

Citi Pan-Asia Regional Investor Conference

19 May 2020

Important Notice

The past performance of Keppel Pacific Oak US REIT is not necessarily indicative of its future performance. Certain statements made in this release may not be based on historical information or facts and may be “forward-looking” statements due to a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes, and the continued availability of financing in the amounts and terms necessary to support future business.

Prospective investors and unitholders of Keppel Pacific Oak US REIT (Unitholders) are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Keppel Pacific Oak US REIT Management Pte. Ltd., as manager of Keppel Pacific Oak US REIT (the Manager) on future events. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained in this release. None of the Manager, the trustee of Keppel Pacific Oak US REIT or any of their respective advisors, representatives or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this release or its contents or otherwise arising in connection with this release. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. The value of units in Keppel Pacific Oak US REIT (Units) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including possible loss of principal amount invested.

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

Content Outline

Page 3	Overview
Page 6	1Q 2020 Operational Updates
Page 11	COVID-19 Updates
Page 13	Market Outlook
Page 18	Additional Information

Overview

*Tenant lounge
The Westpark Portfolio
Seattle, Washington*





About Keppel Pacific Oak US REIT (KORE)

Distinctive US office REIT focused on key growth markets with positive economic and office fundamentals that generally outpace that of the US national average, as well as the average of the gateway cities

Unique exposure to key US growth markets

Benefitting from solid US office real estate fundamentals

Tax advantaged structure

Sponsors

- Keppel Capital and KPA

US Asset Manager

- Pacific Oak Capital Advisors LLC, also advisor for Pacific Oak Strategic Opportunity REIT

Manager

- Keppel Pacific Oak US REIT Management Pte. Ltd.

Investment mandate

- To invest in a diversified portfolio of income-producing commercial assets and real estate-related assets in **key growth markets of the US with favourable economic and office fundamentals**

Distribution Policy & Distribution Currency

- Semi-annual distributions
- Distributions declared in US dollars; Unitholders have the option to receive distributions in Singapore or US dollars (by submitting a 'Currency Election Form')

Index Constituents

- MSCI Singapore Small Cap Index (from 29 May 2020)
- FTSE All World Small Cap Index

First Choice Submarkets in Key Growth Markets

SEATTLE, Washington (39.5%)



The Plaza Buildings
Occupancy: 97.3%



Bellevue Technology Center
Occupancy: 98.6%



The Westpark Portfolio
Occupancy: 95.7%

ATLANTA, Georgia (5.7%)



Powers Ferry
Occupancy: 93.5%



Northridge Center I & II
Occupancy: 84.2%

DENVER, Colorado (9.3%)



Westmoor Center
Occupancy: 96.6%

SACRAMENTO, California (4.9%)



Iron Point
Occupancy: 99.5%

AUSTIN, Texas (5.8%)



Great Hills Plaza
Occupancy: 100.0%



Westech 360
Occupancy: 90.8%

HOUSTON, Texas (13.0%)



1800 West Loop South
Occupancy: 77.3%



Bellaire Park
Occupancy: 90.3%

ORLANDO, Florida (11.3%)



Maitland Promenade I & II
Occupancy: 96.8%

DALLAS, Texas (10.5%)



One Twenty Five
Occupancy: 95.8%

Overview

13 freehold office buildings
and **business campuses**
across **8 key growth markets**

Portfolio NLA

Over 4.7 million sf

Portfolio Value

US\$1.27 billion

Portfolio Committed Occupancy (by NLA)

94.0%

All information as at 31 March 2020.
Percentage breakdown beside each state refers to CRI
contribution.

1Q 2020 Operational Updates

*Bellevue Technology Center
Seattle, Washington*



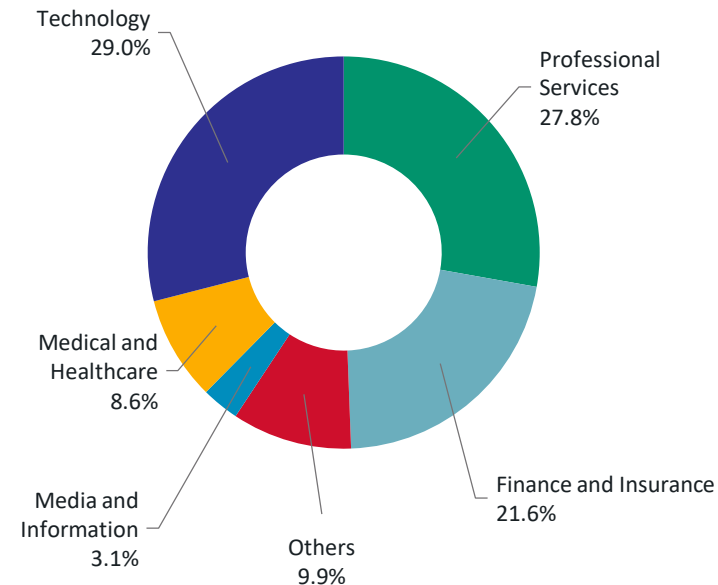
Resilient Portfolio

- **Highly diversified portfolio** with **low tenant concentration risk**
- **Top 10 tenants contribute only 19.5% of CRI**, with the **largest tenant only contributing 3.5% of CRI**
- KORE's buildings and business campuses in the tech hubs of Seattle, Austin and Denver contribute ~55% of CRI

