OUE COMMERCIAL REIT



SGX-REITAS Education Series

22 August 2023

Important Notice

This presentation should be read in conjunction with the announcements released by OUE Commercial REIT ("OUE C-REIT") on 26 July 2023 (in relation to its Interim Financial Information for the Six-Month Period Ended 30 June 2023).

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Investors should note that they will have no right to request the Manager to redeem their Units while the Units are listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

Agenda

- Overview of OUE C-REIT
- Key Investment Merits
- Outlook and Key Priorities
- Appendices



OUE Bayfront

Overview of OUE C-REIT

Total Assets

S$6.0 billion(1)

7 High quality prime assets

6 properties in Singapore and 1 property in Shanghai

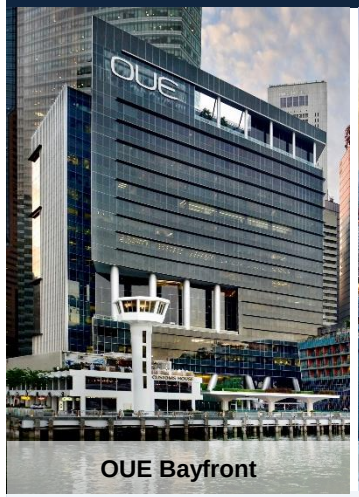
Manages approx. 2.2 mil sq ft in net lettable area

1,643 upper upscale hotel rooms

96%

of portfolio are certified green buildings(2)

Singapore



OUE Bayfront


One Raffles Place


OUE Downtown Office



Mandarin Gallery



Hilton Singapore Orchard



Crowne Plaza Changi Airport

Shanghai


Lippo Plaza

- Commercial assets are situated in the three key office sub-markets in Singapore (Marina Bay, Raffles Place and Shenton Way) where medium term supply is limited
- Delivered resilient performance despite macroeconomic uncertainties, underpinning OUE C-REIT's revenue contribution

- Strategically located assets along the prime Orchard Road belt and within the Changi Airport vicinity are well-positioned to benefit from Singapore's strong position as a key business and leisure destination

- Benefits from Shanghai's dominant position as a major financial and service hub in China

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(1) As at 30 June 2023
(2) Based on asset valuations as at 31 December 2022 and OUE C-REIT's proportionate interest in the respective properties

Milestones Since Listing in 2014

Scaled up the portfolio with AUM quadrupling from S$1.7 billion at IPO to S$6.8 billion

2014

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



2015



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

2018

Acquisition of OUE Downtown Office



2019

Merger with OUE Hospitality Trust effective 4 Sep 2019



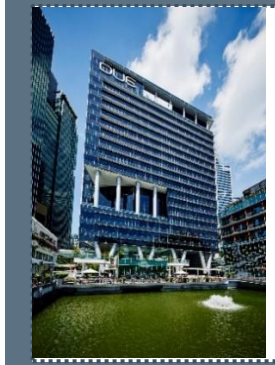
Strengthened capital structure while unlocking asset potential through AEIs and portfolio reconstitution

2020

Announced S$150 million AEI to transform and rebrand to Hilton Singapore Orchard ("HSO")

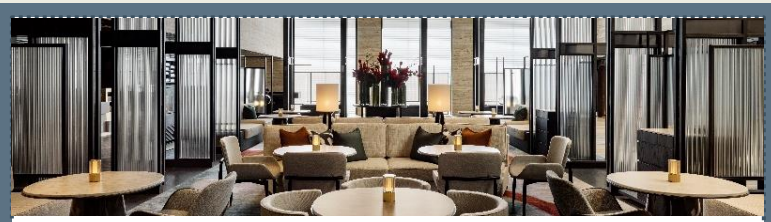


2021



- Asset recycling via divestment of 50% interest in OUE Bayfront at 7.3% premium to book value and 26.1% premium to purchase consideration
- Joined the FTSE EPRA Nareit Global Developed Index effective 20 September
- Obtained first S$540 million sustainability-linked loan ("SLL")

2022



- Official opening of HSO on 24 Feb
- Issued SG's first bond with a coupon step-down feature in May
- Obtained the largest unsecured SLL amongst S-REITs in Aug for refinancing secured borrowings

2023



- Completes 2023 refinancing with third SLL of S$430 million
- Asset enhancement at Crowne Plaza Changi Airport

Key Investment Merits



One Raffles Place

Key Investment Merits

1. Quality Portfolio in Prime Locations

2. Active Portfolio Optimisation

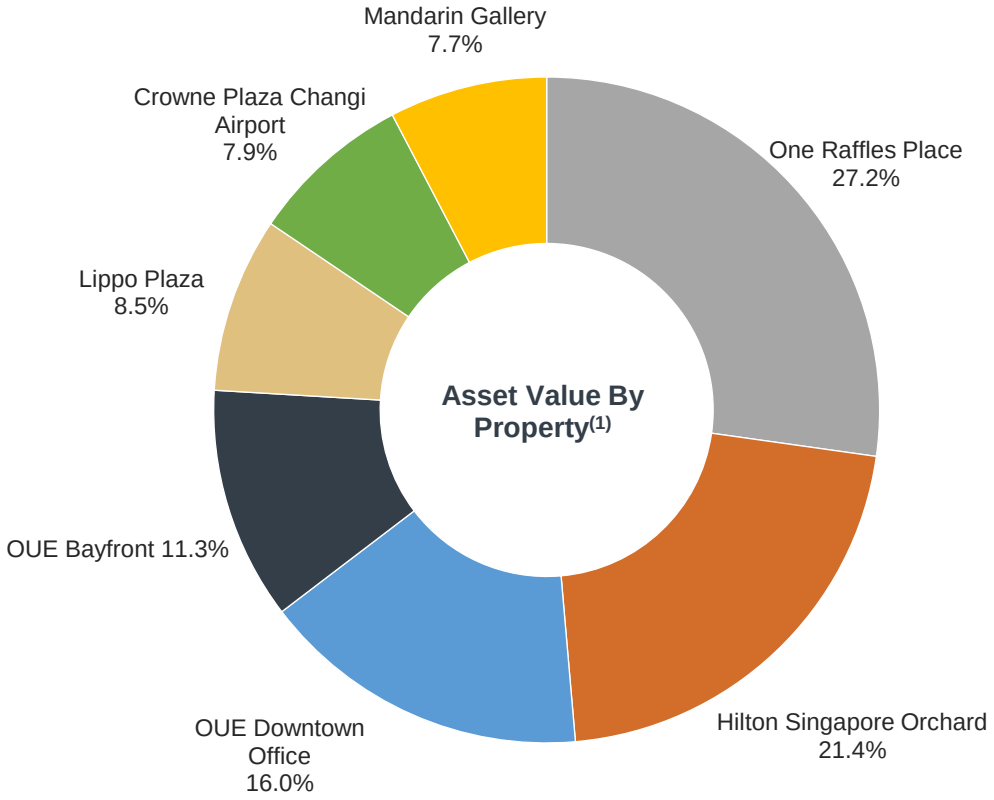
3. Proactive and Prudent Capital Management

