandarin Orchard Singapore	Crowne Plaza Changi Airport	
 			
<ul style="list-style-type: none"> Strategically located assets along the prime Orchard Road belt and within the Changi Airport vicinity are well-positioned to benefit from the authorities' focus on Singapore as a key business and leisure destination Hospitality assets to benefit from continued investment in tourism infrastructure across the city, as well as government support for the sector 			<p><i>Legend</i></p> <ul style="list-style-type: none"> Commercial (Office and/or retail) Hospitality

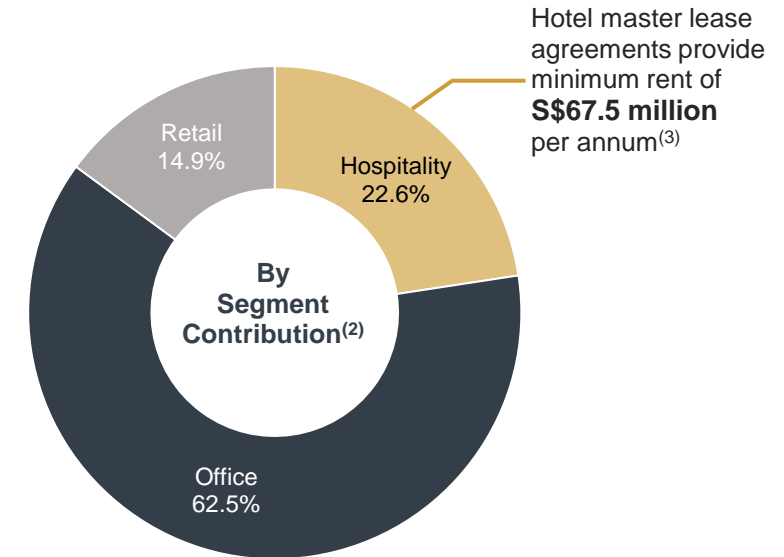
Portfolio Composition



- 91.5% of assets under management in Singapore



- No single asset contributes more than 25.2% to total revenue



- 62.5% of 1Q 2021 revenue underpinned by the office segment

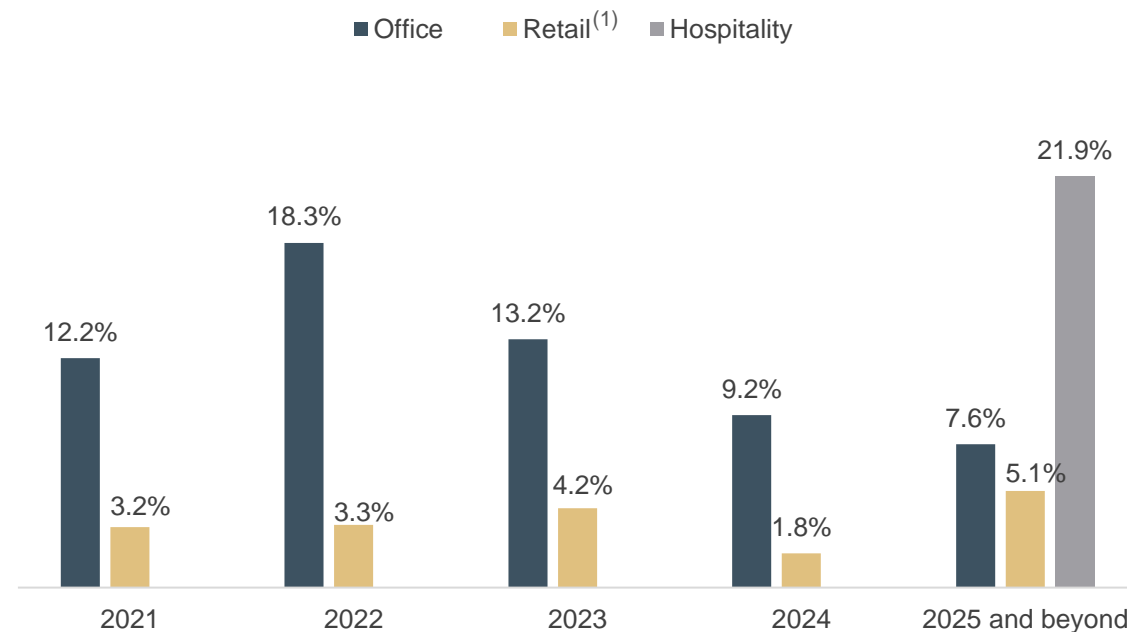
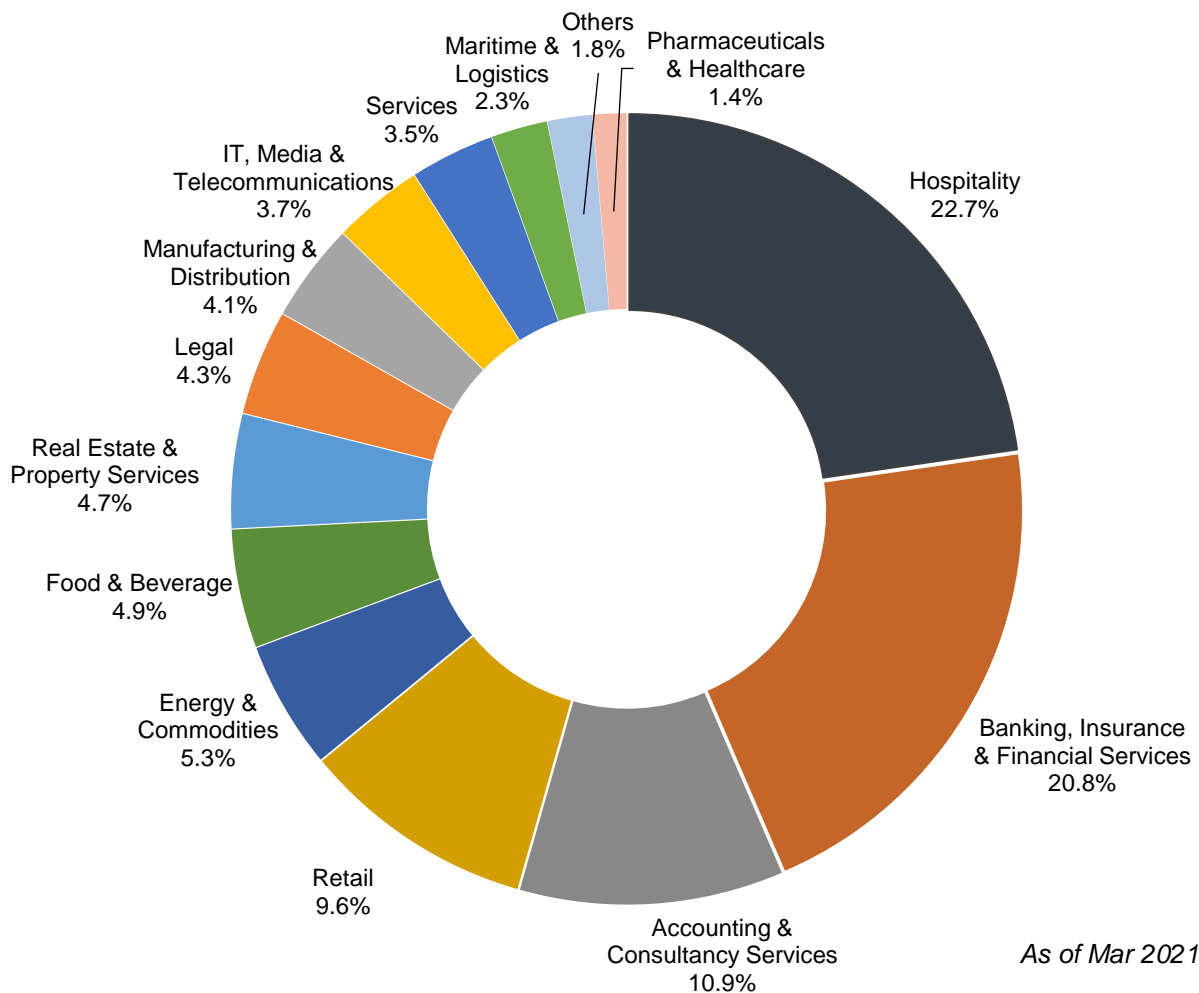
Commercial segment comprises the office and/or retail contribution from OUE Bayfront, One Raffles Place (67.95% effective interest), OUE Downtown Office, Lippo Plaza (91.2% strata interest) and Mandarin Gallery

