

**OUE Commercial Real Estate Investment Trust
and its subsidiaries**

**(Constituted in the Republic of Singapore pursuant to a trust
deed dated 10 October 2013 (as amended))**

Interim Financial Information
Six-month period ended 30 June 2022

Introduction

OUE Commercial Real Estate Investment Trust (“OUE C-REIT”) was constituted by a trust deed dated 10 October 2013 (as amended) entered into by OUE Commercial REIT Management Pte. Ltd. as the Manager of OUE C-REIT (the “Manager”) and DBS Trustee Limited as the Trustee of OUE C-REIT (the “Trustee”).

OUE C-REIT was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 27 January 2014. The principal investment strategy of OUE C-REIT is to invest, directly or indirectly, in a portfolio of income-producing real estate used primarily for commercial (including real estate used primarily for office and/or retail purposes) in financial and business hubs and hospitality and/or hospitality-related purposes, within and outside of Singapore, as well as real estate-related assets.

On 31 March 2021, OUE C-REIT completed the divestment of OUE Bayfront to BPH Propco LLP (“BPH LLP”), with DBS Trustee Limited, in its capacity as trustee of OUE C-REIT (the “Trustee”), holding 50.0% of BPH LLP and the ACRE Angsana Pte. Ltd. (the “Allianz Investor”), a special purpose vehicle managed by Allianz Real Estate Asia Pacific Pte. Ltd holding the remaining 50.0% of BPH LLP. On 3 June 2022, BPH LLP has been renamed OUE Allianz Bayfront LLP.

OUE C-REIT’s portfolio currently comprises 7 high quality prime properties located in Singapore and Shanghai:

- **One Raffles Place:** Integrated commercial development comprising two Grade-A office towers and a retail mall strategically located in the heart of Singapore’s central business district in Raffles Place. OUE C-REIT holds One Raffles Place (“ORP”) through its 83.33% interest in OUB Centre Limited (“OUBC”). As OUBC owns 81.54% of the beneficial interest in ORP, OUE C-REIT has an effective interest of 67.95% in ORP.
- **Lippo Plaza:** Grade-A commercial building located along Huai Hai Middle Road in the Huangpu district, one of Shanghai’s established core commercial districts. OUE C-REIT has 91.2% strata ownership of Lippo Plaza.
- **OUE Downtown Office:** The Grade A office space at OUE Downtown, a recently refurbished mixed-used development with Grade A offices, a retail podium and serviced residences located at Shenton Way in Singapore.
- **Mandarin Gallery:** High-end retail mall with 152-metre frontage situated along Orchard Road, Singapore and is the preferred location for flagship stores of international brands.
- **Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore):** Hilton’s flagship hotel in Singapore and its largest in Asia Pacific, strategically located in the heart of Singapore’s shopping and entertainment district.
- **Crowne Plaza Changi Airport:** An airport hotel situated within the vicinity of passenger terminals of Singapore Changi Airport and is connected to Jewel Changi Airport via a pedestrian bridge from Terminal 3.

- OUE Bayfront: Premium Grade-A office building with ancillary retail facilities located between the new Marina Bay downtown and Raffles Place, within Singapore's central business district. OUE C-REIT has a 50% interest in OUE Bayfront via its interest in OUE Allianz Bayfront LLP.

OUE C-REIT's distribution policy is to distribute at least 90% of its taxable income, on a semi-annual basis, with the actual level of distribution to be determined at the Manager's discretion.

Summary of OUE C-REIT Group Results

	1H 2022⁽¹⁾ (S\$'000)	1H 2021⁽²⁾ (S\$'000)	Change (%)
Revenue	115,837	133,546	(13.3)
Net property income	93,604	109,045	(14.2)
Amount to be distributed to Unitholders ⁽³⁾	59,542	67,212	(11.4)
Distribution per Unit (“DPU”) (cents)	1.08	1.23	(12.2)

Footnotes:

- (1) The current period results of OUE C-REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:4.755 for 1H 2022.
- (2) The prior period results of OUE C-REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:4.854 for 1H 2021.
- (3) Net of retention for ongoing working capital requirements in relation to the hospitality segment.

Statements of Financial Position
As at 30 June 2022

	Note	Group		Trust	
		30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Non-current assets					
Plant and equipment		259	146	–	–
Investment properties	3	5,413,073	5,409,748	903,001	902,000
Intangible assets		6,667	9,167	6,667	9,167
Investments in subsidiaries		–	–	2,459,090	2,459,090
Investment in joint venture	4	323,939	322,056	316,878	316,878
Financial derivatives		22,083	960	6,416	960
Trade and other receivables	5	4,253	3,867	–	–
Loan to a subsidiary	6	–	–	150,000	–
		<u>5,770,274</u>	<u>5,745,944</u>	<u>3,842,052</u>	<u>3,688,095</u>
Current assets					
Trade and other receivables	5	26,159	27,028	10,540	10,513
Cash and cash equivalents		47,171	59,549	6,184	3,986
Financial derivatives		1,066	–	655	–
		<u>74,396</u>	<u>86,577</u>	<u>17,379</u>	<u>14,499</u>
Total assets		<u>5,844,670</u>	<u>5,832,521</u>	<u>3,859,431</u>	<u>3,702,594</u>
Non-current liabilities					
Borrowings	7	1,838,832	1,813,196	846,296	702,543
Trade and other payables		35,329	38,860	10,229	13,224
Financial derivatives		229	7,077	229	3,432
Deferred tax liabilities		82,198	83,993	–	–
Lease liability		24,845	24,410	–	–
		<u>1,981,433</u>	<u>1,967,536</u>	<u>856,754</u>	<u>719,199</u>
Current liabilities					
Borrowings	7	177,545	172,199	15,000	8,000
Trade and other payables		84,736	87,132	37,404	29,606
Financial derivatives		227	1,545	181	869
Current tax liabilities		14,216	14,594	–	–
Lease liability		1,000	1,000	–	–
		<u>277,724</u>	<u>276,470</u>	<u>52,585</u>	<u>38,475</u>
Total liabilities		<u>2,259,157</u>	<u>2,244,006</u>	<u>909,339</u>	<u>757,674</u>
Net assets		<u>3,585,513</u>	<u>3,588,515</u>	<u>2,950,092</u>	<u>2,944,920</u>

The accompanying notes form an integral part of the interim financial information

Statements of Financial Position (continued)
As at 30 June 2022

	Note	Group		Trust	
		30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Represented by:					
Unitholders' funds		3,127,443	3,127,996	2,737,801	2,732,611
Convertible Perpetual Preferred Units ("CPPU") holder's funds	8	212,291	212,309	212,291	212,309
		<u>3,339,734</u>	<u>3,340,305</u>	<u>2,950,092</u>	<u>2,944,920</u>
Non-controlling interests		245,779	248,210	–	–
		<u>3,585,513</u>	<u>3,588,515</u>	<u>2,950,092</u>	<u>2,944,920</u>
Units in issue and to be issued ('000)	9	<u>5,459,367</u>	<u>5,449,685</u>	<u>5,459,367</u>	<u>5,449,685</u>
Net asset value per Unit (\$)	10	<u>0.57</u>	<u>0.57</u>	<u>0.50</u>	<u>0.50</u>

The accompanying notes form an integral part of the interim financial information

Statement of Total Return
Six-month period ended 30 June 2022

		Group	
		Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
	Note		
Revenue	11	115,837	133,546
Property operating expenses		(22,233)	(24,501)
Net property income		93,604	109,045
Other income		7,875	6,868
Amortisation of intangible assets		(2,500)	(2,500)
Manager's management fees		(7,758)	(8,191)
Manager's performance fees		–	(1,358)
Divestment costs		–	(7,363)
Trustee's fee		(518)	(666)
Other expenses		(820)	(1,087)
Finance income		1,983	1,668
Finance costs		(33,405)	(39,145)
Net finance costs	12	(31,422)	(37,477)
Net income		58,461	57,271
Share of joint venture results		8,297	4,066
Total return for the period before tax	13	66,758	61,337
Tax expense	14	(6,344)	(6,868)
Total return for the period		60,414	54,469
Total return attributable to:			
Unitholders and CPPU holder		57,412	51,323
Non-controlling interests		3,002	3,146
		60,414	54,469
Earnings per Unit (cents)			
Basic	15	1.03	0.92
Diluted	15	1.00	0.89

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Distribution Statement
Six-month period ended 30 June 2022