Top 10 tenants as at 31 March 2020

Tenant	Sector	Asset	% CRI
Ball Aerospace	Technology	Westmoor Center	3.5
Oculus VR	Technology	Westpark Portfolio	2.4
Lear	Technology	The Plaza Buildings	2.1
Zimmer Biomet Spine	Technology	Westmoor Center	2.0
Spectrum	Media & Information	Maitland Promenade I	1.8
Unigard Insurance ⁽¹⁾	Finance & Insurance	Bellevue Technology Center	1.7
Bio-Medical Applications	Medical & Healthcare	One Twenty Five	1.7
US Bank	Finance & Insurance	The Plaza Buildings	1.6
Auth0	Technology	The Plaza Buildings	1.4
Reed Group	Technology	Westmoor Center	1.3
Total			19.5
WALE (by NLA)			5.3 years
WALE (by CRI)			5.4 years

Portfolio tenant base composition (by NLA)



1Q 2020: Key Financial Performance



Tenant lounge, Bellevue Technology Center, Seattle, Washington

- 16.1% YoY increase to distributable income
- Reverted to original tax structure following the issuance of the Final 267A tax regulation

Financial Performance

- **Continued year-on-year improvement** largely due to:
 - contributions from One Twenty Five, which was acquired in November 2019; and
 - positive rental reversions from leasing done in 2019
- Final 267A tax regulation issued and **reversion to original tax structure**
 - Based on the FY 2019 audited financial statements, had the restructuring been completed on 1 January 2019, DI for FY2019 would have increased by ~1.5%

	1Q 2020 (US\$'m)	1Q 2019 (US\$'m)	% Change
Gross Revenue	35.3	29.4	20.1
Net Property Income	21.0	18.2	15.4
Income Available for Distribution⁽¹⁾	14.4	12.4	16.1

1) Income available for distribution to Unitholders is based on 100% of the taxable income available for distribution to Unitholders.

1Q 2020: Key Portfolio Performance



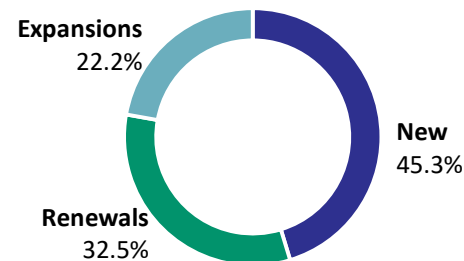
Outdoor patio, The Westpark Portfolio, Seattle, Washington

2.2% Total portfolio leased	12.0% Positive rental reversion
2.6% Built-in average annual rental escalations	94.0%⁽¹⁾ Portfolio committed occupancy

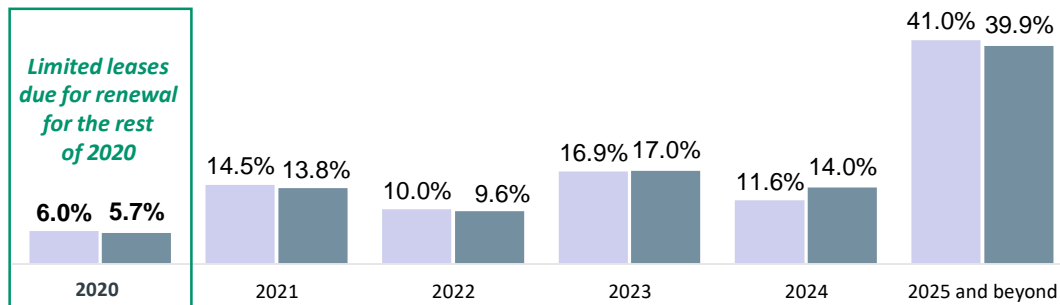
Leasing Updates

- Leased 104,000 sf of space
 - Mainly in Seattle, Atlanta and Houston
 - Equivalent to about 2.2% of total portfolio
- Portfolio WALE of 4.2 years⁽²⁾
- Limited leases due for renewal for the rest of 2020

Leases Signed



Lease Expiry Profile



Prudent Capital Management

Limited interest rate exposure with term loans significantly hedged

As at 31 March 2020

Total Debt

- US\$480.4 million of external loans
- **100% unsecured**

Available Facilities

- **US\$50 million** of revolving credit facility
- **US\$29 million** of uncommitted revolving credit facility

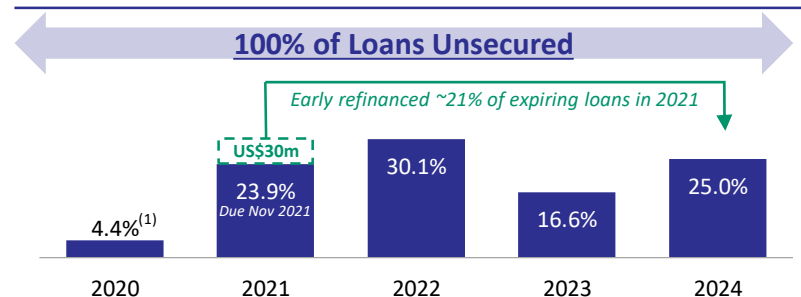
Aggregate Leverage⁽²⁾ 36.9%

All-in Average Cost of Debt⁽³⁾ 3.53% p.a.

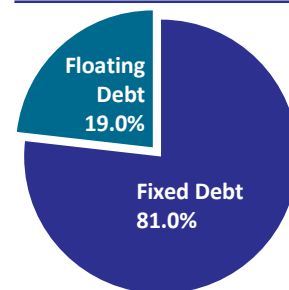
Interest Coverage⁽⁴⁾ 4.2 times

Average Term to Maturity 2.9 years

Debt Maturity Profile



Interest Rate Exposure



Sensitivity to LIBOR⁽⁵⁾

Every +/- 50bps in LIBOR translates to +/- 0.058 US cents in DPU p.a.