(1) Based on independent valuations as at 31 December 2020 and assuming SGD:CNY exchange rate of 1:4.843 as at 31 March 2021

(2) For 1Q 2021

(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

Tenant Base and Lease Expiry Profile – All Segments



WALE⁽²⁾ of 3.3 years by Gross Rental Income

As at 31 Mar 2021

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

Financial Highlights



Key Highlights

1Q 2021 Financial Highlights

Revenue

S\$74.7 m

▼ 3.9% YoY

Net Property Income

S\$61.1 m

▼ 1.6% YoY

Amount Available for
Distribution

S\$37.1 m

▲ 2.7% YoY

As at 31 Mar 2021
NAV per Unit

S\$0.58

31 Dec 2020: S\$0.59

1Q 2021 Portfolio Performance

Commercial Segment⁽¹⁾
Committed Occupancy

91.7%

Singapore Office
Rental Reversions

0.8% - 7.2%

Portfolio WALE
by Gross Rental Income

3.3 years

Capital Management as at 31 March 2021

Aggregate Leverage

40.4%

4Q 2020: 41.2%

Weighted Average Cost of Debt

3.1 % p.a.

4Q 2020: 3.0% p.a.

Average Term of Debt

2.8 years

4Q 2020: 2.3 years

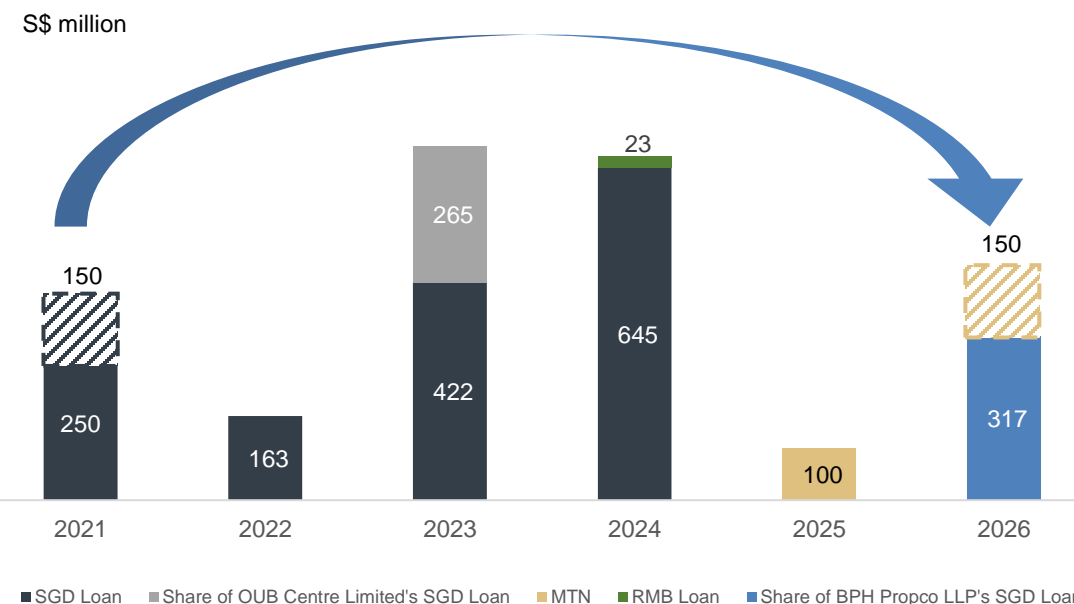
(1) Commercial segment comprises OUE Bayfront, One Raffles Place (67.95% effective interest), office components of OUE Downtown ("OUE Downtown Office"), Lippo Plaza (91.2% strata interest) and Mandarin Gallery