	Group	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Amount available for distribution to Unitholders at beginning of the period	77,334	79,810
Total return for the period attributable to Unitholders and CPPU holder	57,412	51,323
Less: Amount reserved for distribution to CPPU holder	(1,091)	(1,473)
Less: Amount retained for working capital requirements	(3,000)	(3,000)
Distribution adjustments (Note A)	6,221	20,362
Amount to be distributed to Unitholders (Note B)	59,542	67,212
Distributions to Unitholders:		
- Distribution of 1.43 cents per Unit for the period from 1/7/2020 to 31/12/2020	-	(77,618)
- Distribution of 1.37 cents per Unit for the period from 1/7/2021 to 31/12/2021	(74,661)	-
	(74,661)	(77,618)
Amount available for distribution to Unitholders at the end of the period	62,215	69,404
Distribution per Unit ("DPU") (cents)	1.08	1.23

The accompanying notes form an integral part of the interim financial information

Distribution Statement (continued)
Six-month period ended 30 June 2022

Note A – Distribution adjustments

	Group	
	Six-month period ended 30 June 2022	Six-month period ended 30 June 2021
	\$'000	\$'000
Amortisation of intangible assets	2,500	2,500
Amortisation of debt establishment costs	3,621	5,968
Ineffective portion of changes in fair value of cash flow hedges	(1,863)	(1,009)
Net change in fair value of financial derivatives	–	227
Manager's management fees paid/payable in Units	3,879	4,095
Trustee's fee	518	666
Foreign exchange differences	47	(186)
Deferred tax expense	432	379
Straight-lining of lease incentives	(2,353)	(124)
Transfer to statutory reserve	(682)	(631)
Other items	122	8,477
Distribution adjustments	6,221	20,362

Note B – Amount to be distributed to Unitholders

	Group	
	Six-month period ended 30 June 2022	Six-month period ended 30 June 2021
	\$'000	\$'000
Comprises:		
- From operations	46,061	47,426
- From tax exempt income	10,355	15,943
- From Unitholders' contribution	3,126	3,843
	59,542	67,212

Statements of Movements in Unitholders' Funds
Six-month period ended 30 June 2022

	<---- Attributable to ---->				
	Unitholders \$'000	CPPU holder \$'000	Total \$'000	Non- controlling interests \$'000	Total \$'000
Group					
Net assets attributable to owners at 1 January 2022	3,127,996	212,309	3,340,305	248,210	3,588,515
Operations					
Total return for the period	57,412	–	57,412	3,002	60,414
Less: Amount reserved for distribution to CPPU holder	(1,091)	1,091	–	–	–
Net increase in net assets resulting from operations	56,321	1,091	57,412	3,002	60,414
Transactions with owners					
Issue of new Units:					
- Manager's management fees paid/payable in Units	3,879	–	3,879	–	3,879
Distributions paid to Unitholders	(74,661)	–	(74,661)	–	(74,661)
Distributions paid to CPPU Holder	–	(1,109)	(1,109)	–	(1,109)
Distributions paid to non-controlling interests	–	–	–	(6,000)	(6,000)
Net decrease in net assets resulting from transactions with owners	(70,782)	(1,109)	(71,891)	(6,000)	(77,891)
Movement in foreign currency translation reserve	(15,972)	–	(15,972)	–	(15,972)
Hedging transactions					
Effective portion of change in fair value of cash flow hedges	23,443	–	23,443	315	23,758
Hedging reserve transferred to statement of total return	4,482	–	4,482	252	4,734
Share of movements in hedging reserve of joint venture	1,955	–	1,955	–	1,955
Net movement in hedging transactions	29,880	–	29,880	567	30,447
At 30 June 2022	3,127,443	212,291	3,339,734	245,779	3,585,513

The accompanying notes form an integral part of the interim financial information

Statements of Movements in Unitholders' Funds (continued)
Six-month period ended 30 June 2022

	<---- Attributable to ---->				
	Unitholders \$'000	CPPU holder \$'000	Total \$'000	Non- controlling interests \$'000	Total \$'000
Group					
Net assets attributable to owners at 1 January 2021	3,177,972	361,885	3,539,857	235,805	3,775,662
Operations					
Total return for the period	51,323	–	51,323	3,146	54,469
Less: Amount reserved for distribution to CPPU holder	(1,473)	1,473	–	–	–
Net increase in net assets resulting from operations	49,850	1,473	51,323	3,146	54,469
Transactions with owners					
Issue of new Units:					
- Manager's management fees paid/payable in Units	4,095	–	4,095	–	4,095
CPPUs redeemed	–	(148,800)	(148,800)	–	(148,800)
Difference on redemption of CPPUs	(6,200)	–	(6,200)	–	(6,200)
Distributions paid to Unitholders	(77,618)	–	(77,618)	–	(77,618)
Distributions paid to CPPU Holder	–	(2,267)	(2,267)	–	(2,267)
Distributions paid to non-controlling interests	–	–	–	(5,600)	(5,600)
Net decrease in net assets resulting from transactions with owners	(79,723)	(151,067)	(230,790)	(5,600)	(236,390)
Movement in foreign currency translation reserve	10,225	–	10,225	–	10,225
Hedging transactions					
Effective portion of change in fair value of cash flow hedges	6,836	–	6,836	89	6,925
Hedging reserve transferred to statement of total return	11,402	–	11,402	439	11,841
Net movement in hedging transactions	18,238	–	18,238	528	18,766
At 30 June 2021	<u>3,176,562</u>	<u>212,291</u>	<u>3,388,853</u>	<u>233,879</u>	<u>3,622,732</u>

The accompanying notes form an integral part of the interim financial information

Statements of Movements in Unitholders' Funds (continued)
Six-month period ended 30 June 2022

	<----- Attributable to ----->		Total \$'000
	Unitholders \$'000	CPPU holder \$'000	
Trust			
Net assets attributable to owners at 1 January 2022	2,732,611	212,309	2,944,920
Operations			
Total return for the period	72,955	–	72,955
Less: Amount reserved for distribution to CPPU holder	(1,091)	1,091	–
Net increase in net assets resulting from operations	71,864	1,091	72,955
Transactions with owners			
Issue of new Units:			
- Manager's management fees paid/payable in Units	3,879	–	3,879
Distributions paid to Unitholders	(74,661)	–	(74,661)
Distributions paid to CPPU holder	–	(1,109)	(1,109)
Net decrease in net assets resulting from transactions with owners	(70,782)	(1,109)	(71,891)
Hedging transactions			
Effective portion of change in fair value of cash flow hedges	1,935	–	1,935
Hedging reserve transferred to statement of total return	2,173	–	2,173
Net movement in hedging transactions	4,108	–	4,108
At 30 June 2022	<u>2,737,801</u>	<u>212,291</u>	<u>2,950,092</u>

The accompanying notes form an integral part of the interim financial information

Statements of Movements in Unitholders' Funds (continued)
Six-month period ended 30 June 2022

	<----- Attributable to ----->		
	Unitholders \$'000	CPPU holder \$'000	Total \$'000
Trust			
Net assets attributable to owners at 1 January 2021	2,887,911	361,885	3,249,796
Operations			
Total return for the period	54,099	–	54,099
Less: Amount reserved for distribution to CPPU holder	(1,473)	1,473	–
Net increase in net assets resulting from operations	52,626	1,473	54,099
Transactions with owners			
Issue of new Units:			
- Manager's management fees paid/payable in Units	4,095	–	4,095
CPPUs redeemed	–	(148,800)	(148,800)
Difference on redemption of CPPUs	(6,200)	–	(6,200)
Distributions paid to Unitholders	(77,618)	–	(77,618)
Distributions paid to CPPU holder	–	(2,267)	(2,267)
Net decrease in net assets resulting from transactions with owners	(79,723)	(151,067)	(230,790)
Hedging transactions			
Effective portion of change in fair value of cash flow hedges	3,134	–	3,134
Hedging reserve transferred to statement of total return	4,741	–	4,741
Net movement in hedging transactions	7,875	–	7,875
At 30 June 2021	<u>2,868,689</u>	<u>212,291</u>	<u>3,080,980</u>

The accompanying notes form an integral part of the interim financial information

Interim Portfolio Statements
As at 30 June 2022

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 30/6/2022 \$'000	Percentage of Unitholders' funds at 30/6/2022 %	Carrying value at 31/12/2021 \$'000	Percentage of Unitholders' funds at 31/12/2021 %
<i>Singapore</i>								
OUE Downtown Office								
OUE Downtown is a mixed-use development comprising a 50-storey building (OUE Downtown 1) and a 37-storey building (OUE Downtown 2), a retail podium and a multi-storey car park	OUE Downtown 1 and OUE Downtown 2: 99-year lease from 19 July 1967	44 years	6 Shenton Way, Singapore 068809 and 6A Shenton Way, Singapore 068815	Commercial	903,001	29	902,000	29
The Group owns the office components of OUE Downtown (OUE Downtown Office), comprising OUE Downtown 1 (Strata Lot U4628V) and OUE Downtown 2 (Strata Lot U4629P)								
One Raffles Place								
An integrated commercial development comprising One Raffles Place Tower 1, One Raffles Place Tower 2 and One Raffles Place Shopping Mall	One Raffles Place Tower 1: 841-year lease from 1 November 1985	805 years	1 Raffles Place, One Raffles Place, Singapore 048616	Commercial	1,869,965	60	1,867,700	60
The Group has an effective interest of 67.95% in One Raffles Place	One Raffles Place Tower 2: 99-year lease from 26 May 1983	60 years						
	One Raffles Place Shopping Mall: the retail podium straddles two land plots: - approximately 75% of the net lettable area ("NLA") of the retail podium is on a 99-year lease from 1 November 1985 - the balance 25% of the NLA of the retail podium is on an 841-year lease from 1 November 1985	60 years 805 years						