1) Refers to the US\$21 million uncommitted revolving credit facility drawn.

2) Calculated as the total borrowings and deferred payments (if any) as a percentage of the total assets.

3) Includes amortisation of upfront debt financing costs.

4) Interest Coverage Ratio (ICR) disclosed above is computed based on the definition set out in Appendix 6 of the Code on Collective Investment Schemes revised on 16 April 2020. After adjusting for management fees taken in Units, the ICR would be 4.5 times.

5) Based on the 19.0% floating debt, US\$21 million revolving credit facility drawn which are unhedged and the total number of Units in issue as at 31 March 2020.

COVID-19 Updates

*Westmoor Center
Denver, Colorado*



Navigating the COVID-19 Situation



Safety is Priority

- Precautionary health and safety measures implemented across all properties
- All buildings remain accessible to tenants
- Will continue to monitor the situation in various locations as states start to reopen



Ensuring Business Continuity

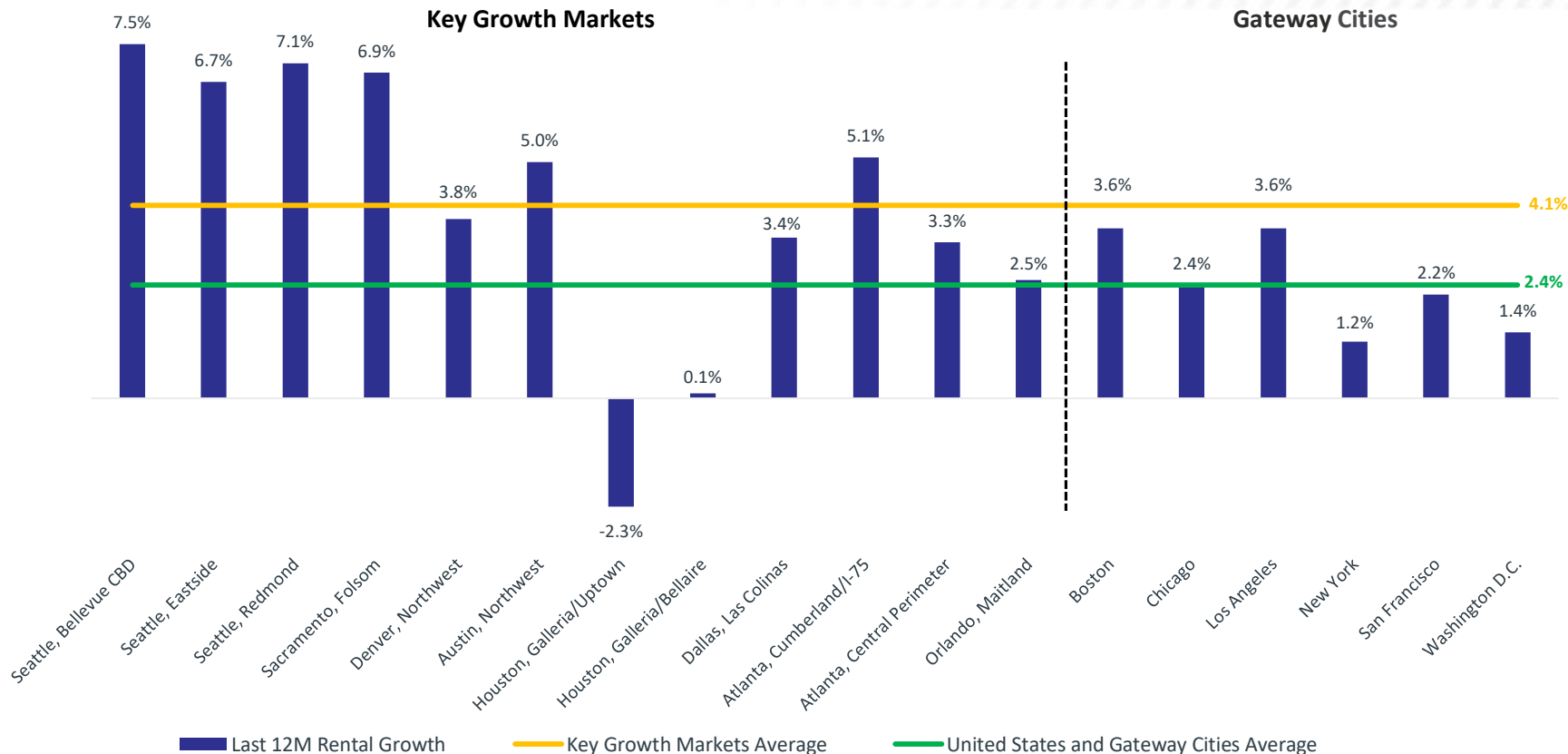
- KORE's income resilience supported by:
 - Limited retail exposure of less than 2% of gross revenue
 - Highly diversified tenant base with low tenant concentration risk
 - Strong balance sheet and liquidity position
- Collected majority of rents for April 2020
- Continue to monitor the impact of COVID-19 on KORE's operating environment