4. Experienced Management Team

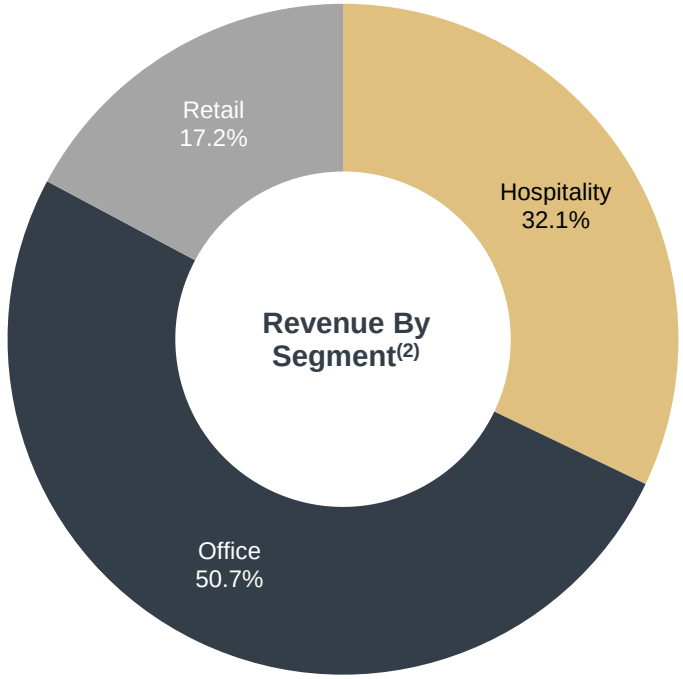
5. Progressing on Sustainability

1 Singapore-centric and Diversified Portfolio Provides Stability amidst Market Uncertainties

91.5% of assets under management in Singapore



Nearly 50% of portfolio contribution is driven by retail and hospitality segment

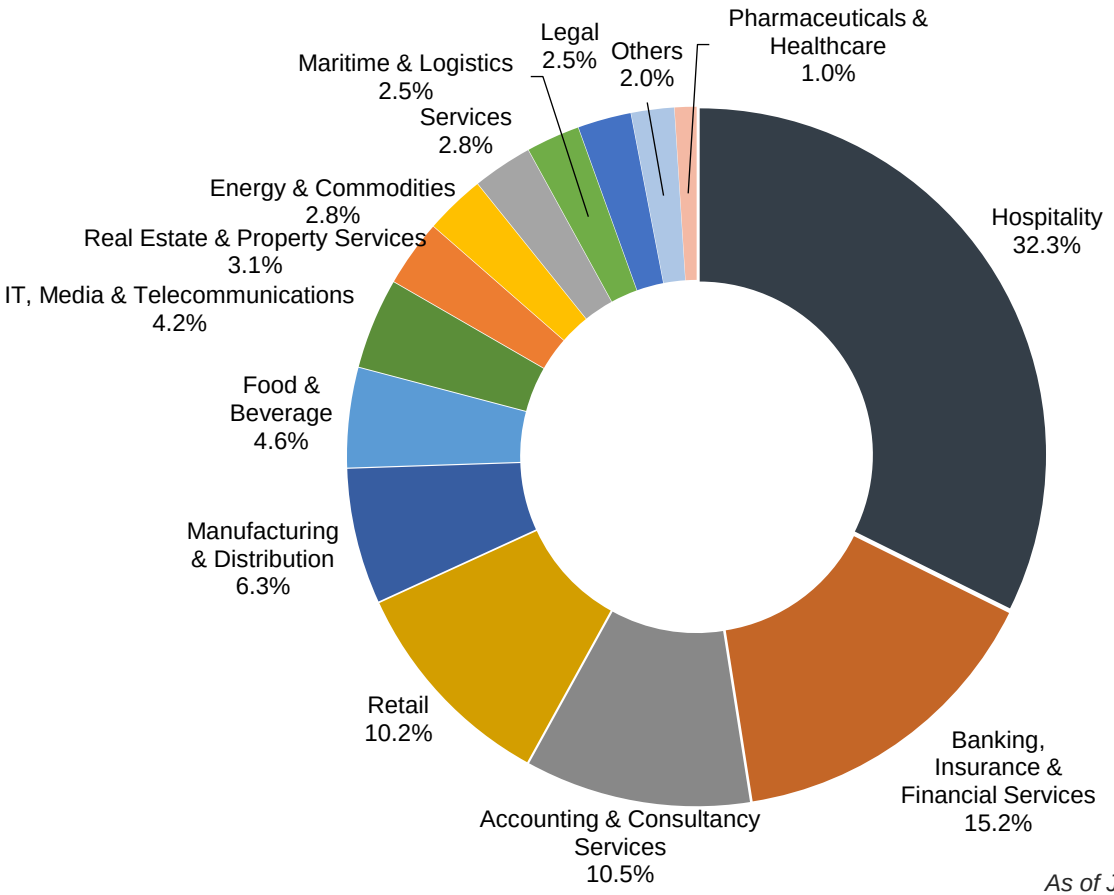


(1) Based on independent valuations as at 31 December 2022 and OUE C-REIT's proportionate interest in the respective properties as at 30 June 2023, assuming SGD:CNY exchange rate of 1:5.311 as at 30 June 2023

(2) Based on 2Q 2023 revenue and OUE C-REIT's proportionate interest in the respective properties

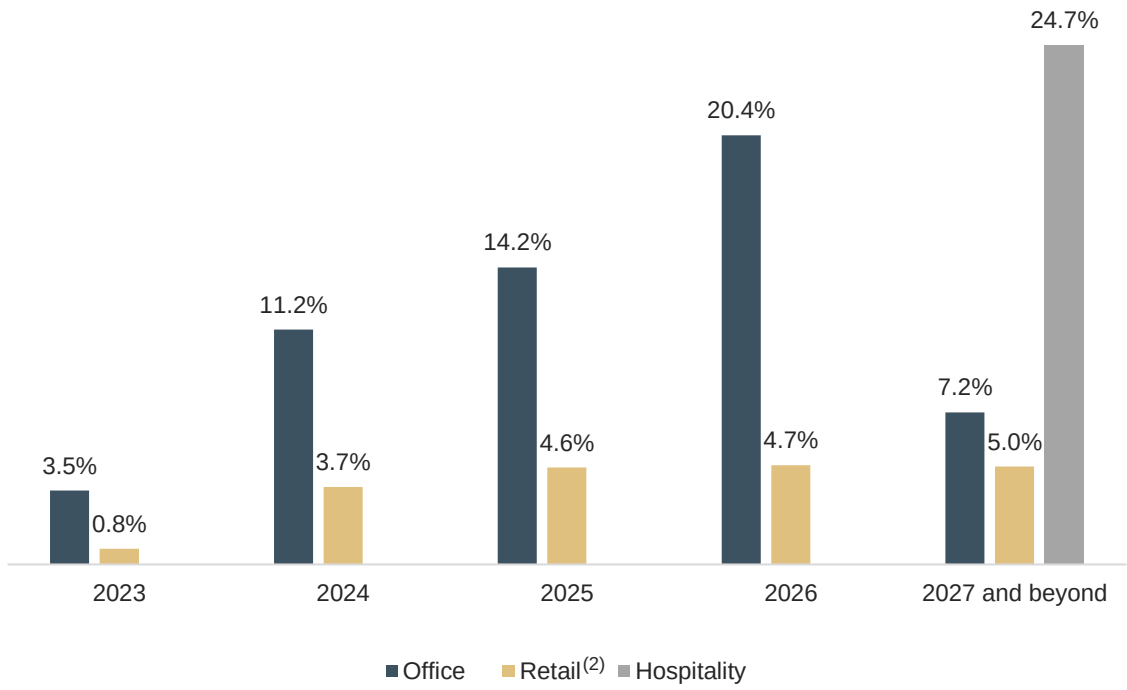
1 Well-diversified Tenant Mix with Stable Lease Expiry Profile

Backed by resilient traditional sectors



As of Jun 2023

WALE(1) of 3.1 years by Gross Rental Income ("GRI")



As at 30 Jun 2023

Note: Tenant by trade sector and lease expiry profile is based on GRI (excluding provision of rental rebates and turnover rent), and OUE C-REIT's proportionate interest in the respective properties

(1) "WALE" refers to the weighted average lease term to expiry.

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

2 Active Portfolio Optimisation

Continuous improvement in financial and portfolio metrics

1H 2023 Revenue

S$138.8m

▲ 19.8% YoY

1H 2023 NPI

S$115.3m

▲ 23.1% YoY

1H 2023 DPU

1.05 S cents

▼ 2.8% YoY

Singapore Office

- Committed occupancy of Singapore office properties remained healthy at 96.1% as at 30 Jun 2023
- Recorded positive rental reversion of 8.1% in 2Q 2023

Hospitality

- Hospitality segment revenue increased 35.8% YoY to S$45.8 million in 1H 2023
- RevPAR increased 34.3% YoY to S$232 in 1H 2023 due to higher room rates supported by the ongoing recovery in the hospitality sector

Retail

- Mandarin Gallery's committed occupancy(1) reached 98.2% as at 30 Jun 2023
- Rental reversion continued to be positive for the fourth consecutive quarter, at 5.5% in 2Q 2023

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(1) Including short-term leases

2 Hilton Singapore Orchard's Successful Rebranding and AEI

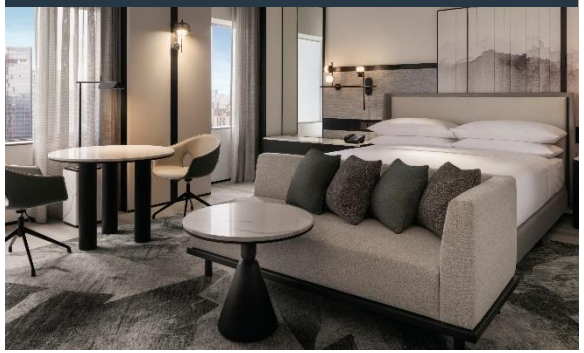
Stellar performance with the full inventory of 1,080 rooms available since 1 January 2023

- Relaunched as Hilton Singapore Orchard ("HSO"), the Hilton brand's flagship hotel in Singapore and its largest in Asia Pacific in February 2022
- Completed the asset enhancement initiative ("AEI") with the full inventory of 1,080 rooms available since 1 January 2023
- Addition of new income-generating spaces to drive growth in sustainable returns and value
- Future-proofed with advance MICE amenities and sustainability initiatives

1H 2023 Performance Highlights

- ✓ Contributes 24.5% of the portfolio revenue(1)
- ✓ RevPAR was 16.5% higher YoY at S$246
- ✓ Successfully tapped on Hilton's global distribution network to drive more direct booking business and corporate segment business
- ✓ Diversified geographical source towards higher-yielding markets including North America and Europe, while continuing to attract tourists from North and Southeast Asia

1,080 refurbished rooms and suites



16 state-of-the-art and versatile event spaces configured for MICE





5 revamped and fresh F&B offerings



(1) Based on 2Q 2023 revenue and OUE C-REIT's proportionate interest in the respective properties

2 Crowne Plaza Changi Airport AEI



Crowne Plaza Changi Airport

2 Crowne Plaza Changi Airport AEI

Why embark on this AEI?