The accompanying notes form an integral part of the interim financial information

Interim Portfolio Statements (continued)
As at 30 June 2022

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 30/6/2022 \$'000	Percentage of Unitholders' funds at 30/6/2022 %	Carrying value at 31/12/2021 \$'000	Percentage of Unitholders' funds at 31/12/2021 %
Crowne Plaza Changi Airport 563-room airport hotel situated within the vicinity of passenger terminals of Singapore Changi Airport and is connected to Jewel Changi Airport via a pedestrian bridge from Terminal 3.	74-year lease from 1 July 2009	61 years	75 Airport Boulevard, Singapore 819664	Hotel	455,200	14	455,200	15
Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore) Hilton's flagship hotel in Singapore and its largest in Asia Pacific located in Orchard Road with 1,080 rooms.	99-year lease from 1 July 1957	34 years	333 Orchard Road, Singapore 238867	Hotel	1,145,448	37	1,130,000	36
Mandarin Gallery High-end retail mall with 152-metre frontage situated along Orchard Road, Singapore and is the preferred location for flagship stores of international brands.	99-year lease from 1 July 1957	34 years	333A Orchard Road, Singapore 238897	Retail	456,677	15	453,900	14

The accompanying notes form an integral part of the interim financial information

Interim Portfolio Statements (continued)
As at 30 June 2022

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 30/6/2022 \$'000	Percentage of Unitholders' funds at 30/6/2022 %	Carrying value at 31/12/2021 \$'000	Percentage of Unitholders' funds at 31/12/2021 %
<i>Shanghai</i>								
Lippo Plaza	50-year land use right commencing from 2 July 1994	22 years	222 Huaihai Zhong Road, Huangpu District, Shanghai, PRC 200021	Commercial	556,372	18	574,538	18
A 36-storey commercial building with retail podium at Shanghai, China excluding:								
(i) Unit 2 in Basement 1,								
(ii) the 12 th , 13 th , 15 th and 16 th floors and								
(iii) 4 car park lots								
Total investment properties					5,386,663	173	5,383,338	172
Investment in joint venture					323,939	10	322,056	10
Other assets and liabilities (net)					(2,125,089)	(68)	(2,116,879)	(67)
Net assets of the Group					3,585,513	115	3,588,515	115
Net assets attributable to CPPU holder					(212,291)	(7)	(212,309)	(7)
Net assets attributable to non-controlling interests					(245,779)	(8)	(248,210)	(8)
Unitholders' funds					3,127,443	100	3,127,996	100

The carrying value of Lippo Plaza as at 30 June 2022 in Renminbi is RMB2,683,897,000 (31 December 2021: RMB 2,681,000,000).

The properties are leased to third parties except as otherwise stated in Note 11. Generally, the leases contain an initial non-cancellable period of 1 to 11 years (31 December 2021: 1 to 11 years). Subsequent renewals are negotiated with the respective lessees.

The accompanying notes form an integral part of the interim financial information

Interim Portfolio Statements (continued)
As at 30 June 2022

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Trust -----			
					Carrying value at 30/6/2022 \$'000	Percentage of Unitholders' funds at 30/6/2022 %	Carrying value at 31/12/2021 \$'000	Percentage of Unitholders' funds at 31/12/2021 %
<i>Singapore</i>								
OUE Downtown Office OUE Downtown is a mixed-use development comprising a 50-storey building (OUE Downtown 1) and a 37-storey building (OUE Downtown 2), a retail podium and a multi-storey car park	OUE Downtown 1 and OUE Downtown 2: 99-year lease from 19 July 1967	44 years	6 Shenton Way, Singapore 068809 and 6A Shenton Way, Singapore 068815	Commercial	903,001	33	902,000	33
The Trust owns the office components of OUE Downtown (OUE Downtown Office), comprising OUE Downtown 1 (Strata Lot U4628V) and OUE Downtown 2 (Strata Lot U4629P)								
Investment properties					903,001	33	902,000	33
Investment in joint venture					316,878	12	316,878	12
Other assets and liabilities (net)					1,730,213	63	1,726,042	63
Net assets of the Trust					2,950,092	108	2,944,920	108
Net assets attributable to CPPU holder Unitholders' funds					(212,291)	(8)	(212,309)	(8)
					2,737,801	100	2,732,611	100

The properties are leased to third parties except as otherwise stated in Note 11. Generally, the leases contain an initial non-cancellable period of 1 to 6 years (31 December 2021: 1 to 6 years). Subsequent renewals are negotiated with the respective lessees.

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Consolidated Statement of Cash Flows
Six-month period ended 30 June 2022

	Group	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Cash flows from operating activities		
Total return for the period	60,414	54,469
Adjustments for:		
Amortisation of intangible assets	2,500	2,500
Depreciation of plant and equipment	48	42
Finance costs	33,358	39,145
Finance income	(1,983)	(1,482)
Manager's fees paid/payable in Units	3,879	4,095
Share of joint venture results	(8,297)	(4,066)
Loss on disposal of plant and equipment	–	10
Write-back of allowance for doubtful receivables	(26)	(1,195)
Tax expense	6,344	6,868
Operating income before working capital changes	<u>96,237</u>	<u>100,386</u>
Changes in working capital:		
Trade and other receivables	(2,044)	(7,632)
Trade and other payables	(6,290)	(12,724)
Cash generated from operating activities	<u>87,903</u>	<u>80,030</u>
Tax paid	(6,070)	(10,271)
Net cash from operating activities	<u>81,833</u>	<u>69,759</u>
Cash flows from investing activities		
Additions to plant and equipment	(162)	(3)
Payment for capital expenditure on investment properties	(18,578)	(10,402)
Dividend received from joint venture	8,369	–
Interest received	120	473
Proceeds from divestment of investment property	–	950,634
Proceeds from sale of plant and equipment	–	1
Net cash (used in)/from investing activities	<u>(10,251)</u>	<u>940,703</u>
Cash flows from financing activities		
Distributions paid to Unitholders	(74,661)	(77,618)
Distributions paid to CPPU holder	(1,109)	(2,267)
Distributions paid to non-controlling interests	(6,000)	(5,600)
Interest paid	(28,971)	(35,145)
Payment of transaction costs related to borrowings	(2,139)	(3,103)
Proceeds from bank loans	92,000	231,500
Proceeds from issuance of Notes	150,000	150,000
Redemption of CPPUs	–	(155,000)
Repayment of bank loans	(211,985)	(976,527)
Repayment of Notes	–	(150,000)
Net cash used in financing activities	<u>(82,865)</u>	<u>(1,023,760)</u>

The accompanying notes form an integral part of the interim financial information

Consolidated Statement of Cash Flows (continued)
For the six months ended 30 June 2022

	Group	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Net decrease in cash and cash equivalents	(11,283)	(13,298)
Cash and cash equivalents at beginning of the period	59,549	88,508
Effect of exchange rate fluctuations on cash held	(1,095)	950
Cash and cash equivalents at end of the period	47,171	76,160

Significant non-cash transactions

During the period, there were the following significant non-cash transactions:

Financial period ended 30 June 2022

- a total of 9,682,783 Units, amounting to \$3,879,000, were or would be issued to the Manager as satisfaction of the Manager's management fees for the financial period.

Financial period ended 30 June 2021

- a total of 10,325,523 Units, amounting to \$4,095,000, were issued to the Manager as satisfaction of the Manager's management fees for the financial period.

The accompanying notes form an integral part of the interim financial information

Notes to the Financial Information

These notes form an integral part of the interim financial statements.

1 General

OUE Commercial Real Estate Investment Trust (the “Trust”) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 10 October 2013 (as amended) (the “Trust Deed”) between OUE Commercial REIT Management Pte. Ltd. (the “Manager”) and DBS Trustee Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (the “Group”) in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

The Trust was admitted to the Official List of Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 27 January 2014 (the “Listing Date”).

The principal activity of the Trust is to invest, directly or indirectly, in a portfolio of 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 hospitality and/or hospitality-related purposes, within and outside of Singapore, as well as real estate-related assets.

The consolidated interim financial information (“Financial Information”) relates to the Trust and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interests in its joint venture.