Market Outlook

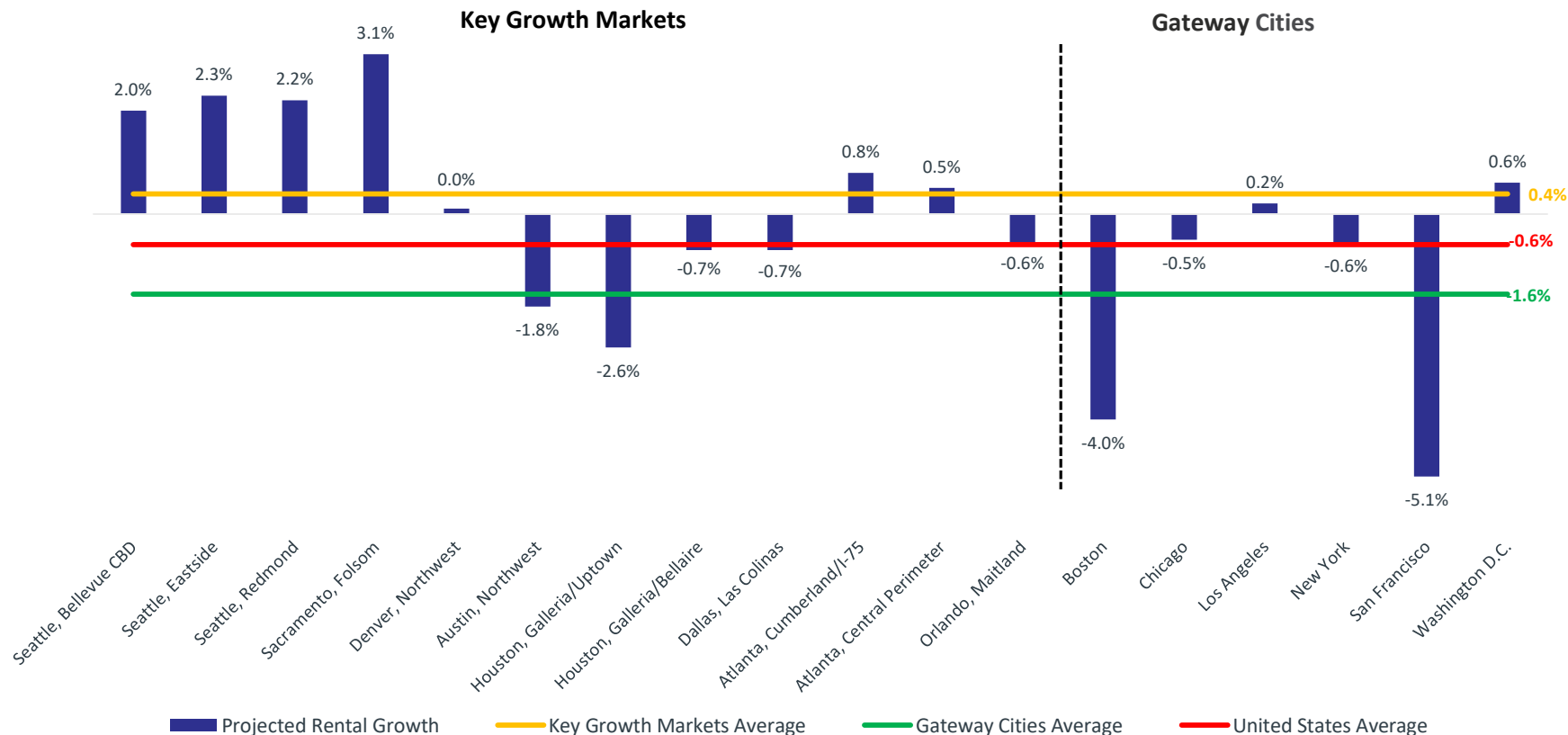
*Tenant lounge,
1800 West Loop South
Houston, Texas*