Capital Management

- In 1Q 2021, early refinanced a loan due in 2022 ahead of expiry with a new five-year facility. Consequently, average term of debt increased to 2.8 years as at 31 March 2021
- In June 2021, issued S\$150 million 3.95% notes due 2026 for refinancing requirements in 2H 2021. Pro forma average term of debt as at 31 March 2021 expected to increase to 3.1 years

	As at 31 Mar 2021	As at 31 Dec 2020
Aggregate Leverage	40.4%	41.2%
Total debt	S\$2,335m ⁽¹⁾	S\$2,664m ⁽²⁾
Weighted average cost of debt	3.1% p.a.	3.0% p.a.
Average term of debt	2.8 years	2.3 years
% fixed rate debt	72.1%	68.1%
Interest coverage ratio⁽³⁾	2.6x	2.7x

Debt Maturity Profile as at 31 March 2021



(1) Based on SGD:CNY exchange rate of 1:4.843 as at 31 March 2021 and includes OUE C-REIT's share of OUB Centre Limited's loan and BPH PropCo LLP's loan

(2) Based on SGD:CNY exchange rate of 1:4.912 as at 31 December 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)

Value – Enhancing Portfolio Management



Re-branding of Mandarin Orchard Singapore to Hilton Singapore Orchard

- Transformational re-branding with addition of new income-generating spaces to drive growth in sustainable returns and value
- Re-branding will allow the hotel to leverage on Hilton's strong brand recognition and global sales & distribution network



- Re-branded hotel set to become Hilton's flagship in Singapore and the largest Hilton hotel in Asia-Pacific



Income assurance for Unitholders - Downside protection from master lease throughout phased renovation and ramping-up period

Divestment of 50% Interest in OUE Bayfront to Fund Managed by Allianz Real Estate



- Partial divestment of OUE Bayfront property to Allianz Real Estate-managed fund (“ARE”) completed on 31 March 2021. OUE C-REIT and ARE each hold a 50% interest in BPH Propco LLP, the limited liability partnership holding the property
- Agreed value of S\$1,267.5 million or S\$3,170 per sq ft represents
 - 7.3% premium over book value
 - 26.1% premium over purchase consideration in 2014
- Net divestment proceeds of S\$262.6 million
 - S\$155.0 million to redeem convertible perpetual preferred units to optimise OUE C-REIT’s capital structure
 - S\$15.0 million to share divestment gains with Unitholders
 - Balance of proceeds applied towards other value-enhancing options to drive returns for Unitholders

Looking Ahead



Navigating Through 2021



Proactive Asset Management & Tenant Engagement

- **Tenant retention** remains a key focus:
 - ✓ Continue to monitor business environment closely to recalibrate leasing strategies as suited
 - ✓ Exercise flexibility in lease management and terms to support occupiers' space requirements
 - ✓ Remain supportive of retail tenants as challenges remain. Approximately S\$2.6 million of rental rebates extended in 1Q 2021
- **Quality office space** in the three major Singapore office submarkets to meet occupiers' different needs



Preserving Cash Flow & Financial Flexibility

- Focus on **cost management** and **cash conservation**
- **Proactive and prudent capital management** including optimising capital structure and proactive refinancing
- **Rental collections for portfolio remain healthy** at 94%
- **Rent deferments⁽¹⁾ manageable** at S\$0.3 million



Capitalise on Value-Enhancing Opportunities

- **Transformational re-branding of Mandarin Orchard Singapore to Hilton Singapore Orchard** to reposition the hotel and capitalise on the eventual recovery in the hospitality sector
 - ✓ Property on track to re-open in January 2022 as the largest Hilton hotel in Asia-Pacific and its flagship in Singapore

(1) Includes tenants who have invoked the Notice of Relief under the COVID-19 (Temporary Measures Act), as well as those under flexible repayment schemes as at 31 March 2021



Thank You