The Group is regarded as a subsidiary of OUE Limited (“OUE”) for financial reporting purposes. Accordingly, the ultimate holding company of the Trust is Lippo ASM Asia Property Limited, a company incorporated in the Cayman Islands.

2 Basis of preparation

The Financial Information has been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice (“RAP”) 7 “*Reporting Framework for Unit Trusts*” relevant to interim financial information issued by the Institute of Singapore Chartered Accountants (“ISCA”), the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (the “MAS”) and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards (“FRS”). The Financial Information does not include all the information required for a complete set of financial statements prepared in accordance with FRS Standards and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last annual financial statements.

The Financial Information has been prepared on the historical cost basis, except for the investment properties and financial derivatives which are stated at their fair values.

The Financial Information is presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The preparation of the Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

The accounting policies applied by the Group in this Financial Information are consistent with those applied by the Group in its financial statements as at and for the year ended 31 December 2021 which were prepared in accordance with FRS, except for the adoption of the new and revised standards that are effective for annual periods beginning on 1 January 2022. The adoption of these new and revised standards did not have a material impact on the Group’s Financial Information.

3 Investment properties

	----- Group -----		----- Trust -----	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
At 1 January	5,409,748	5,370,383	902,000	900,000
Capital expenditure capitalised	19,545	68,875	1,001	4,377
Lease incentives	2,353	(2,029)	–	(15)
Fair value changes recognised in the statement of total return (unrealised)	–	(56,284)	–	(2,362)
Translation differences	(18,573)	28,803	–	–
At 30 June / 31 December	5,413,073	5,409,748	903,001	902,000

As at 30 June 2022, investment properties with a carrying amount of \$2,505,126,000 (31 December 2021: \$3,060,438,000) are pledged as security to secure bank loans (see Note 7).

Measurement of fair value

In accordance with the Code of Collective Investment Scheme, the Group engaged independent external valuers to perform full valuation of its investment properties at each financial year end. The last full valuation of the investment properties was conducted on 31 December 2021. The fair values were derived based on the discounted cash flow, capitalisation and direct comparison methods. The valuation methods involve certain estimates including those relating to discount rate, terminal yield rate, capitalisation rate, price per square foot and price per room.

The carrying amounts of the investment properties as at 30 June 2022 are based on valuations performed by independent external valuers as at 31 December 2021, adjusted for capital expenditure capitalised in the period from 1 January 2022 to 30 June 2022. Management conducted an internal assessment of the valuation of the investment properties as at 30 June 2022, including considering any significant changes in operating performance of the properties, assessed whether movement in market data, such as discount rates, capitalisation rates, have any significant impact to the valuation of the investment properties. Based on the assessment, management is of the view that the fair value of the investment properties has not materially changed from 31 December 2021 valuation.

As at 31 December 2021, the carrying amounts of all the investment properties were based on independent valuations carried out by the valuers below:

Properties	Valuer
31 December 2021	
OUE Downtown Office	Cushman & Wakefield VHS Pte Ltd
One Raffles Place	Cushman & Wakefield VHS Pte Ltd
Crowne Plaza Changi Airport	Savills Valuation and Professional Services (S) Pte Ltd
Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore)	Savills Valuation and Professional Services (S) Pte Ltd
Mandarin Gallery	Savills Valuation and Professional Services (S) Pte Ltd
Lippo Plaza	Savills Real Estate Valuation (Guangzhou) Ltd- Shanghai Branch

The accompanying notes form an integral part of the interim financial information

4 Investment in joint venture

	----- Group -----		----- Trust -----	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest in joint venture	323,939	322,056	316,878	316,878

Details of the joint venture are as follows:

Name of joint venture	Place of constitution/ business	Principal activities	Effective equity interest held by the Trust	
			30 June	31 December
			2022	2021
			%	%
OUE Allianz Bayfront LLP (formerly known as BPH Propco LLP)	Singapore	Property owner and investment holding	50	50

5 Trade and other receivables

	----- Group -----		----- Trust -----	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables from:				
- other related parties	5,627	5,634	3	9
- third parties	4,166	4,533	425	1,149
	9,793	10,167	428	1,158
Less: Allowance for doubtful receivables	(536)	(506)	(4)	(4)
	9,257	9,661	424	1,154
Other receivables from:				
- subsidiaries	-	-	1,518	621
- other related parties	7,875	8,127	7,875	8,127
- joint venture	331	331	331	331
- third parties	7,193	7,198	234	110
	15,399	15,656	9,958	9,189
Deposits	35	27	3	3
	24,691	25,344	10,385	10,346
Prepayments	1,468	1,684	155	167
	26,159	27,028	10,540	10,513

The accompanying notes form an integral part of the interim financial information

	----- Group -----		----- Trust -----	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-current				
Deposits	3,826	3,826	–	–
Prepayments	427	41	–	–
	4,253	3,867	–	–

6 Loan to a subsidiary

The Trust has on-lent the proceeds of \$150.0 million (31 December 2021: Nil) from the issuance of the notes to OUE Hospitality Sub-Trust (“OUE H-Sub-Trust”) (see note 7(d)).

Loan to a subsidiary is unsecured and has a fixed rate of 4.20%, and is not expected to be repaid in the next twelve months from the reporting date.

7 Borrowings

	----- Group -----		----- Trust -----	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Secured borrowings				
Amount repayable within one year, or on demand	162,545	164,199	–	–
Amount repayable after one year	1,095,603	1,242,494	451,414	455,916
Total secured borrowings	1,258,148	1,406,693	451,414	455,916
Unsecured borrowings				
Amount repayable within one year, or on demand	15,000	8,000	15,000	8,000
Amount repayable after one year	743,229	570,702	394,882	246,627
Total unsecured borrowings	758,229	578,702	409,882	254,627
Total borrowings, net of amortised cost	2,016,377	1,985,395	861,296	710,543
Classified as:				
Current	177,545	172,199	15,000	8,000
Non-current	1,838,832	1,813,196	846,296	702,543
	2,016,377	1,985,395	861,296	710,543

The aggregate leverage was 39.1% (31 December 2021: 38.7%). The interest coverage ratio stood at 3.0 times^(a) (31 December 2021: 2.8 times^(a)).

^(a) Interest coverage ratio is calculated based on guidance under Monetary Authority of Singapore’s Code on Collective Investment Schemes, Property Funds Appendix 6 (last revised on 3 March 2022).

(a) Secured bank loans

The Group has secured term loans and revolving credit facilities of 2 to 5 years (31 December 2021: 2 to 8 years) which are secured on the following:

- investment properties with a total carrying amount of \$2,505,126,000 (31 December 2021: \$3,060,438,000) (Note 3);
- assignment of insurance policies on the above investment properties, except public liability insurance;
- assignment of all rights, titles, benefits and interests in connection with the sale and tenancy agreements, tenancy deposits/proceeds, sales deposits/proceeds, property management agreements and the receivables of certain properties;
- assignment of all rights, titles, benefits and interests in connection with any master lease, entered into by OUE H-Sub-Trust and lease or tenancy deposits/proceeds in connection with such master lease in respect of Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore);
- a debenture incorporating a fixed charge over book debt, charged accounts, goodwill, intellectual property and plant and machinery and floating charge over generally all of the present and future assets of the Trust in connection with OUE Downtown; Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore) and Mandarin Gallery; and
- the account control or charge over certain bank accounts of the Trust and certain subsidiary.

(b) Unsecured bank loans

The Group has in place the following unsecured bank loans:

- a total of \$370.0 million (31 December 2021: \$370.0 million) committed bank loans and revolving credit facilities with banks. At the reporting date, \$349.0 million (31 December 2021: \$325.0 million) was drawn down; and
- \$35.0 million (31 December 2021: \$35.0 million) uncommitted revolving credit facility with banks. At the reporting date, \$15.0 million (31 December 2021: \$8.0 million) was drawn down. The uncommitted revolving credit facility is repayable on demand.

(c) Unsecured notes

In March 2020, the Trust, through its wholly-owned subsidiary, OUE CT Treasury Pte. Ltd., established a \$2.0 billion Multicurrency Debt Issuance Programme (the “2020 Programme”). Under the 2020 Programme, OUE CT Treasury Pte. Ltd. may from time to time issue notes and/or perpetual securities in series or tranches.

The accompanying notes form an integral part of the interim financial information

During the year, OUE CT Treasury Pte. Ltd. issued notes amounting to \$150 million (31 December 2021: \$150 million) under the 2020 Programme.

The unsecured notes outstanding as at 30 June 2022 under the 2020 Programme is \$400.0 million (31 December 2021: \$250.0 million). The unsecured notes have a fixed rates ranging from 3.95% to 4.20% (31 December 2021: 3.95% to 4.00%) per annum payable semi-annually in arrears and mature between 2025 and 2027 (31 December 2021: 2025 and 2026).