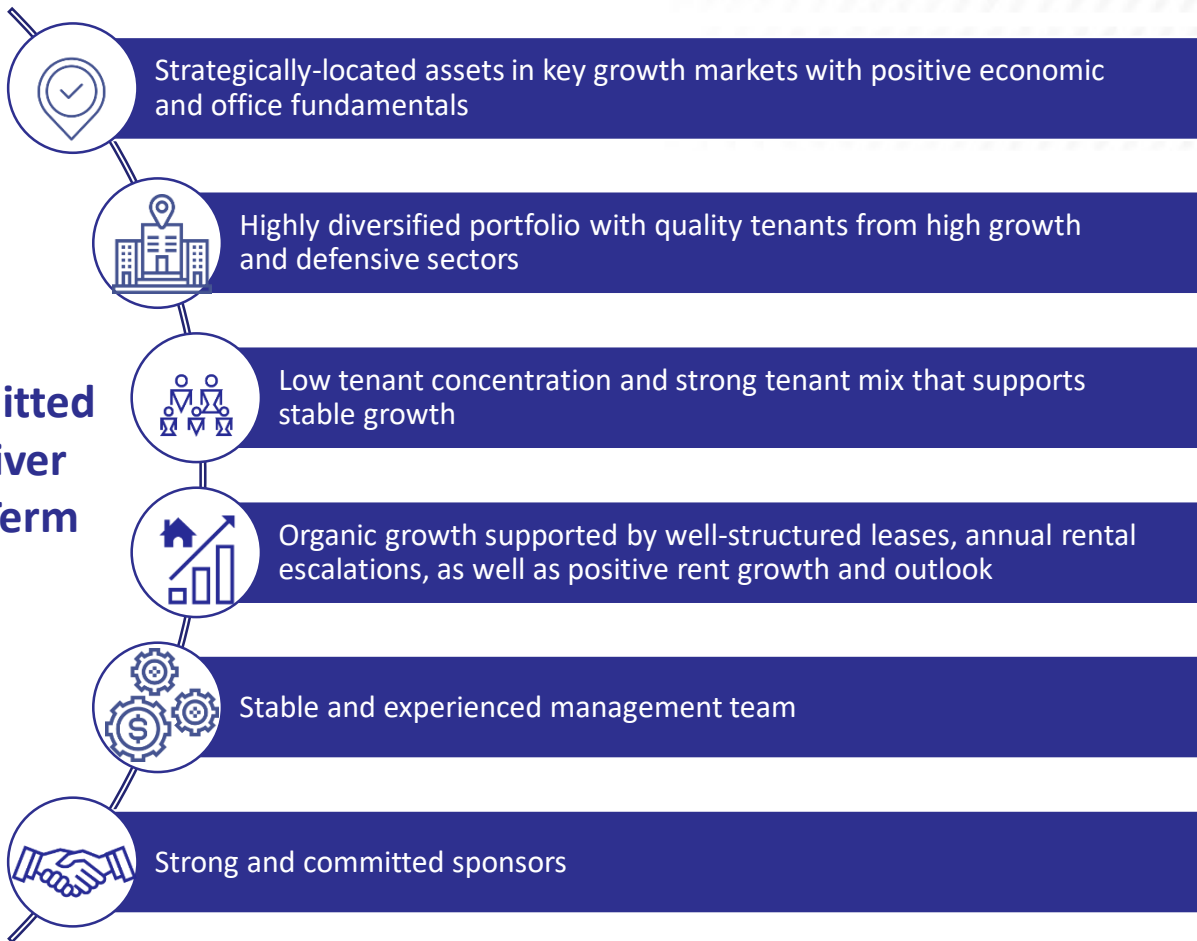
Last 12 Months Rent Growth



Projected 12-Month Rent Outlook



Committed to Deliver Long Term Value



Continued focus
on **operational excellence**

- ✓ **Focused leasing strategy** to maximise rents and achieve **positive rental reversions**
- ✓ Seek **value accretive acquisitions** in key growth markets
- ✓ **Prudent capital management**

Thank You

For more information, please visit

www.koreusreit.com

*Westech 360
Austin, Texas*

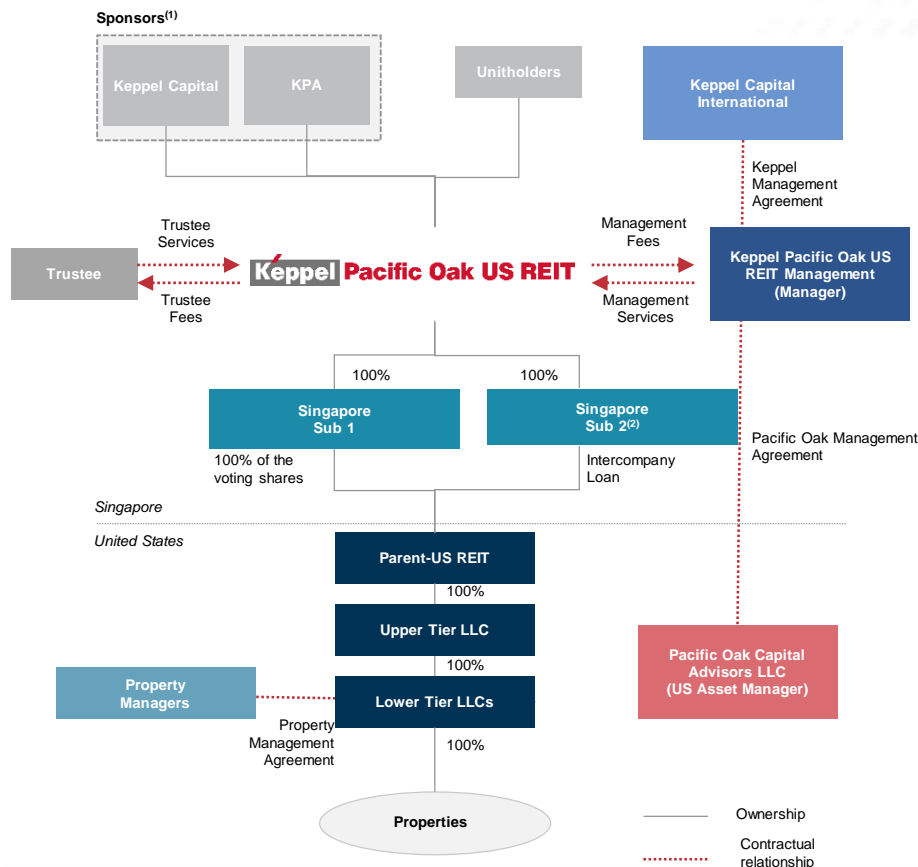


Additional Information

*Tenant space,
Westmoor Center
Denver, Colorado*



Trust Structure



Tax-efficient structure for holding US properties

- No US corporate tax (21%) and US withholding tax (30%)
- No Singapore corporate tax (17%) and Singapore withholding tax (10%)
- Subject to limited tax⁽²⁾

