

PRESS RELEASE
For Immediate Release

OUE C-REIT Issues Singapore's First Bond with a Coupon Step-Down Upon Re-Rating to Investment Grade

- *Rate of interest payable will be reduced by 25 basis points when OUE C-REIT is assigned an investment grade rating within 18 months of issuance*
- *Post issuance, pro forma weighted average debt maturity as at 31 December 2021 expected to lengthen to 3.1 years*
- *76.8% of total debt will be on fixed rate basis*

5 May 2022 – OUE Commercial REIT Management Pte. Ltd., in its capacity as manager (the “Manager”) of OUE Commercial Real Estate Investment Trust (“OUE C-REIT”), wishes to announce that OUE C-REIT’s wholly-owned subsidiary, OUE CT Treasury Pte. Ltd. has issued S\$100 million 4.20% fixed rate notes (“Notes”) with a coupon step-down trigger upon re-rating to investment grade, a first in Singapore’s capital markets. The rate of interest payable to holders of the Notes will be reduced by 25 basis points to 3.95% when any credit rating agency assigns an investment grade rating to both OUE C-REIT and the Notes within 18 months of the issuance.

The Notes have been issued under OUE C-REIT’s S\$2 billion Multicurrency Debt Issuance Programme and proceeds will be used for the refinancing of existing borrowings, general corporate funding and working capital purposes. Payable semi-annually in arrears, the five-year Notes are due in 2027. OCBC Bank was the sole lead manager and bookrunner.

The bond issue was met with strong demand from investors, with the final orderbook closing at S\$250 million with orders from across 30 accounts.

Mr Han Khim Siew, Chief Executive Officer of the Manager, said, “Proactive capital management is one of the key pillars of the Manager’s strategy and we are pleased to be executing on this landmark transaction which dovetails with our continued efforts to strengthen OUE C-REIT’s capital structure, widen the pool of funding sources and increase financial flexibility while keeping borrowing costs

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stable. OUE C-REIT's healthy capital management metrics and sound financial position stands us in good stead, we are confident of being assigned an investment grade rating for OUE C-REIT within the next 18 months. The proportion of fixed rate debt post the issuance will also increase to approximately 76.8% which will further mitigate the impact of rising interest rates on OUE C-REIT's earnings. We would like to thank OCBC Bank and investors for their support and we will continue to leverage on strong relationships with key partners to further improve OUE C-REIT's debt profile for the benefit of all Unitholders."

Post the issuance, OUE C-REIT's weighted average debt maturity is expected to lengthen from 3.0 years as at 31 December 2021 to 3.1 years on a pro forma basis. Approximately 76.8% of total debt will be on a fixed rate basis which mitigates the impact of rising interest rates. The weighted average cost of debt is expected to remain largely stable at approximately 3.3% per annum.

Mr Kenneth Yeoh, Head of Bond Origination, OCBC Bank, said, "We are delighted to support OUE C-REIT on their funding journey and the development of an innovative coupon step-down structure which is triggered upon achieving an investment grade rating, a first in Singapore. This is to match the issuer's aspiration of diversifying their funding base and obtaining an investment grade rating in the future. The robust take-up amidst the challenging macro environment demonstrates investors' confidence in OUE C-REIT's credit profile and strategy."

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About OUE Commercial REIT

OUE C-REIT is a real estate investment trust listed on the Main Board of Singapore Exchange Securities Trading Limited since 27 January 2014.

OUE C-REIT is one of the largest diversified Singapore REITs with total assets of S\$5.8 billion as at 31 December 2021. With seven properties across the commercial and hospitality segments in

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Singapore and Shanghai, OUE C-REIT's portfolio comprises more than 2.2 million sq ft of prime office and retail space, and 1,643 upper upscale hotel rooms.

OUE C-REIT invests in income-producing real estate used primarily for commercial purposes (including real estate used primarily for office and/or retail purposes) in financial and business hubs, and/or hospitality and/or hospitality-related purposes, as well as real estate-related assets.

OUE C-REIT is managed by OUE Commercial REIT Management Pte. Ltd., which is a wholly-owned subsidiary of OUE Limited.

For more information, please visit www.ouect.com.

About the Sponsor: OUE Limited

OUE Limited (SGX:LJ3) is a leading pan-Asian, full service real estate development, investment and management company with assets across the commercial, hospitality, retail, residential and healthcare sectors. Best known for its landmark property portfolio in Singapore, OUE consistently leverages its expertise in property development and asset management to maximise yields and unlock value. As at 31 December 2021, OUE's total assets were valued at S\$9.0 billion.

OUE is the manager of two SGX-listed real estate investment trusts ("REITs"): OUE C-REIT and First REIT. As at 31 December 2021, OUE managed S\$7.8 billion in funds under management across its two REIT platforms and its managed accounts.

Since 2017, OUE has expanded its business activities into the complementary and high-growth healthcare and consumer sectors. OUE is the controlling shareholder of OUE Lippo Healthcare Limited, an SGX-listed, integrated healthcare services provider that owns, operates and invests in quality healthcare assets in high-growth Asian markets.

Anchored by its "Transformational Thinking" philosophy, OUE has built a reputation for developing iconic projects, transforming communities, providing exceptional service to customers and delivering long-term value to stakeholders.

For the latest news from OUE, visit www.oue.com.sg.

IMPORTANT NOTICE

The value of units in OUE C-REIT ("Units") and the income derived from them, if any, may fall or 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 the possible loss of the principal amount invested. The past performance of OUE C-REIT is not necessarily indicative of the future performance of OUE C-REIT.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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This press release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of 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 costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.