The unsecured notes and the coupons relating thereto of all series will constitute direct, unconditional, unsubordinated and unsecured obligations of OUE CT Treasury Pte. Ltd. and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than the subordinated obligations and priorities created by law) of OUE CT Treasury Pte. Ltd.. All sums payable in respect of the unsecured notes will be unconditionally and irrevocably guaranteed by the Trustee, in its capacity as trustee of the Group.

(d) Loan from a subsidiary

OUE CT Treasury Pte. Ltd. has on-lent the proceeds from the issuance of the notes of \$400 million (2021: \$150 million) to the Trust. The Trust has then on-lent \$150 million (2021: nil) of the proceeds to OUE H-Sub-Trust.

8 Convertible perpetual preferred units

In October 2015, the Group and the Trust issued 550 million Convertible Perpetual Preferred Units (“CPPU”) at \$1 per Unit to a substantial unitholder of the Trust and a related party of the Manager, as partial satisfaction of the purchase consideration for the subsidiaries acquired. The key terms and conditions of the CPPUs are as follows:

- the CPPU holder has the right to receive preferential non-cumulative distribution of an amount equivalent to 1.0% per annum of the issue price which may be declared by the Manager at its sole discretion;
- any preferential distribution or part thereof not due or payable shall not accumulate for the benefit of the CPPU holder or entitle the CPPU holder to any claim in respect thereof against the Trust, the Trustee and/or the Manager;
- the CPPUs rank senior to the Units in respect of the entitlement to participate in the distributions of the Trust and rank senior to the Units in respect of the entitlement to receive out of the assets of the Trust the amount equivalent to the number of CPPUs held by the CPPU holder multiplied by the issue price and outstanding preferred and special preferred distribution upon the liquidation of the Trust. The CPPUs rank junior to the claims of all other present and future creditors of the Trust;

- the CPPU holder has the sole right to convert the CPPUs into Units, provided that the number of CPPUs converted in each financial year shall not exceed one-third of the total number of CPPUs initially issued to the CPPU holder, at a conversion price of \$0.7154 per CPPU, being the adjusted conversion price pursuant to the rights issue undertaken by the Trust in October 2018. The CPPUs may not be converted into Units for a period of four years commencing from the date of issuance of the CPPUs on 8 October 2015;
- the Manager shall have the sole right to redeem any number of CPPUs for the time being issued and outstanding on a pro-rata basis at the issue price at all times;
- the Manager shall not declare distributions or pay any distributions to the Unitholders, or make any redemption, unless the Manager declares or pays distributions to the CPPU holder; and
- the CPPU holder does not have the right to attend and vote at the meetings of Unitholders except during such period as the preferred or special preferred distribution remains in arrears and unpaid for at least 12 months, or upon any resolution which varies or abrogates any right, preference or privilege of the CPPUs, or upon any resolution for the dissolution or winding up of the Trust.

On 1 June 2021, there was a partial redemption of 155.0 million CPPUs at \$1.00 per Unit.

The CPPUs are classified as equity instruments in the statement of financial position. The \$212,291,000 (31 December 2021: \$212,309,000) presented in the interim statement of financial position represents the carrying value of the remaining 220.0 million CPPUs and the total return attributable to the CPPU holder from the last distribution date.

9 Units in issue and to be issued

	-----Group and Trust-----	
	30 June	31 December
	2022	2021
	'000	'000
Units in issue		
At 1 January	5,442,608	5,421,506
Creation of Units:		
- Manager's management fees paid in Units	11,737	21,102
At 30 June/31 December	5,454,345	5,442,608
Units to be issued		
Manager's management fees payable in Units	5,022	7,077
Units in issue and to be issued	5,459,367	5,449,685

The accompanying notes form an integral part of the interim financial information

10 Net asset value per Unit

	Note	----- Group -----		----- Trust -----	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
Net asset value per Unit is based on:					
- Net assets attributable to Unitholders (\$'000)		3,127,443	3,127,996	2,737,801	2,732,611
- Units in issue and to be issued at 30 June 2022/ 31 December 2021 ('000)	9	5,459,367	5,449,685	5,459,367	5,449,685

11 Revenue

	----- Group -----	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Rental income	106,347	119,735
Service fee income	7,276	10,050
Carpark income	789	1,074
Others	1,504	2,765
Less: Business and other taxes	(79)	(78)
	<u>115,837</u>	<u>133,546</u>

Under the terms of the lease agreements for the properties, the Group is generally entitled to a fixed rent component and/or a variable rent component computed based on a certain percentage of the revenue. Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore) is leased to a related party under a master lease arrangement. The lease contains an initial term of 15 years from 25 July 2013 with an option to renew for a further 15 years. Crowne Plaza Changi Airport is leased to a related party under a master lease agreement till 27 May 2028, with an option to renew for two consecutive terms of five years each.

Included in rental income is variable rent of \$889,000 (30 June 2021: \$705,000) recognised in the statement of total return for the Group.

Included in the revenue of the Group are amounts derived from related parties of \$34,423,000 (30 June 2021: \$35,537,000). Due to the COVID-19 impact, the Group has provided a total of \$4,997,000 (30 June 2021: \$6,182,000) rental waiver to the affected tenants during the period.

Other income consists of miscellaneous income such as utilities and annual license fee, which are recognised over time as the service is provided.

12 Net finance costs

	----- Group -----	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Finance income		
Interest income	120	473
Ineffective portion of changes in fair value of cash flow hedges	1,863	1,009
Net foreign exchange gain	–	186
	1,983	1,668
Finance costs		
Amortisation of debt-related transaction costs	(3,621)	(5,968)
Interest paid/payable to banks	(29,302)	(32,513)
Net change in fair value of derivatives	–	(227)
Net foreign exchange loss	(47)	–
Financial liability measured at amortised cost – interest expense	(435)	(437)
	(33,405)	(39,145)
Net finance costs	(31,422)	(37,477)

13 Total return for the period before tax

Included in total return for the period before tax are the following:

	----- Group -----	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Audit fees paid/payable to:		
- Auditors of the Trust	153	195
- Other auditors	28	32
Non-audit fees paid/payable to:		
- Auditors of the Trust	32	49
- Other auditors	15	9
Valuation fees	88	73
	88	73

14 Tax expense

	----- Group -----	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Current tax expense		
Current period	5,298	5,921
Withholding tax	614	568
Deferred tax expense		
Origination and reversal of temporary differences	432	379
	6,344	6,868

15 Earnings per Unit

(i) Basic earnings per Unit

The calculation of basic earnings per Unit was based on the total return attributable to Unitholders and the weighted average number of Units, as set out below:

Total return attributable to Unitholders

	Group	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Total return for the period attributable to Unitholders and CPPU holder	57,412	51,323
Less: Amount reserved for distribution to CPPU holder	(1,091)	(1,473)
Total return attributable to Unitholders	56,321	49,850

Weighted average number of Units

	Group	
	Six-month period ended 30 June 2022 '000	Six-month period ended 30 June 2021 '000
Units issued or to be issued at beginning of the period	5,449,685	5,427,850
Effect of Units issued during the period	2,369	2,782
Effect of Units to be issued as payment of the Manager's management fees payable in Units	27	27
Weighted average number of Units during the period	5,452,081	5,430,659

(ii) Diluted earnings per Unit

The calculation of diluted earnings per Unit was based on the total return attributable to Unitholders and CPPU holder and the weighted average number of Units, after adjustment for the effect of all dilutive potential Units, as set out below:

Total return attributable to Unitholders (diluted)

	Group	
	Six-month period ended 30 June 2022 \$'000	Six-month period ended 30 June 2021 \$'000
Total return attributable to Unitholders (basic)	56,321	49,850
Add: Amount reserved for distribution to CPPU holder	1,091	1,473
Total return attributable to Unitholders and CPPU holder (diluted)	57,412	51,323

Weighted average number of Units (diluted)

	Group	
	Six-month period ended 30 June 2022 '000	Six-month period ended 30 June 2021 '000
Weighted average number of Units (basic)	5,452,081	5,430,659
Effect of the Manager's fees paid/payable in Units	7,287	7,517
Effect of conversion of CPPUs into Units ⁽¹⁾	307,520	307,520
Weighted average number of Units (diluted)	5,766,888	5,745,696

⁽¹⁾ The weighted average number of Units includes the weighted average potential Units to be issued assuming all the remaining CPPUs were converted at \$0.7154 per Unit, being the adjusted conversion price pursuant to the rights issue.

16 Operating segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the Board of Directors of the Manager. Segment net property income is used to measure performance as management believes that such information is the most relevant in evaluating the results of its segments relative to other entities that operate within the same industry.