1. Optimise and repurpose underutilised spaces creatively into **income-generating rooms and MICE facilities to enhance value and drive greater returns**

2. **Strengthen competitive positioning of the award-winning asset** as a premier hospitality destination in its unique Changi Airport location

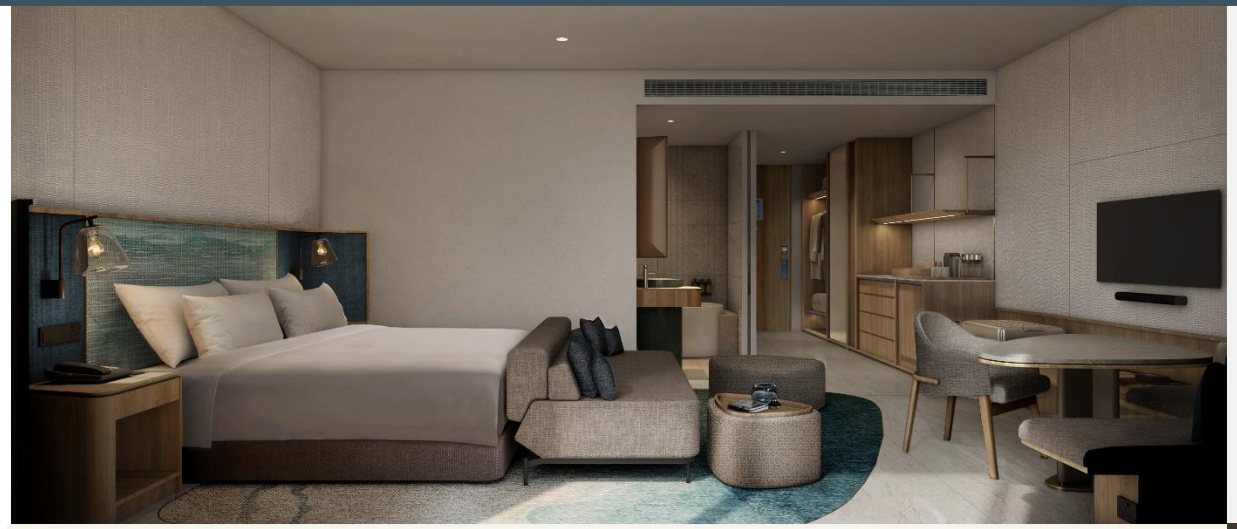
3. Completion by end 2023 to **capture strong wave of leisure and business travellers anticipated in 2024 and beyond**

4. AEI is expected to be **DPU-accretive and generate a stabilised return on investment of c.10%** with an estimated capital expenditure of up to S$14 million

5. Upgrading of equipment **improve the hotel's environmental performance, in line with OUE C-REIT's commitment to sustainability**

2 Crowne Plaza Changi Airport AEI

Key Features of the AEI



Addition of 10 Premier Pool Rooms and 2 Suites to cater to the higher-yielding long-stay guests and families market segment

- Total inventory increases to 575 well-appointed guest rooms
- Strategically located on the same level as the hotel's tropical resort outdoor pool with a view of the iconic Changi Airport control tower
- Three of the new rooms will have direct pool access

Revamp of all-day dining restaurant to complement the current F&B offerings at Changi Airport

- A brand-new Italian dining experience with an alfresco area and bar; the only Italian buffet destination within Changi Airport
- Relocation of all-day dining restaurant to the ground floor for better visibility and direct access from Changi Airport T3



Note: Images are artist impressions and are subject to final changes

2 Crowne Plaza Changi Airport AEI

Key Features of the AEI



New and versatile meeting spaces to capture MICE demand

- Conversion of existing all-day dining restaurant into a new 352-square metre multi-function room
- Equipped with state-of-the-art audio-visual technology, the adaptive space will be well-equipped to host a wide array of meetings and events

Transformation of Club Lounge and gym facilities

- Existing Bar space will be transformed into a contemporary Club Lounge that includes modernised space for meetings
- Gym will also be revamped with state-of-the-art equipment, catering to the fitness needs of business and leisure travellers



Note: Images are artist impressions and are subject to final changes

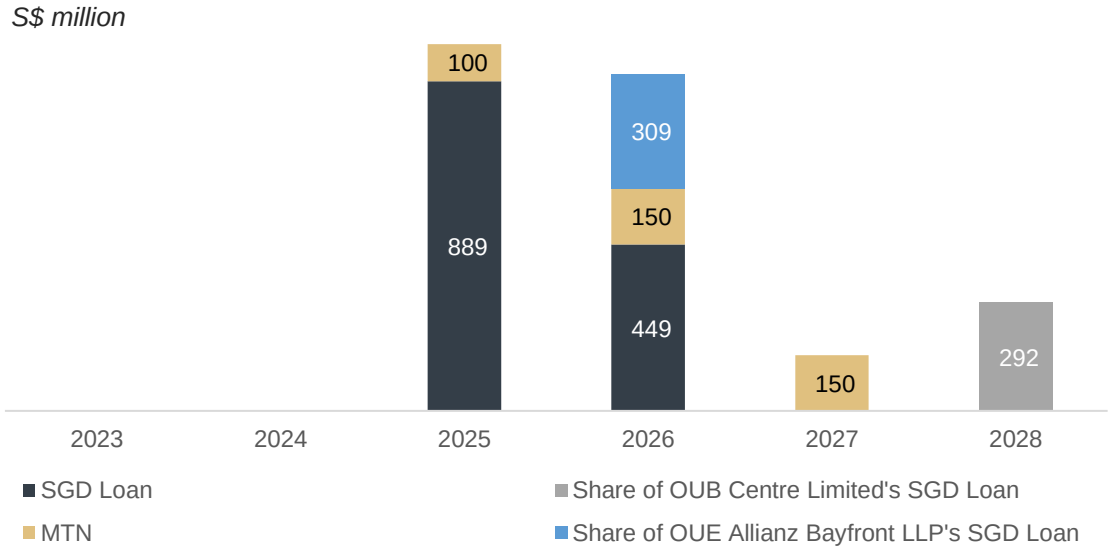
3 Proactive and Prudent Capital Management

No refinancing requirement until 2025

- In June 2023, completed the refinancing of existing borrowings with a S$430 million unsecured sustainability-linked loan (“SLL”), lengthening the weighted average term of debt to 3.0 years as at 30 June 2023
- Aggregate leverage remained stable at 39.1% as at 30 June 2023
- 68.2% of total debt hedged into fixed rates and weighted average cost of debt was 4.1% per annum
- SLLs account for 69.7% of total borrowings, one of the highest amongst S-REITs

	As at 30 Jun 2023	As at 31 Mar 2023
Aggregate leverage	39.1%	39.0%
Total debt(1)	S$2,340m	S$2,332m
Weighted average cost of debt	4.1% p.a.	3.8% p.a.
Average term of debt	3.0 years	2.7 years
% fixed rate debt	68.2%	69.4%
% unsecured debt	69.7%	68.7%
Interest coverage ratio (“ICR”)(2)	2.4x(3)	2.5x(4)
Adjusted ICR(5)	2.3x(3)	2.4x(4)

Debt Maturity Profile (as at 30 June 2023)



(1) Includes OUE C-REIT’s share of OUB Centre Limited’s loan and OUE Allianz Bayfront LLP's loan
(2) As prescribed under Appendix 6 of the Monetary Authority of Singapore’s Code on Collective Investment Schemes (last revised on 23 May 2023)
(3) Including the write-off of upfront fees from early refinancing, ICR and adjusted ICR stand at 2.3x and 2.2x respectively as at 30 June 2023
(4) Including the write-off of upfront fees from early refinancing, both ICR and adjusted ICR are 2.3x as at 31 March 2023
(5) As above in (3) and including distributions on hybrid securities in the denominator