Leverage Sponsors' expertise and resources to optimise returns for Unitholders

Alignment of interests among Sponsors, Manager and Unitholders

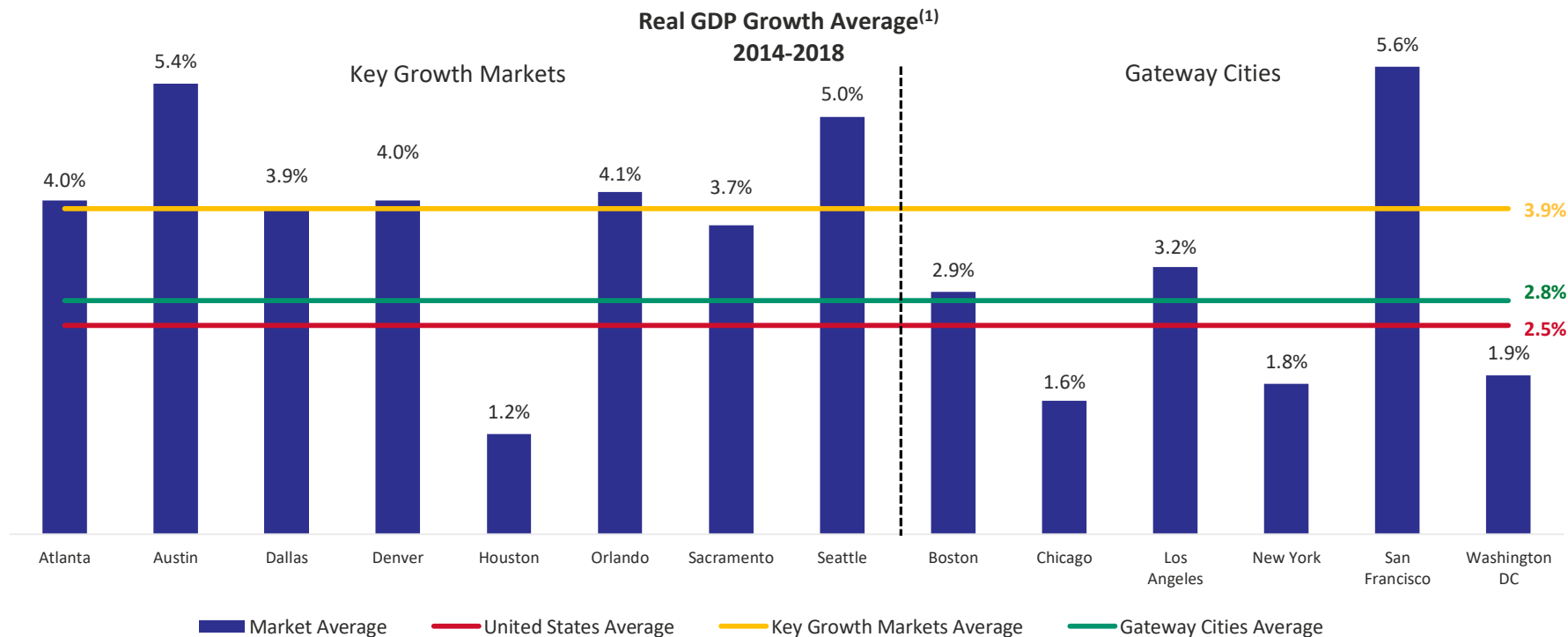
1) Keppel Capital holds a deemed 7.39% stake in Keppel Pacific Oak US REIT (KORE). Pacific Oak Strategic Opportunity REIT, Inc. (KPA entity) holds a 6.86% stake in KORE. KPA holds a deemed interest of 0.53% in KORE, for a total of 7.39%.

2) KORE has implemented the restructuring to revert to the structure it used when it was initially listed. The Barbados corporate taxes will cease w.e.f. from 16 April 2020. There are three wholly-owned Singapore Intercompany Loans Subsidiaries extending intercompany loans to the Parent US REIT.

Information as at 17 April 2020. Unitholding in KORE is subject to an ownership restriction of 9.8% of the total Units outstanding.

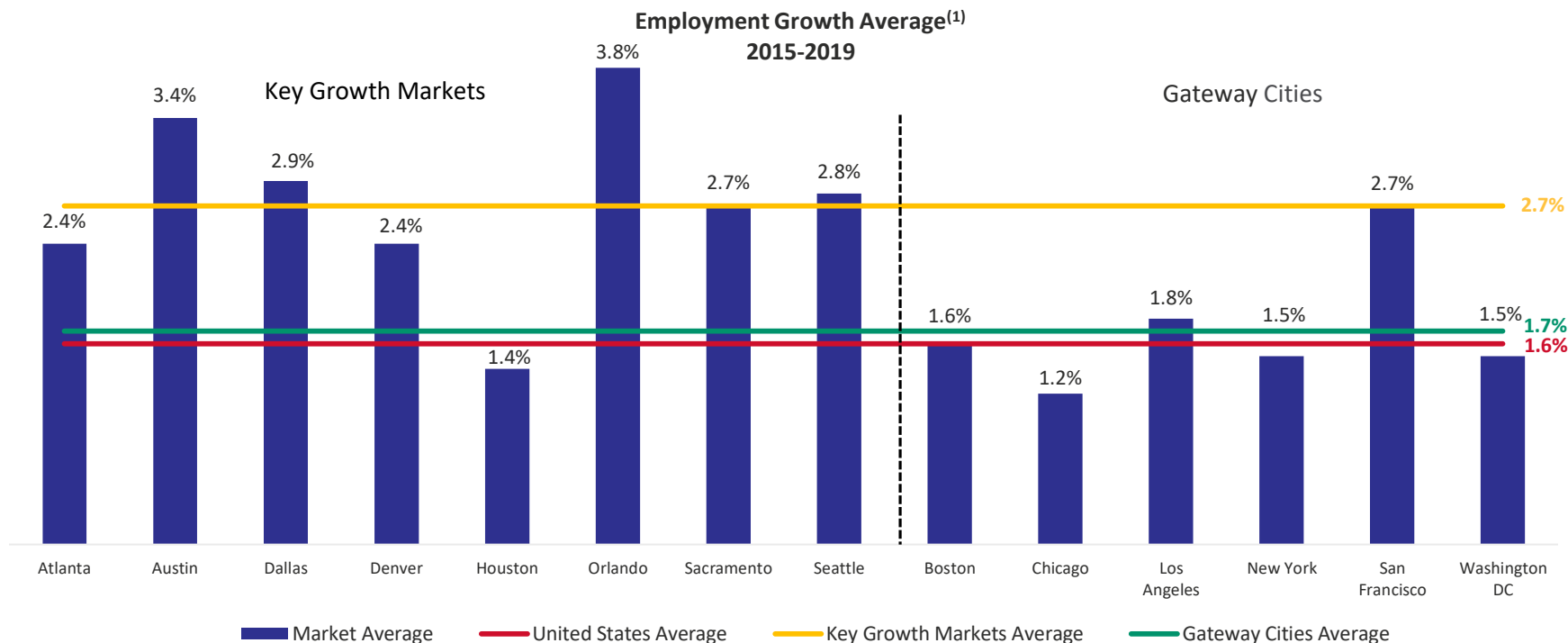
Positive Economics in KORE's Key Growth Markets