Information about reportable segments

	Commercial \$'000	Hospitality \$'000	Total \$'000
Six-months ended 30 June 2022			
Revenue	82,087	33,750	115,837
Property operating expenses	(19,991)	(2,242)	(22,233)
Reportable segment net property income	<u>62,096</u>	<u>31,508</u>	<u>93,604</u>
Other income	7,875	–	7,875
Depreciation and amortisation	(2,548)	–	(2,548)
Finance income	1,762	220	1,982
Finance costs	(21,651)	(11,705)	(33,356)
Unallocated items			
- Finance income			1
- Finance costs			(49)
- Expenses			<u>(9,048)</u>
Net income			58,461
Share of joint venture results			8,297
Tax expense			<u>(6,344)</u>
Total return for the period			<u><u>60,414</u></u>
30 June 2022			
Non-current assets ⁽¹⁾	<u>4,117,307</u>	<u>1,627,058</u>	<u>5,744,365</u>

⁽¹⁾ Excluding financial instruments

OUE Commercial Real Estate Investment Trust and its subsidiaries
Interim financial information
Six-month period ended 30 June 2022

	Commercial	Hospitality	Total
	\$'000	\$'000	\$'000
Six-months ended 30 June 2021			
Revenue	99,796	33,750	133,546
Property operating expenses	(21,317)	(3,184)	(24,501)
Reportable segment net property income	<u>78,479</u>	<u>30,566</u>	<u>109,045</u>
Other income	6,868	–	6,868
Depreciation and amortisation	(2,542)	–	(2,542)
Finance income	979	–	979
Finance costs	(26,998)	(12,147)	(39,145)
Divestment costs	(7,363)	–	(7,363)
Unallocated items			
- Finance income			689
- Expenses			(11,260)
Net income			<u>57,271</u>
Share of joint venture results			4,066
Tax expense			(6,868)
Total return for the period			<u><u>54,469</u></u>
31 December 2021			
Non-current assets ⁽¹⁾	<u>4,129,548</u>	<u>1,611,610</u>	<u>5,741,158</u>

⁽¹⁾ Excluding financial instruments

The accompanying notes form an integral part of the interim financial information

Geographical information

The Group has two reportable segments, which are Singapore and China. The reporting segments operate in different countries and are managed separately because of the differences in operating and regulatory environment. For each of the reporting segments, the Board of Directors of the Manager reviews internal management reports on a regular basis.

Information about reportable segments

	Singapore \$'000	China \$'000	Total \$'000
Six-months ended 30 June 2022			
Revenue	105,608	10,229	115,837
Property operating expenses	(21,127)	(1,106)	(22,233)
Reportable segment net property income	<u>84,481</u>	<u>9,123</u>	<u>93,604</u>
Other income	7,875	–	7,875
Depreciation and amortisation	(2,526)	(22)	(2,548)
Finance income	1,872	111	1,983
Finance costs	(32,885)	(471)	(33,356)
Divestment costs			
Unallocated items			
- Finance costs			(49)
- Expenses			<u>(9,048)</u>
Net income			<u>58,461</u>
Share of joint venture results			8,297
Tax expense			<u>(6,344)</u>
Total return for the period			<u>60,414</u>
30 June 2022			
Non-current assets ⁽¹⁾	<u>5,187,955</u>	<u>556,410</u>	<u>5,744,365</u>
Six-months ended 30 June 2021			
Revenue	121,441	12,105	133,546
Property operating expenses	(22,649)	(1,852)	(24,501)
Reportable segment net property income	<u>98,792</u>	<u>10,253</u>	<u>109,045</u>
Other income	6,868	–	6,868
Depreciation and amortisation	(2,522)	(20)	(2,542)
Finance income	1,271	397	1,668
Finance costs	(38,595)	(550)	(39,145)
Divestment costs	(7,363)	–	(7,363)
Unallocated items			
- Expenses			<u>(11,260)</u>
Net income			<u>57,271</u>
Share of joint venture results			4,066
Tax expense			<u>(6,868)</u>
Total return for the period			<u>54,469</u>
31 December 2021			
Non-current assets ⁽¹⁾	<u>5,166,558</u>	<u>574,600</u>	<u>5,741,158</u>

⁽¹⁾ Excluding financial instruments

The accompanying notes form an integral part of the interim financial information

17 Commitments

The Group and the Trust has the following commitments as at the reporting date:

Capital commitments

	----- Group -----		----- Trust -----	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Contracted but not provided for in the financial statements:				
- Expenditure in respect of investment properties	33,187	39,978	465	666

18 Related party transactions

In the normal course of the operations of the Trust, the Manager's management fee and Trustee's fee have been paid or are payable to the Manager and the Trustee respectively. Property management fees are payable to the Property Managers, related parties of the Manager.

During the financial period, other than the transactions disclosed elsewhere in the Financial Information, there were the following related party transactions:

	----- Group -----	
	Six-month period ended	Six-month period ended
	30 June	30 June
	2022	2021
	\$'000	\$'000
Hotel service expenses and professional fees paid/payable to related parties	802	590
Settlement of liabilities by related parties of the Manager on behalf of the Group and the Trust	21	30

The accompanying notes form an integral part of the interim financial information

19 Financial ratios

	----- Group -----	
	Six-month period ended 30 June 2022 %	Six-month period ended 30 June 2021 %
Expenses to weighted average net assets ¹		
- including performance component of the Manager's fees	0.75	0.93
- excluding performance component of the Manager's fees	0.75	0.80
Portfolio turnover rate ²	—	—
	—	—

¹ The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group and, excluding property expenses and finance expenses.

² The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

Other Information Required by Listing Rule Appendix 7.2

1 (a) Statement of Total Return and Distribution Statement

Please refer to pages 6-8 and section 8 on page 41-42.

(b)(i) Statements of Financial Position (Please refer to pages 4-5)

(1) Intangible assets

Intangible asset represents the unamortised income support receivable by OUE C-REIT from the Sponsor Group pursuant to the Deed of Income Support relating to OUE Downtown Office.

(2) Loan to a subsidiary

Loan to a subsidiary represents the S\$150.0 million notes issued in May 2022 on-lent to OUE H-Sub-Trust. Refer to item (b)(i)(3).

(3) Borrowings – Non-current and Current

The Group issued S\$150.0 million notes in May 2022. The net proceeds have been utilised for repayment of OUE C-REIT's revolving loan facilities. The Group and Trust's total borrowings increased as compared to 31 December 2021 mainly due to drawdown of funds for the distribution in March 2022.

At the Trust level, the increase relates to the S\$150.0 million notes issued in May 2022 through the Trust's wholly owned subsidiary, OUE CT Treasury Pte. Ltd., which were on-lent to the Trust. The same amount was on-lent to OUE H-Sub-Trust.

(4) Trade and other payables – Non-current and Current

The Group's trade and other payables decreased mainly due to settlement of costs related to rebranding of Mandarin Orchard Singapore to Hilton Singapore Orchard.

The Trust's trade and other payables increased due to advance from a subsidiary.

(5) Financial derivatives

Financial derivatives represent the fair value of the interest rate swaps ("IRS") entered to hedge the floating interest rate exposure of OUE C-REIT Group's borrowings. The movement for the financial period from 31 December 2021 to 30 June 2022 was mainly due to net changes in the fair value of the IRS during the period.

(6) Unitholders' funds

The decrease in Unitholders' funds was mainly due to distribution paid to Unitholders in March 2022 and the depreciation of the CNY against the SGD from 31 December 2021 to 30 June 2022. This was partially offset by profits for the financial period, net movement in the fair value reserve of IRS as at 30 June 2022 and new Units issued relating to base fees payable in Units.

(7) Non-controlling interests

OUE C-REIT holds an 83.33% indirect interest in OUBC. Non-controlling interests represent the equity in OUBC that is not attributable to OUE C-REIT Group.

The Group is in net current liabilities position as at 30 June 2022. The Manager is in discussion with banks and is of the opinion that the Group will be able to refinance its short-term borrowings and meet its current obligations as and when they fall due.

(b)(ii) Aggregate Amount of Borrowings and Debt Securities for OUE C-REIT Group

Please refer to pages 23-25.

(c) Consolidated Statement of Cash Flows (Please refer to pages 17-18)

- (1) In May 2022, the Group issued S\$150.0 million notes due on 5 May 2027 in two tranches, under the 2020 Programme. The net proceeds have been utilised for repayment of OUE C-REIT's revolving loan facilities.

On 2 June 2021, the Group issued S\$150.0 million notes due on 2 June 2026 under the 2020 Programme. The net proceeds have been utilised for repayment of OUE C-REIT's revolving loan facilities.

- (2) On 3 May 2021, an irrevocable redemption notice was issued to redeem 155.0 million CPPUs (amounting to S\$155.0 million), the redemption was completed on 1 June 2021.