4 Experienced Management Team

A professional and diverse team offering wide-ranging industry expertise with a strong track record



Mr Han Khim Siew
Chief Executive Officer



Mr Lionel Chua
Chief Financial Officer



Mr Wong Cho Wai
Senior Vice President,
Asset Management



Ms Sarah Lei
Vice President,
Capital Markets & Investment



Ms Tang Sal Lee
Vice President, Finance



Ms Mary Ng
Vice President,
Investor Relations

5 Progressing on Sustainability

2022 ESG Performance and 2023 Highlights

Stewarding the Environment

96% of our assets have either attained LEED (Gold) certification or Singapore's BCA Green Mark Gold certification

Continued to align financing needs with OUE C-REIT's sustainability commitment with our third SLL in 2023. **SLLs account for 69.7%** of OUE C-REIT's total debt as of 30 June 2023

Engaged with tenants to adopt **green practices and green lease agreements**. Green leases account for **21.1%** of OUE C-REIT's commercial segment net lettable area in Singapore as of 31 December 2022

Inaugural participation in the annual **Global Real Estate Sustainability Benchmark ("GRESB") assessment** in 2022

Strengthening Social Fabric

Achieved a **high overall satisfaction score** of 91.4% in the employee satisfaction survey in 2022

Maintained a fair and inclusive workplace with 40% or more of women in senior management and zero complaints of discrimination and harassment

Value continual learning by employees with a minimum 25 hours of training per employee per year

Developed and implemented succession and knowledge transfer plans to ensure business continuity

Work in partnership with various stakeholders to **engage and support the local community**

Building Trust

CENTRE FOR GOVERNANCE AND SUSTAINABILITY 治理与永续发展研究所

Improved by two positions and eight points to rank 26 out of a total 43 REITs and Business Trusts in 2023

MSCI ESG RATINGS BBB

CCC B BB BBB A AA AAA

RATING ACTION DATE: January 27, 2023
LAST REPORT UPDATE: April 28, 2023

ESG Rating has consistently improved since 2021 to 'BBB', Manager continues to identify and implement areas of improvement

Rated MORNINGSTAR SUSTAINALYTICS

"**Low Risk**" rating in Morningstar's Sustainalytics ESG Risk Ratings

Focus on Optimising Returns and Driving Long-term Growth

Reinforcing Capital Structure

- **Optimise cost of debt** by adopting appropriate hedging strategies to maintain proportion of fixed rate debt, act on opportunities with the inverted yield curve and strengthen credit profile to lower funding costs from capital markets
- **Proactively manage refinancing requirements** to further extend OUE C-REIT's debt maturity profile

Maximising Asset Performance

- **Leverage on limited Singapore office supply to drive** positive rental reversions and maintain high occupancy
- **Proactively initiate early discussions with existing tenants to increase tenant retention and optimise occupancy**
- **Capitalise on the continued tourism recovery** to achieve better performance across hospitality and retail assets
- Prudent **management of operating expenditures** for the portfolio
- **Improve the environmental performance** of OUE C-REIT's properties to retain our green building certifications as well as to meet tenants' increasing requirements on sustainability

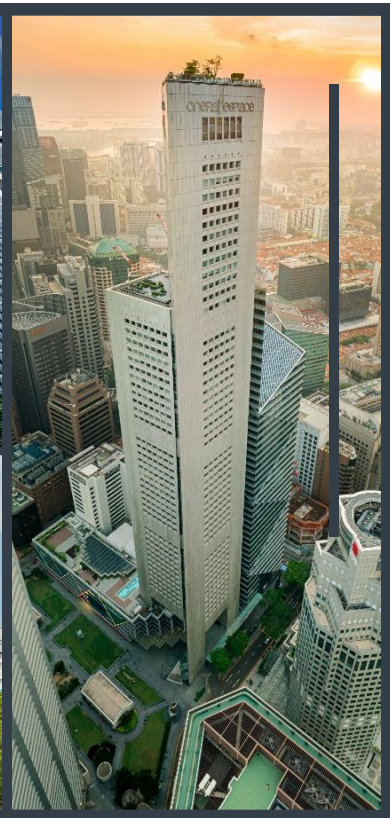
Actively Pursue Growth Opportunities

- **Near term strategy:** Tap on **asset enhancement initiatives** to create value and maximise portfolio returns
- **Long term strategy:** Eye on opportunities **in Singapore as well as key gateway cities in Japan, Australia (Sydney and Melbourne) and the UK (London)**. Seek further exposure to hotels, offices or mixed-use developments with a significant office component in prime CBD areas

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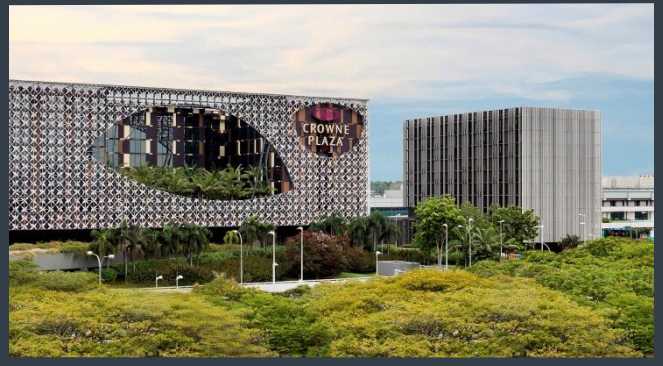












Thank You

LinkedIn

Appendices

- Premium Portfolio of Assets
- Office Segment Occupancy
- Singapore Office Market
- Shanghai Office Market
- Singapore Hospitality Market
- Hotel Master Lease Details



Crowne Plaza Changi Airport

Premium Portfolio of Assets

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







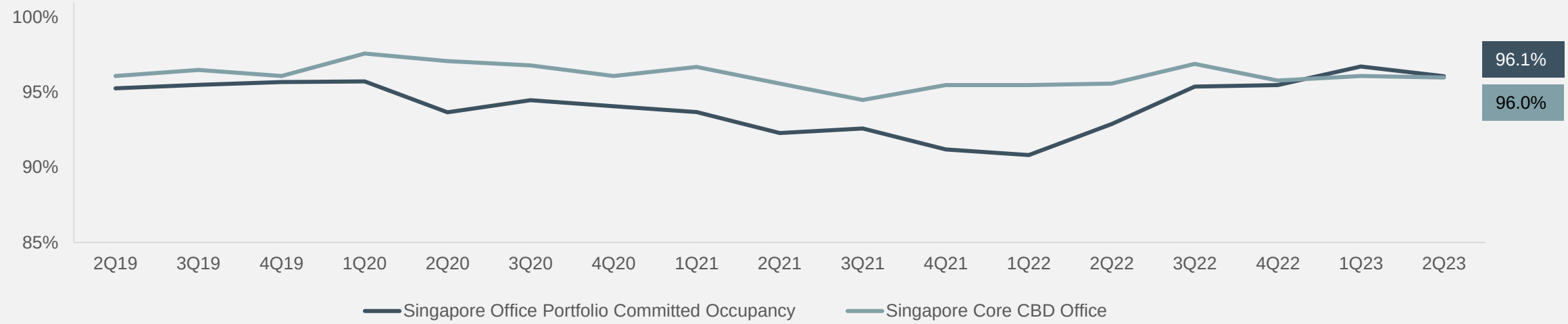



	OUE Bayfront	One Raffles Place	OUE Downtown Office	Lippo Plaza	Mandarin Gallery	Hilton Singapore Orchard	Crowne Plaza Changi Airport
Description	A landmark Grade A office building located at Collyer Quay between the Marina Bay downtown and Raffles Place	Iconic integrated development with two Grade A office towers and a retail mall located in Singapore's CBD at Raffles Place	Grade A office space, a mixed-used development with offices, retail and serviced residences at Shenton Way	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	Hilton's flagship hotel in Singapore and its largest in Asia Pacific, strategically located in the heart of Singapore's shopping and entertainment district	Award-winning hotel at Singapore Changi Airport and close to Changi Business Park with seamless connectivity to Jewel Changi Airport
Ownership Interest	50%	67.95%	100%	91.2% strata ownership	100%	100%	100%
NLA (sq ft) /No. of Rooms	Office: 378,176 Retail: 21,271	Office: 605,497 Retail: 99,370	Office: 529,850	Office: 361,007 Retail: 60,810	Retail: 126,283	1,080 hotel rooms	563 hotel rooms
Occupancy[1]	Office: 96.8% Retail: 87.7% Overall: 96.3%	Office: 95.8% Retail: 97.7% Overall: 96.1%	Office: 95.9%	Office: 86.6% Retail: 94.4% Overall: 87.8%	Retail: 96.4%	-	-
Valuation as at 31 Dec 2022	S$1,321.0m[2] (S$3,307 psf)	S$1,909.0m[3] (S$2,708 psf)	S$930.0m (S$1,755 psf)	RMB2,640.0m / RMB45,112 psm GFA	S$453.9m (S$3,594 psf)	S$1,250.0m (S$1.2m / key)	S$460.2m (S$0.8m / key)