KORE's key growth markets continue to outperform national average



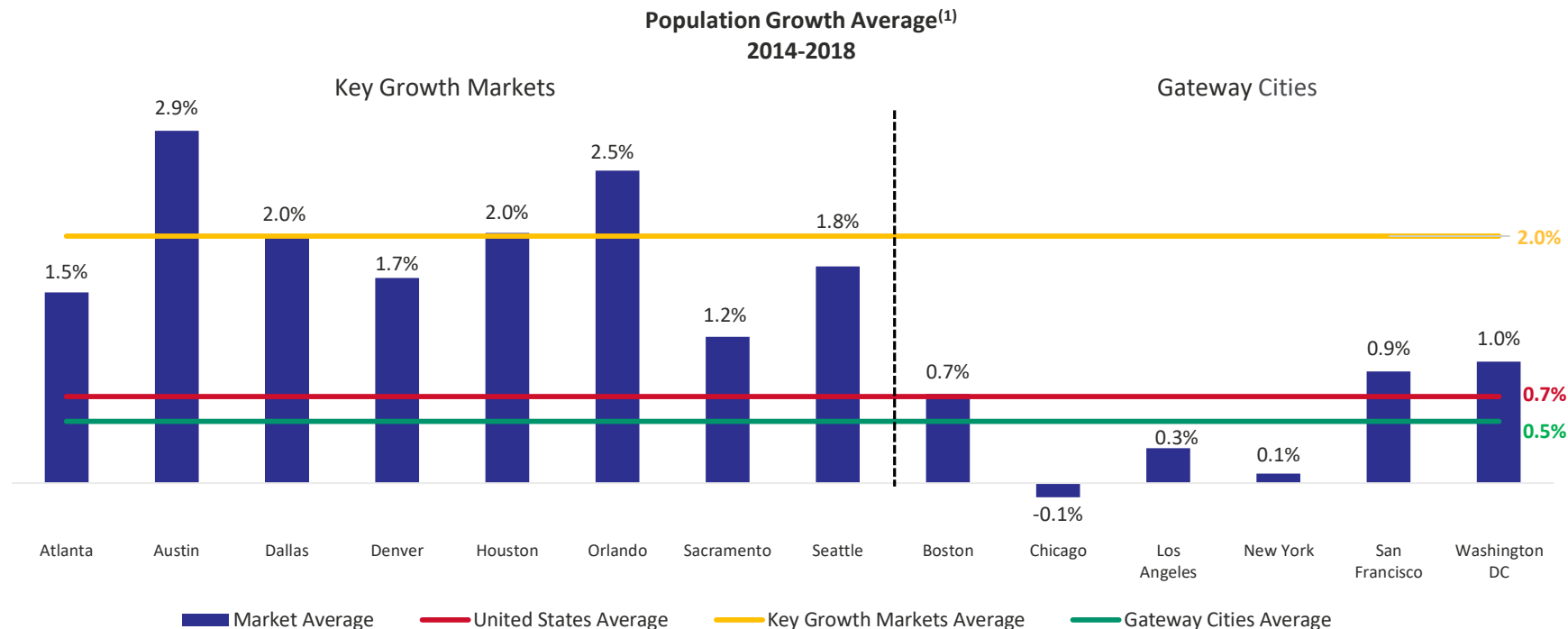
Rising Employment in KORE's Key Growth Markets