- (3) For purpose of the Consolidated Statement of Cash Flows, the Group's cash and cash equivalents comprise the following:

	30 Jun 2022 (S\$'000)	30 Jun 2021 (S\$'000)
Bank and cash balances	29,551	49,107
Short-term deposits	17,620	27,053
Cash and cash equivalents	47,171	76,160

(d)(i) Statement of Changes in Unitholders' Funds

Please refer to pages 9-12.

(d)(ii) Details of Any Changes in Units

Please refer to page 26.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by OUE C-REIT’s auditors.

3 Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied

The accounting policies and methods of computation adopted in the preparation of the financial statements for the current financial period are consistent with those described in the audited financial statements for the financial year ended 31 December 2021.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

6 Earnings per Unit and Distribution per Unit

Earnings per Unit attributable to Unitholders (“EPU”)

	1H 2022	1H 2021
Weighted average number of Units	5,452,081,398	5,430,658,949
Basic EPU (cents)	1.03	0.92
Weighted average number of Units ⁽¹⁾	5,766,887,589	5,745,696,157
Diluted EPU (cents)	1.00	0.89

Footnote:

⁽¹⁾ The weighted average number of Units includes the weighted average potential Units to be issued assuming all the remaining CPPUs are converted at the conversion price of S\$0.7154 per Unit.

550.0 million CPPUs were issued in October 2015 as partial satisfaction of the purchase consideration for the acquisition of ORP. The CPPUs cannot be converted for a period of four years commencing from the date of issue (“Restriction Period”) save in certain limited circumstances and thereafter, not more than one-third of the CPPUs initially issued can be converted in any one year. After the Restriction Period, the CPPUs can be converted into Units at S\$0.7154 per Unit and will impact the EPU upon conversion.

On 1 June 2021, 155.0 million CPPUs were redeemed. A total of 220.0 million CPPUs remain outstanding as at 30 June 2022. Assuming that the remaining 220.0 million CPPUs are fully converted at the conversion price, 307,520,268 Units will be issued.

Distribution per Unit attributable to Unitholders (“DPU”)

	1H 2022	1H 2021
No of Units entitled to distribution	5,459,367,321 ⁽¹⁾	5,438,175,889 ⁽²⁾
Distribution per Unit (cents)	1.08	1.23

Footnotes:

- (1) Comprises the Units in issue as at 30 June 2022 of 5,454,345,515 and Units to be issued to the Manager as satisfaction of Manager’s base fee payable for 2Q 2022 of 5,021,806.
- (2) Comprises the Units in issue as at 30 June 2021 of 5,433,323,201 and Units to be issued to the Manager as satisfaction of Manager’s base fee payable for 2Q 2021 of 4,852,688.

7 Net Asset Value per Unit and Net Tangible Asset per Unit attributable to Unitholders

	Group		Trust	
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
No. of Units in issue and to be issued at end of period/year	5,459,367,321	5,449,684,538	5,459,367,321	5,449,684,538
Net asset value (“NAV”) per Unit (S\$)	0.57	0.57	0.50	0.50
Net tangible asset (“NTA”) per Unit (S\$)	0.57	0.57	0.50	0.50

The NAV per Unit and NTA per Unit are computed based on the Units in issue and to be issued as at the end of the financial period/year.

8 Review of the Performance

Statement of Total Return	Note	1H 2022⁽¹⁾ (S\$'000)	1H 2021⁽²⁾ (S\$'000)	Change (%)
Revenue		115,837	133,546	(13.3)
- Commercial ⁽³⁾		82,087	99,796	(17.7)
- Hospitality ⁽⁴⁾		33,750	33,750	–
Property operating expenses		(22,233)	(24,501)	(9.3)
- Commercial ⁽³⁾		(19,991)	(21,317)	(6.2)
- Hospitality ⁽⁴⁾		(2,242)	(3,184)	(29.6)
Net property income	(a)	93,604	109,045	(14.2)
- Commercial ⁽³⁾		62,096	78,479	(20.9)
- Hospitality ⁽⁴⁾		31,508	30,566	3.1
Other income	(b)	7,875	6,868	14.7
Amortisation of intangible assets		(2,500)	(2,500)	–
Manager's management fees	(c)	(7,758)	(8,191)	(5.3)
Manager's performance fees	(d)	–	(1,358)	NM
Divestment costs	(e)	–	(7,363)	NM
Trustee's fee		(518)	(666)	(22.2)
Other expenses		(820)	(1,087)	(24.6)
Finance income		1,983	1,668	18.9
Finance costs		(33,405)	(39,145)	(14.7)
Net finance costs	(f)	(31,422)	(37,477)	(16.2)
Net Income		58,461	57,271	2.1
Share of joint venture results	(g)	8,297	4,066	NM
Total return for the period before tax		66,758	61,337	8.8
Tax expense		(6,344)	(6,868)	(7.6)
Total return for the period	(h)	60,414	54,469	10.9

NM: Not meaningful

Footnotes:

- (1) The current period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.755 for 1H 2022.
- (2) The prior period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.854 for 1H 2021.
- (3) Commercial comprised One Raffles Place, OUE Bayfront (From 1 Jan 2021 to 31 March 2021 due to the divestment of the Property), Lippo Plaza, OUE Downtown Office and Mandarin Gallery.
- (4) Hospitality comprised Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore) and Crowne Plaza Changi Airport.

Review of OUE C-REIT Group's performance for the six months period from 1 January 2022 to 30 June 2022 ("1H 2022") vs 1 January 2021 to 30 June 2021 ("1H 2021")

- (a) 1H 2022 revenue of S\$115.8 million and net property income of S\$93.6 million were 13.3% and 14.2% lower respectively as compared to 1H 2021. The Commercial segment recorded lower revenue and net property income mainly due to divestment of 50% interest in OUE Bayfront on 31 March 2021 which resulted in the property being equity accounted vs being consolidated prior to the divestment. This was partially mitigated by lower rental rebates and other support measures granted to tenants compared to 1H 2021.
- (b) Other income comprises income support relating to the top-up payments from OUE Limited's subsidiary (the "Sponsor Group") pursuant to the Deed of Income Support dated 1 November 2018 (the "Deed of Income Support").

Other income for 1H 2022 increased to S\$7.9 million due to higher income support as OUE Downtown Office's revenue decreased in 1H 2022.

- (c) Manager's base management fee is calculated as 0.3% p.a. of the value of the deposited properties of OUE C-REIT Group. From 2H 2020, the Manager has elected to receive 50% of the base management fees in cash, with the balance 50% in the form of new Units.
- (d) The performance fee is payable if the DPU in any financial year exceeds the DPU in the preceding financial year. A performance fee of 25% per annum of the difference in DPU in a financial year with the DPU in the preceding full financial year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

Manager's performance fees were recognised in line with the increase in DPU in 1H 2021. No performance fee was recognised in 1H 2022.

- (e) Divestment costs in the prior period relates to costs incurred in relation to the divestment of OUE Bayfront.
- (f) Net finance cost decreased S\$6.1 million year-on-year mainly attributable to lower interest cost by S\$3.2 million, resulting from repayment of loans. This was coupled with lower amortisation of debt-related transaction costs due to repayment of loans ahead of maturity in 1H 2021.
- (g) Share of joint venture results represents C-REIT's 50.0% interest in OUE Allianz Bayfront LLP results, upon completion of divestment of OUE Bayfront on 31 March 2021.
- (h) Total return recorded for 1H 2022 was S\$60.4 million, compared to total return of S\$54.5 million in 1H 2021, mainly due to S\$7.4 million divestment costs recognised in 1H 2021 in relation to the divestment of OUE Bayfront.

9 Variance between Actual and Forecast Results

OUE C-REIT has not made any forecast.

10 Commentary on the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

Singapore

Based on advance estimates by the Ministry of Trade and Industry, Singapore's GDP grew 4.8% year-on-year ("YoY") in 2Q 2022, extending the 4.0% YoY growth in 1Q 2022⁽¹⁾. On a quarter-on-quarter ("QoQ") seasonally-adjusted basis, the economy recorded zero growth in 2Q 2022 after expanding 0.9% in the previous quarter. The manufacturing sector grew 8.0% YoY in 2Q 2022, at a similar pace as the 7.9% growth in the previous quarter. Growth was supported by output expansion in all clusters except for the biomedical manufacturing and chemicals cluster. The services producing sector expanded 4.7% YoY in 2Q 2022, faster than the 4.3% YoY growth recorded in 1Q 2022. The expansion was underpinned by growth in both the information & communications, finance & insurance and professional services sector, as well as the accommodation & food services, real estate, administrative & support services and other services sector due to the easing of domestic and border restrictions. On a QoQ seasonally-adjusted basis, the services producing sector grew 0.2%, down from the previous growth of 1.8%. The MAS has maintained its GDP growth forecast for 2022 at 3.0% to 5.0% with growth likely at the lower half of the forecast range.