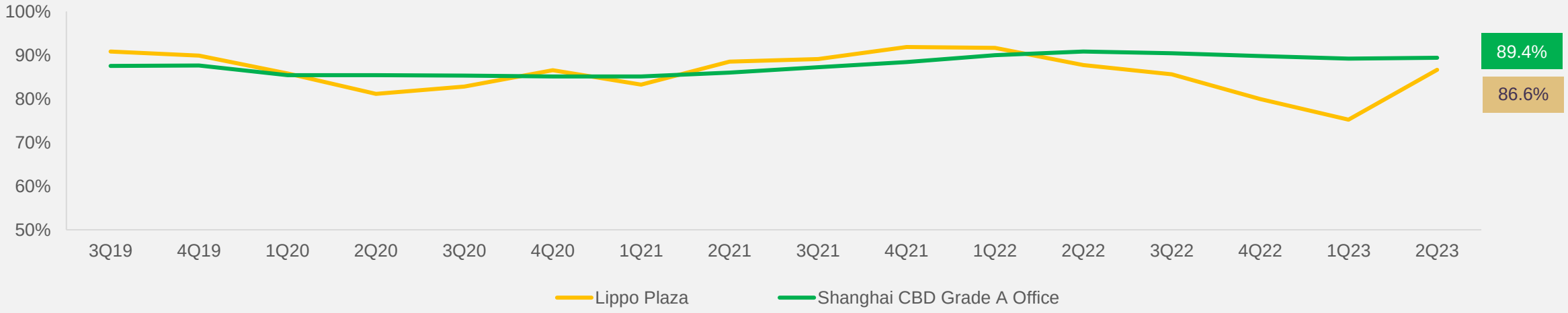
(1) Committed occupancy as at 30 June 2023
(2) Based on OUE Allianz Bayfront LLP's 100% interest in OUE Bayfront. OUE C-REIT has a direct 50.0% interest in OUE Allianz Bayfront LLP
(3) Based on OUB Centre Limited's 81.54% interest in One Raffles Place. OUE C-REIT has an indirect 83.33% interest in OUB Centre Limited held via its wholly-owned subsidiaries