KORE's key growth markets continue to outperform national average



Expanding Population in KORE's Key Growth Markets

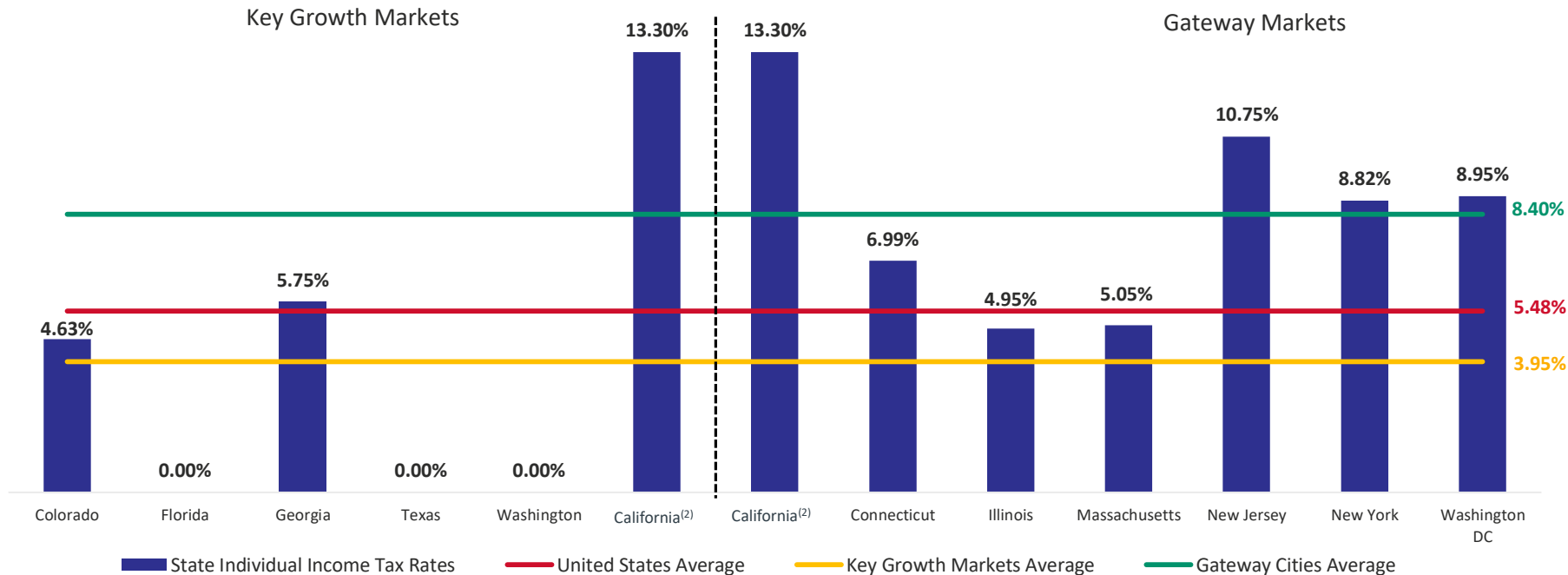
KORE's key growth markets continue to outperform national average



High Tax States are Losing People to Low Tax States

Individuals are moving to zero or low income tax states, accelerating population growth in KORE's key growth markets

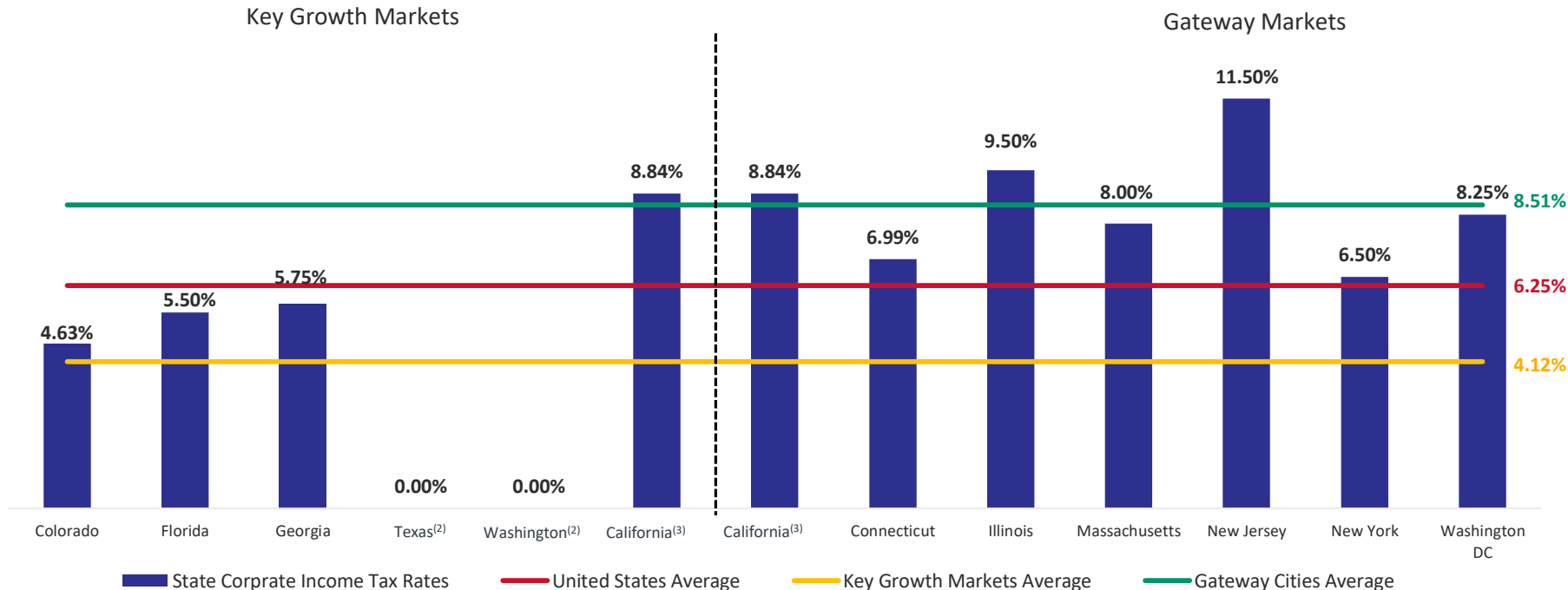
State Individual Tax Rates (as at July 1, 2019)⁽¹⁾



Low Corporate Tax States are Attracting New Businesses

Companies are relocating to where they have the greatest competitive advantage

State Corporate Income Tax Rates (as at July 1, 2019)⁽¹⁾



(1) Tax Foundation's 2020 State Business Tax Climate Index.

(2) Texas and Washington do not have a corporate income tax but do have a gross receipts tax.

(3) The state of California encompasses the key growth city of Sacramento and the gateway cities of Los Angeles and San Francisco.

2020 Rankings for Overall State Taxes

Lower overall tax rates in KORE's key growth markets vs gateway cities