According to CBRE, the positive leasing momentum in Singapore's office market from 2021 carried through to 2Q 2022 as Singapore eased workplace restrictions⁽²⁾. Leasing activity was largely driven by renewals and new set-ups in the legal and non-bank financial sectors. Consequently, core Central Business District ("CBD") Grade A occupancy increased slightly to 95.6% in 2Q 2022 while office rents saw an increase of 3.2% QoQ to S\$11.30 per square foot ("psf") per month which was the fastest pace of rental increase since 2Q 2021. While the hiring slowdown in the technology sector has raised concerns over potential demand risk, core CBD Grade A office rents are expected to remain healthy amidst a stable domestic economic outlook, limited supply pipeline and the back-to-office trend. OUE C-REIT's portfolio of well-located Grade A offices and diversified tenant base is expected to underpin a stable performance as the Singapore office rental recovery continues.

For the first six months of 2022, Singapore's international visitor arrivals jumped almost 12 times YoY to reach 1.5 million⁽³⁾. As Singapore's borders have reopened to all fully vaccinated travellers from 1 April 2022 and with global travel picking up pace, the Singapore Tourism Board expects between 4 to 6 million total arrivals in 2022 with tourism flows recovering to pre-COVID levels by the mid-2020s. While the outlook is positive, the hospitality sector faces staffing challenges and inflationary pressures. The contribution from OUE C-REIT's hospitality segment will continue to be supported by the minimum rent component of S\$67.5 million embedded in the master lease arrangements.

Prime Orchard Road retail rents remained at S\$34.20 psf per month in 2Q 2022 amidst stable leasing demand, according to CBRE. While retail sales have continued to improve alongside the easing of border and social restrictions, retailer confidence has been tempered by uncertainties in the economic outlook, rising business costs and labour shortage. Consequently,

retail rents are expected to remain stable for the most of 2022 with meaningful increases expected only in 2023.

China

China's economy grew 0.4% YoY in 2Q 2022, slowing sharply from the 4.8% growth in 1Q 2022 due to the widespread COVID-19 lockdowns which impacted industrial production and domestic consumption. On a QoQ basis, the economy contracted 2.6%. Activity has picked up in June with industrial production expanding 3.9% YoY and retail sales rising 3.1% YoY which was the quickest growth in four months. Fixed-asset investment rose 6.1% YoY in 1H 2022. Despite the bright spots, China's economy is expected to face multiple challenges ahead including persistent weakness in the property market, the continued risk of strict containment measures given its zero-COVID policy and a weakened global growth outlook amidst rising inflation and recession fears. The central bank has pledged to keep liquidity reasonably ample and lower funding costs, sending a strong signal that the easing stance will be maintained to head off a sharper slowdown.

According to Colliers International, the Shanghai office market was affected by the resurgence of COVID-19 in China and the resultant lockdown in 2Q 2022. Demand weakened and leasing activity slowed significantly. As curbs are lifted and activity resumes, Colliers expects demand to return to normal levels in 2H 2022 although net absorption for the full year is likely to be below 2021 levels. Occupancy and rental growth are thus expected to come under pressure in view of the significant new supply. At Lippo Plaza, the Manager's priority is to retain tenants and maintain strong occupancy.

Overall

Supported by the easing of most COVID-19 restrictions, Singapore's economy is expected to remain on the recovery path in 2022. In China, a rapid economic recovery in 2H 2022 is not expected due to multiple headwinds. Significant uncertainties continue to remain, including tightening monetary policy in response to elevated inflation which dampens consumption and investment demand, and a weak global economic environment. The Manager will continue to calibrate its asset management strategy and adapt to shifts in occupier demand so as to optimise the performance of OUE C-REIT's portfolio, while maintaining its proactive and prudent capital management approach to maintain financial flexibility.

⁽¹⁾ Singapore Ministry of Trade and Industry Press Release, 14 July 2022

⁽²⁾ CBRE, Singapore Figures Q2 2022

⁽³⁾ Singapore Tourism Board Visitor Arrivals Statistics and Press Release, 14 July 2022

⁽⁴⁾ National Bureau of Statistics of China Press Release, 15 July 2022

⁽⁵⁾ Colliers International, 2Q 2022 Shanghai Office Market, 15 July 2022

11 Distribution

(a) Current financial period

Any distribution declared for the current financial period? Yes.

Unitholders

Name of distribution: Distribution for the financial period from 1 January 2022 to 30 June 2022

Distribution type: (i) Taxable income distribution
(ii) Tax exempt income distribution
(iii) Capital distribution

Distribution rate: 1.08 cents per Unit comprises:-
(i) Taxable income distribution: 0.84 cents per Unit
(ii) Tax exempt income distribution: 0.19 cents per Unit
(iii) Capital distribution: 0.05 cents per Unit

CPPU Holder

Name of distribution: Distribution for the financial period from 1 January 2022 to 30 June 2022

Distribution rate/ type: S\$1,090,958.90 which represents 1% p.a. of CPPU based on the issue price of S\$1.00 per CPPU comprising taxable income distribution, tax exempt income distribution and capital distribution

Tax rate: Taxable income distribution
Individuals who receive such distribution as investment income (excluding income received through partnership in Singapore or from the carrying on of a trade, business or profession) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their respective tax rates unless otherwise exempt.

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to their respective CPF and SRS accounts.

Qualifying foreign non-individual investors and foreign funds will receive their distribution after deduction of tax at the rate of 10%. All other investors will receive their distribution after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from tax in the hands of all Unitholders, regardless of their nationality, corporate identity or tax residence status.

Capital distribution

The capital distribution is treated as return of capital to Unitholders for Singapore income tax purpose and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sales of Units, the amount of capital distribution will be applied to reduce the cost base of their Units for Singapore income tax purposes.

Book closure date: 2 August 2022

Date payable: 6 September 2022

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the corresponding period of the immediate preceding financial period? Yes.

Unitholders

Name of distribution: Distribution for the financial period from 1 January 2021 to 30 June 2021

Distribution type: (i) Taxable income distribution
(ii) Tax exempt income distribution
(iii) Capital distribution

Distribution rate: 1.23 cents per Unit comprises:-
(i) Taxable income distribution: 0.87 cents per Unit
(ii) Tax exempt income distribution: 0.29 cents per Unit
(iii) Capital distribution: 0.07 cents per Unit

CPPU Holder

Name of distribution: Distribution for the financial period from 1 January 2021 to 30 June 2021

Distribution rate/ type: S\$1,090,958.90⁽¹⁾ which represents 1% p.a. of CPPU based on the issue price of S\$1.00 per CPPU comprising taxable income distribution, tax exempt income distribution and capital distribution

(1) The CPPU Distribution excludes the special preferred distributions paid to the CPPU Holder on 1 June 2021 pursuant to redemption of the CPPUs made on this date. Please refer to OUE C-REIT's announcement on 1 June 2021 for more details.

Tax rate: Taxable income distribution
Individuals who receive such distribution as investment income (excluding income received through partnership in Singapore or from the carrying on of a trade, business or profession) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their respective tax rates unless otherwise exempt.

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to their respective CPF and SRS accounts.

Qualifying foreign non-individual investors and foreign funds will receive their distribution after deduction of tax at the rate of 10%. All other investors will receive their distribution after deduction of tax at the rate of 17%.

Tax-exempt income distribution
Tax-exempt income distribution is exempt from tax in the hands of all Unitholders, regardless of their nationality, corporate identity or tax residence status.

Capital distribution
The capital distribution is treated as return of capital to Unitholders for Singapore income tax purpose and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sales of Units, the amount of capital distribution will be applied to reduce the cost base of their Units for Singapore income tax purposes.

Book closure date: 6 August 2021

Date payable: 10 September 2021

12 If no distribution has been declared / recommended, a statement to that effect

Not applicable.

13 If OUE C-REIT has obtained a general mandate from Unitholders for interested person transactions, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no interested person transactions mandate has been obtained, a statement to that effect.

OUE C-REIT did not obtain a general mandate from Unitholders for interested person transactions.

14 Confirmation pursuant to Rule 705(5) of the Listing Manual

We, on behalf of the Directors of OUE Commercial REIT Management Pte. Ltd. (as Manager of OUE C-REIT), hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Manager which may render the unaudited financial results of OUE C-REIT Group for the period from 1 January 2022 to 30 June 2022 to be false or misleading in any material respect.

On behalf of the Board of the Manager

Lee Yi Shyan
Chairman and Non-Executive Director

Han Khim Siew
Chief Executive Officer and Executive Director

15 Confirmation pursuant to Appendix 7.7 under Rule 720(1) of the Listing Manual

The Manager confirms it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

This 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.

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.

By Order of the Board

Kelvin Chua
Company Secretary

OUE Commercial REIT Management Pte. Ltd.
(as Manager of OUE Commercial Real Estate Investment Trust)
(Company registration no. 201327018E)

25 July 2022