Office Segment Occupancy

Singapore Office Portfolio



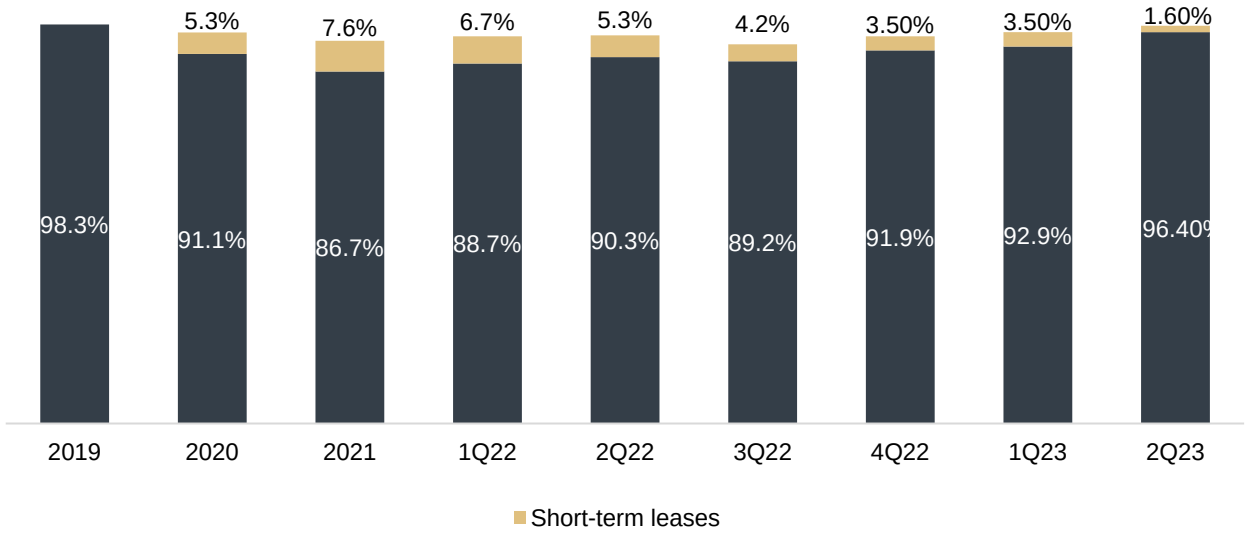
Shanghai Lippo Plaza



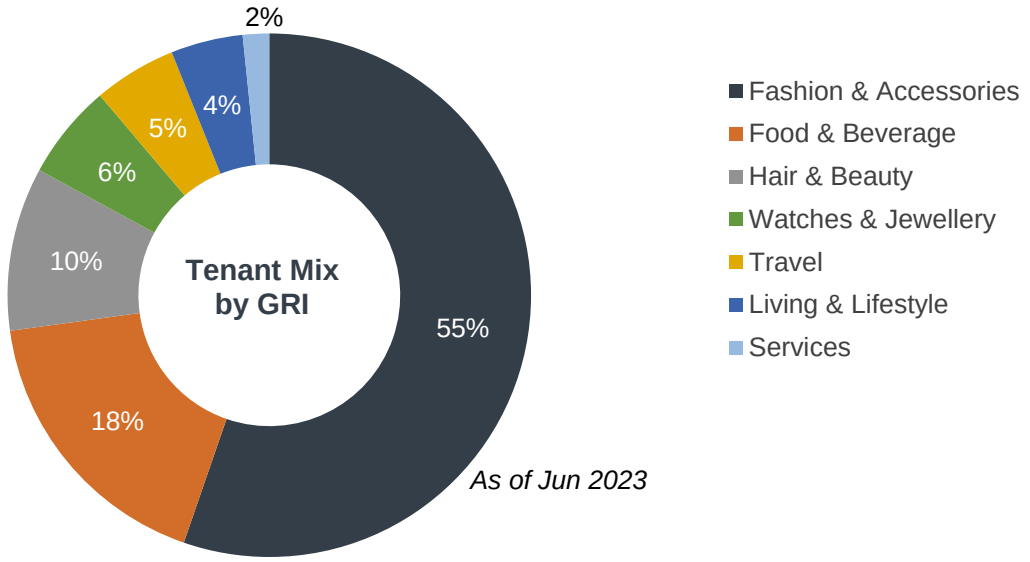
Source: CBRE, Colliers Shanghai

Mandarin Gallery Occupancy and Tenants Profile

Committed Occupancy



Tenant Mix by GRI



As of Jun 2023

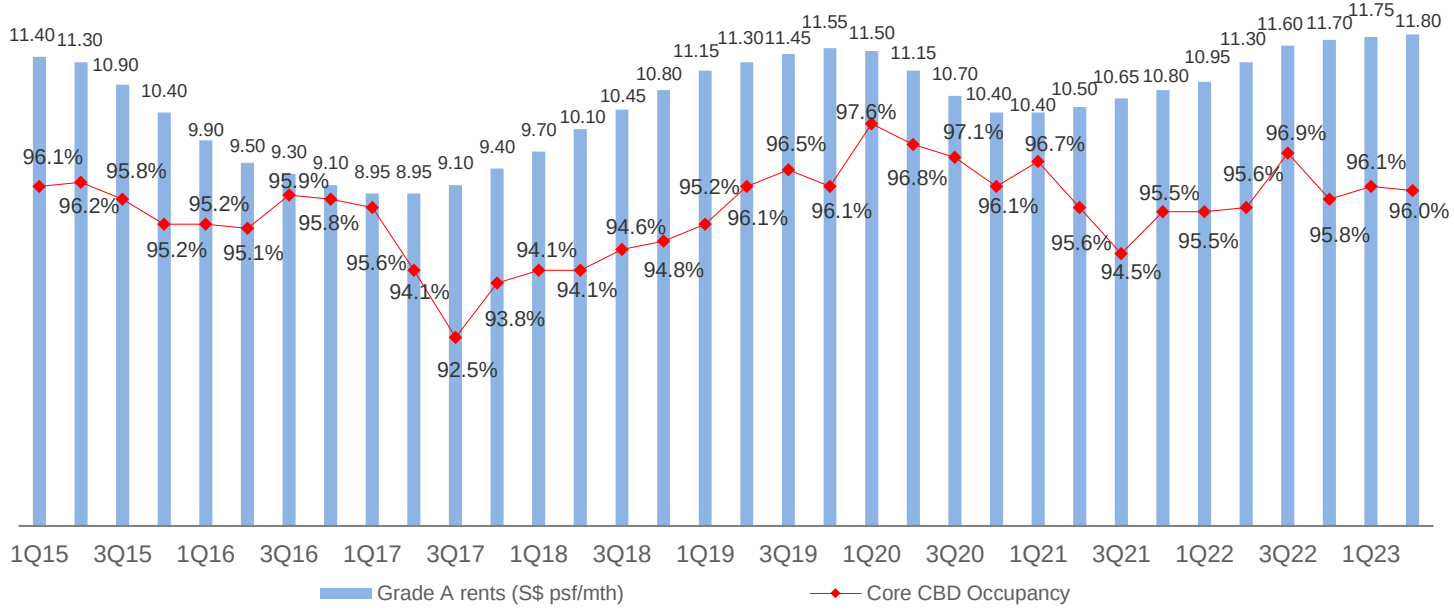
Diversified brands to capture the return of tourism

BOSS
MaxMara
ALDO
MICHAEL KORS
MLB
SNKRDUNK
VICTORIA'S SECRET
Y-3
RIMOWA
TUMI
LAWRY'S THE PRIME RIB Singapore
La D'Oro
THE PROVIDORE

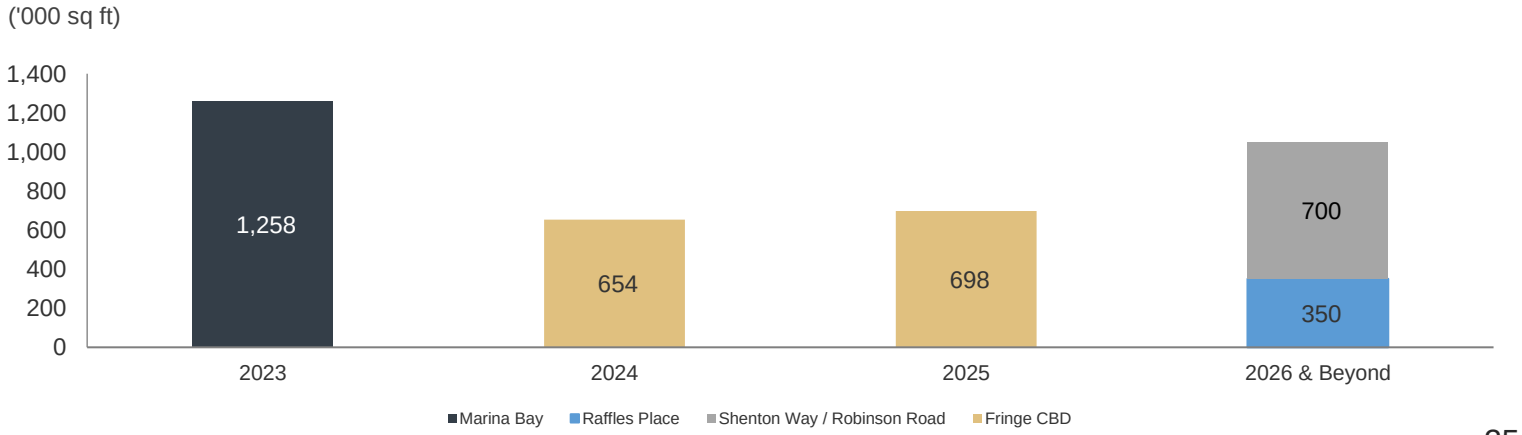
Singapore Office Market

- Rents increased marginally by 0.4% QoQ to S$11.80 psf per month amidst tight vacancies
- Core CBD (Grade A) vacancy registered a slight increase of 0.1 ppt to 4.0%
- As firms focus on cost control, total shadow space remains elevated
- Macroeconomic headwinds and lingering uncertainties within the technology and banking sectors will continue to weigh on already cautious sentiment
- While 2H 2023 rental growth will slow due to the weakening economy, elevated shadow space and a large upcoming office completion, limited new office completions over 2024F-2026F will continue to support Core CBD (Grade A) rents in the longer term

Singapore Core CBD Grade A Rents and Occupancy

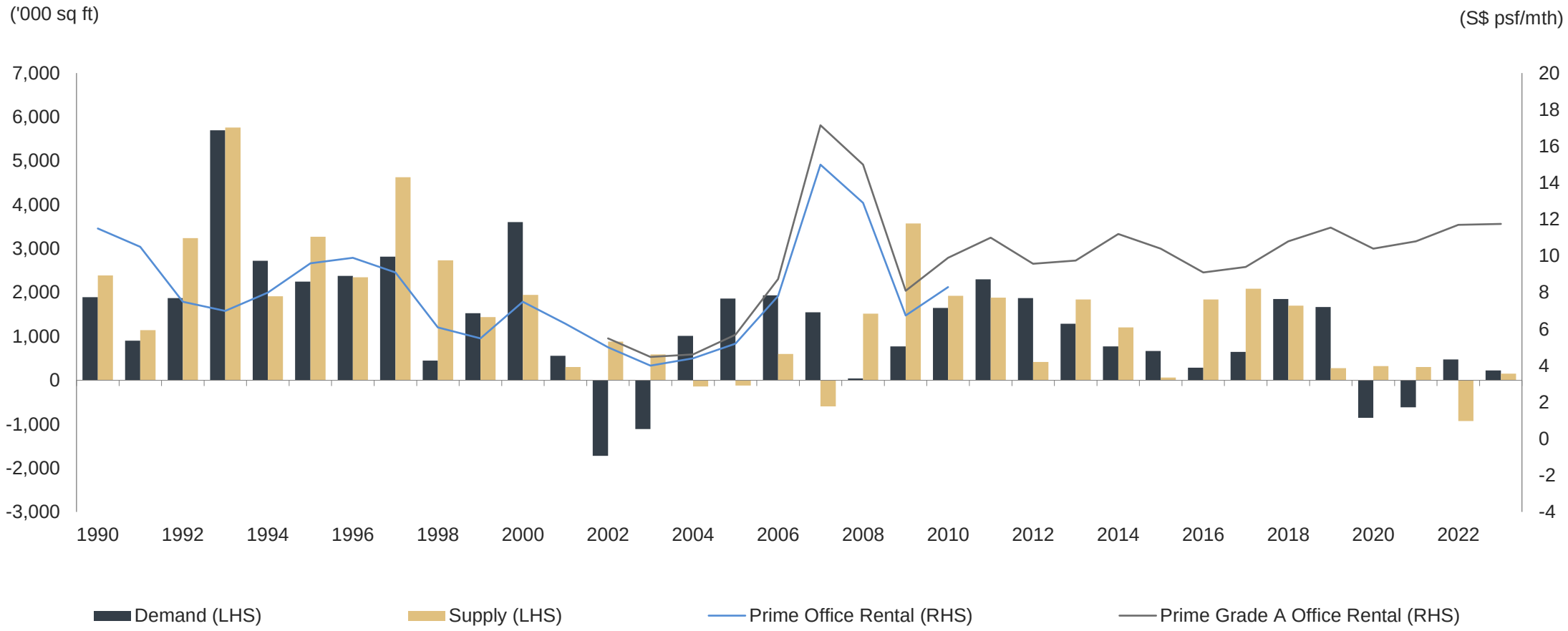


Office Supply Pipeline in Singapore (CBD and Fringe of CBD)



Note: Excluding strata-titled office
Source: CBRE Research, Manager data

Singapore Office Demand, Supply & Office Rents

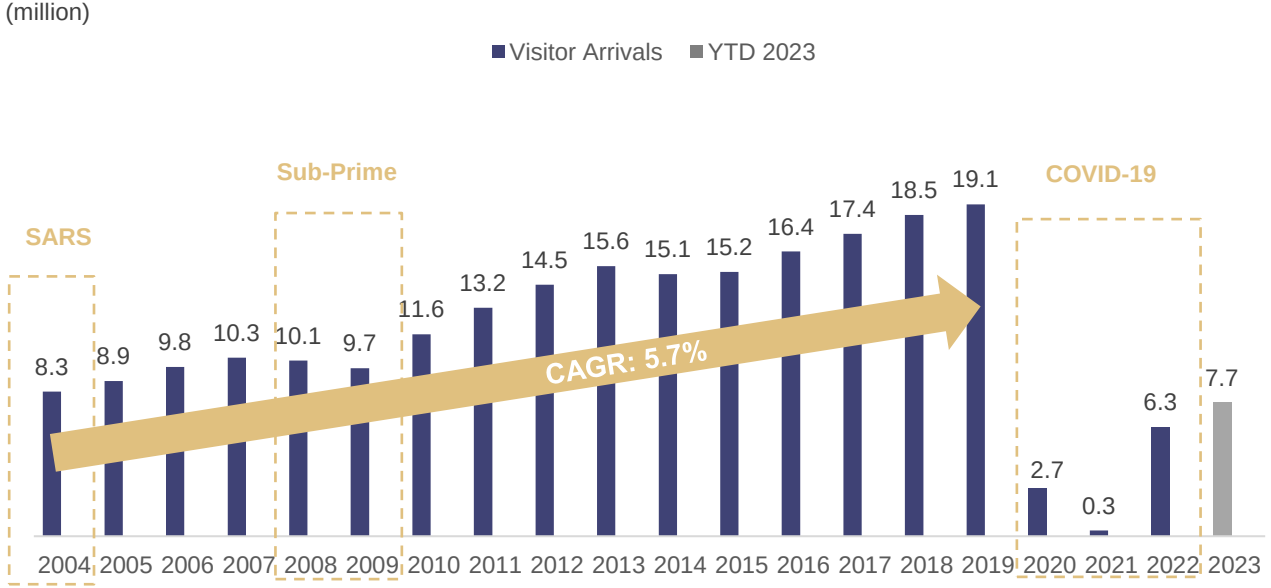


Source: URA statistics, CBRE Research
2Q 2011 was the last period where CBRE provided Prime Office Rental data. Prime Grade A office rental data not available prior to 1Q 2002

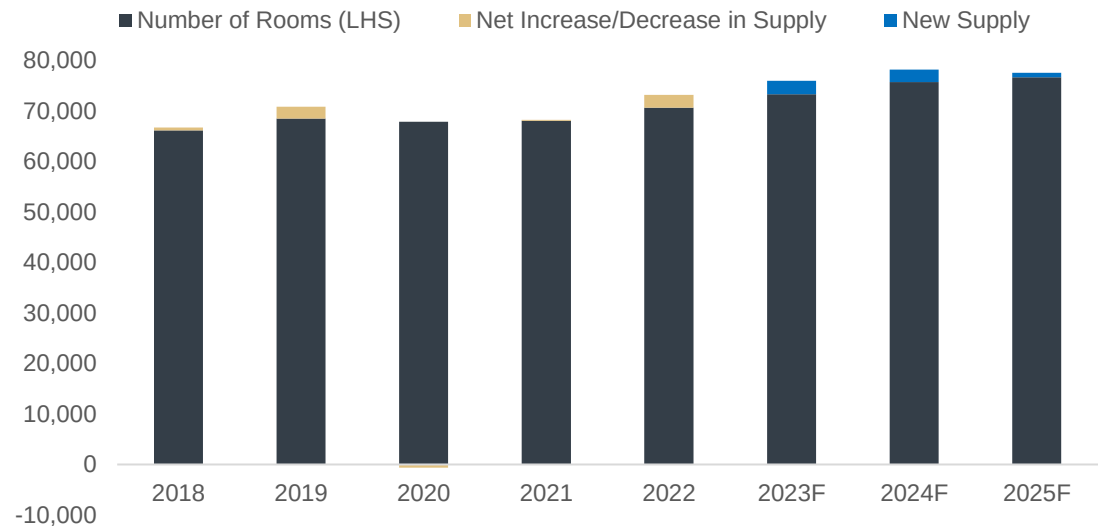
Singapore Hospitality Market

- Driven by a stronger return of Chinese travellers in July, visitor arrivals from January to July 2023 reached 7.7 million
- Strong concert pipeline[(2)], the continued recovery in the MICE sector, as well as increasing flight connectivity and capacity are expected to provide a further boost to the hospitality sector in 2023 and 2024
- New hotel supply is expected to remain muted with a CAGR of 2.6% between 2023 and 2025 compared to a pre-pandemic historical five-year CAGR of 4.4% between 2014 and 2019

Visitor Arrivals in Singapore



Singapore Hotel Supply

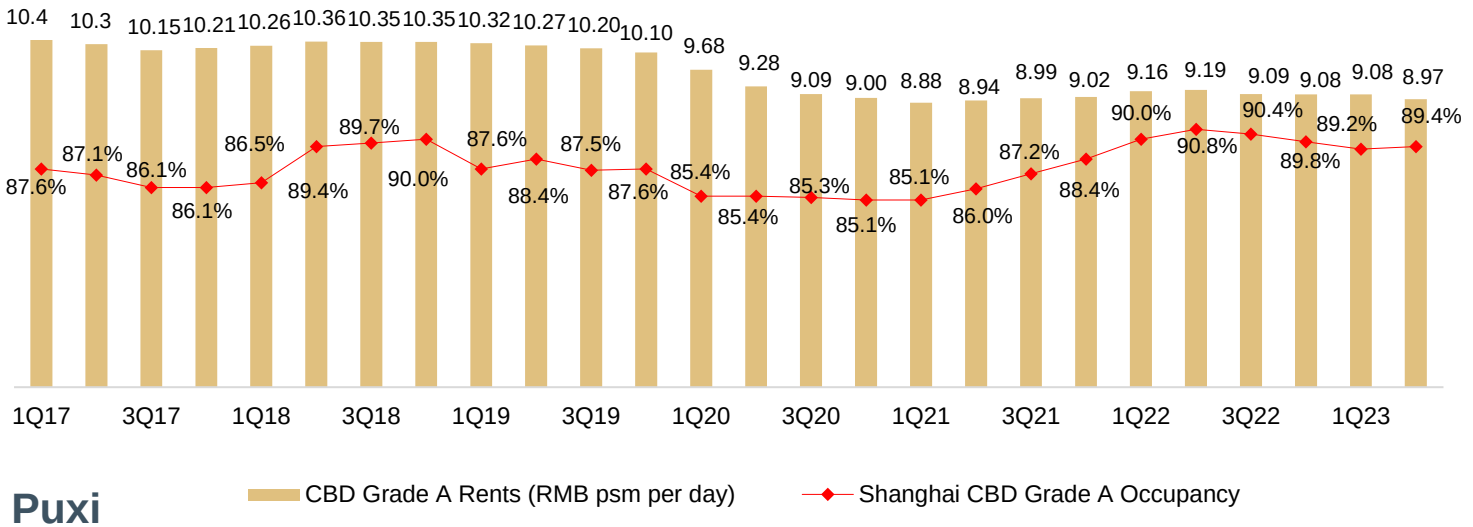


Source: Singapore Tourism Board's International Visitor Arrival Statistics, CBRE Hotels, 4Q 2022

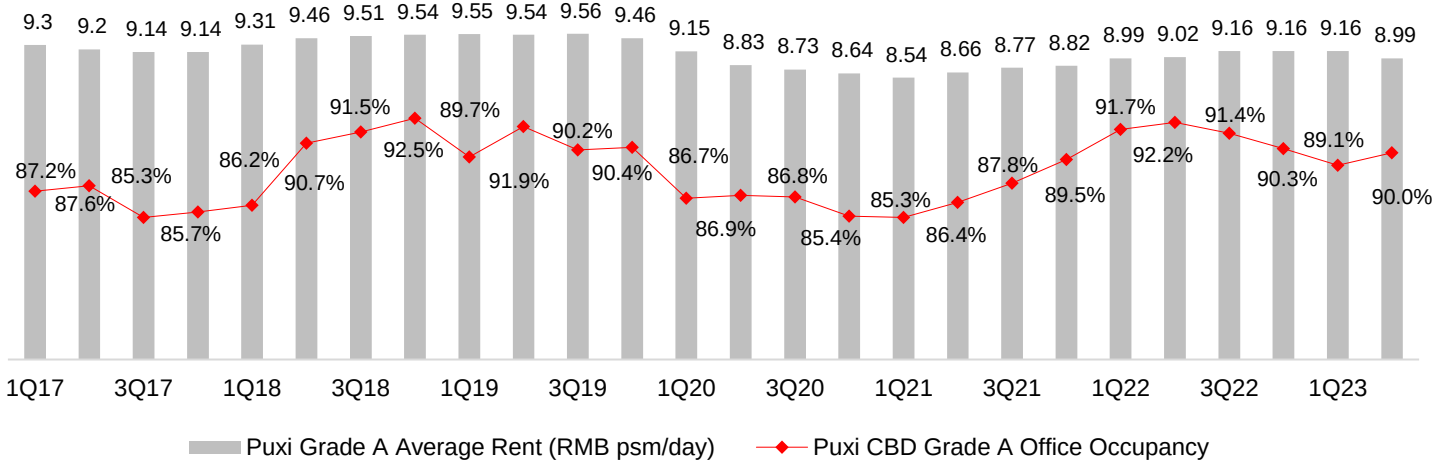
1) "Singapore's tourism sector recovers strongly in 2022, visitor numbers expected to double in 2023", Singapore Tourism Board, 17 Jan 2023
2) "Coldplay swiftly hots up concert tourism mania: Music to the ears for Singapore's economy", The Straits Times, 24 Jun 2023

Shanghai Office Market

Shanghai



Puxi

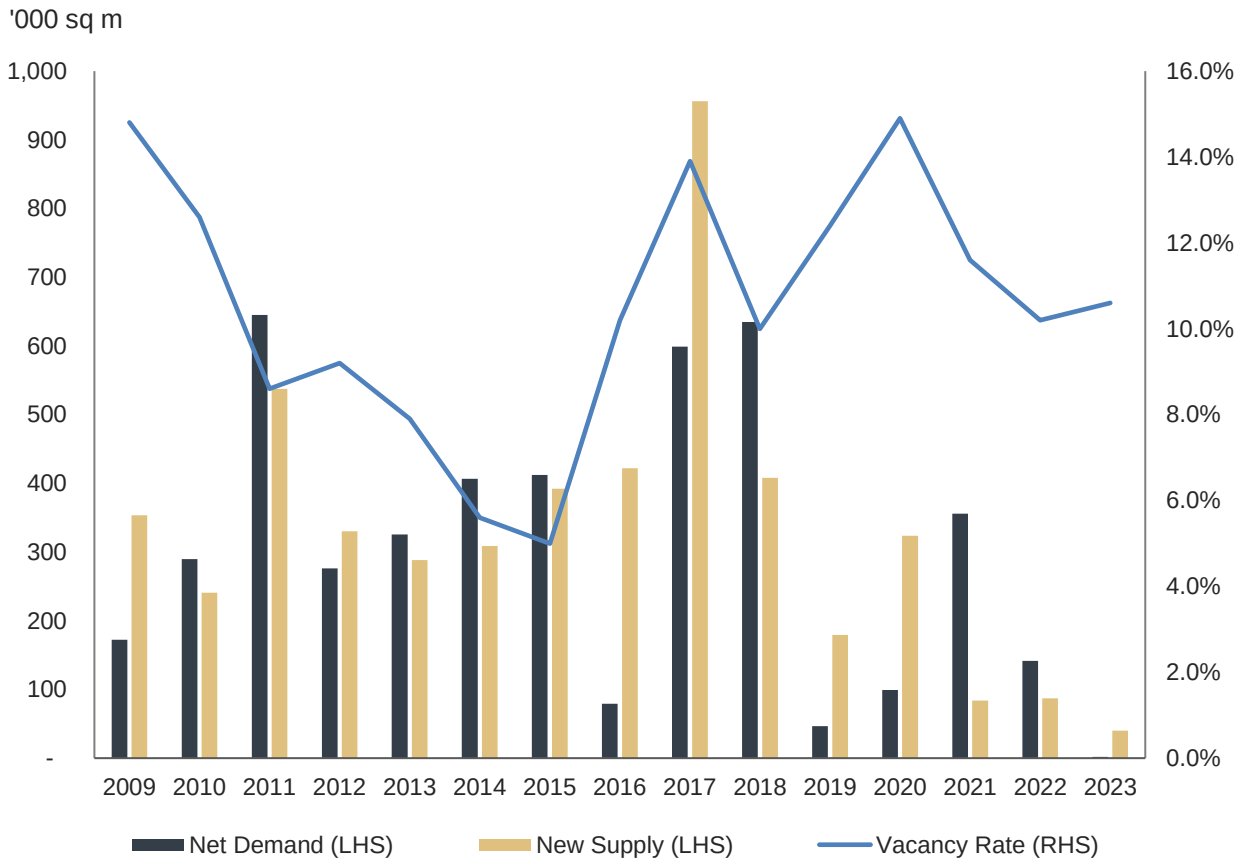


- Shanghai CBD Grade A office occupancy increased 0.2 ppt QoQ to 89.4%, while rents declined by 1.2% QoQ to RMB8.97 psm per day in 2Q 2023
- Puxi Grade A office rents declined by 1.9% QoQ to RMB8.99 psm per day
- Due to a large CBD office supply peak in 2023 and 2024 which will intensify leasing competition, occupancy and rental growth are expected to remain under pressure

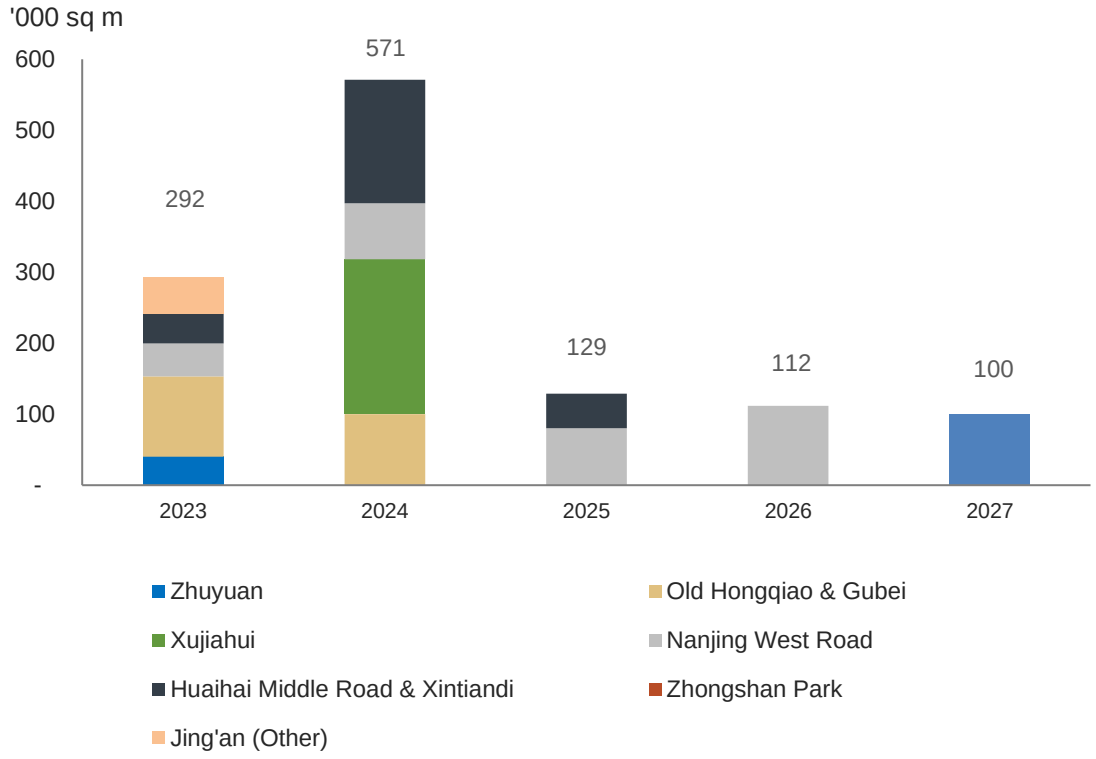
Source: Colliers International

Shanghai CBD Demand, Supply & 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 2024

Source: Colliers International

Hotel Master Lease Details






Property	Hilton Singapore Orchard ("HSO")	Crowne Plaza Changi Airport
No. of Guestrooms	1,080	563
Master Lease Rental	Variable Rent Comprising Sum of: *(i) 33.0% of HSO GOR(1) ; and* *(ii) 27.5% of HSO GOP(2);* subject to minimum rent of S$45.0 million(3)	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(3)
Master Lessee	▪ OUE Limited	▪ OUE Airport Hotel Pte. Ltd. (OUEAH)
Tenure	▪ First term of 15 years to expire in July 2028 ▪ Option to renew for an additional 15 years on the same terms and conditions	▪ First term of Master Lease to expire in May 2028 ▪ Option to renew for an additional two consecutive 5-year terms
	FF&E Reserve	**Capital Replacement Contribution**
	▪ 3% of GOR	▪ Aligned with hotel management agreement between OUEAH and IHG ▪ Generally at 3% of GOR

(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