

**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 and financial year ended  
31 December 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 OUE Allianz Bayfront LLP (formerly known as BPH Propco LLP) with DBS Trustee Limited, in its capacity as trustee of OUE C-REIT (the “Trustee”), holding 50.0% of OUE Allianz Bayfront 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 OUE Allianz Bayfront LLP.

OUE C-REIT’s portfolio currently comprises 7 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.
- **OUE Downtown Office:** The Grade A office space at OUE Downtown, a 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):** A renowned upscale hotel with strong brand recognition. With 1,080 rooms, Hilton Singapore Orchard is the largest hotel located in the heart of Orchard Road.
- **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. The 563-room hotel is managed by Intercontinental Hotels Group.
- **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.

- 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 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**

	<b>2H 2022<sup>(1)</sup></b> <b>(\$'000)</b>	<b>2H 2021<sup>(2)</sup></b> <b>(\$'000)</b>	<b>Change</b> <b>(%)</b>	<b>FY</b> <b>2022<sup>(1)</sup></b> <b>(\$'000)</b>	<b>FY</b> <b>2021<sup>(2)</sup></b> <b>(\$'000)</b>	<b>Change</b> <b>(%)</b>
Revenue	125,670	116,338	8.0	241,507	249,884	(3.4)
Net property income	103,311	95,160	8.6	196,915	204,205	(3.6)
Amount available for distribution to Unitholders <sup>(3)</sup>	52,084	64,420	(19.1)	111,626	131,632	(15.2)
Add: Amount released	4,600 <sup>(4)</sup>	10,400 <sup>(5)</sup>	(55.8)	4,600 <sup>(4)</sup>	10,400 <sup>(5)</sup>	(55.8)
Amount to be distributed to Unitholders	56,684	74,820	(24.2)	116,226	142,032	(18.2)
Distribution per Unit (“DPU”) (cents)	1.04	1.37	(24.1)	2.12	2.60	(18.5)

Footnotes:

- (1) The current period results of OUE C-REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:5.047 for 2H 2022 and 1:4.897 for FY 2022.
- (2) The prior period results of OUE C-REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:4.737 for 2H 2021 and 1:4.796 for FY 2021.
- (3) Net of retention for ongoing working capital requirements in relation to the hospitality segment.
- (4) Released \$4.6 million capital distribution from divestment of OUE Bayfront.
- (5) Released \$5.4 million capital distribution from divestment of OUE Bayfront and balance \$5.0 million from \$10.8 million of tax-exempt income and capital distribution retained in 1H 2020.

**Statements of Financial Position**  
**As at 31 December 2022**

	Note	Group		Trust	
		31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
<b>Non-current assets</b>					
Plant and equipment		221	146	–	–
Investment properties	3	5,539,164	5,409,748	930,000	902,000
Intangible asset		–	9,167	–	9,167
Investments in subsidiaries		–	–	2,553,963	2,459,090
Investment in joint venture	4	347,332	322,056	316,878	316,878
Financial derivatives		21,590	960	6,657	960
Trade and other receivables	5	4,334	3,867	–	–
Loans to a subsidiary	6	–	–	55,000	–
		<u>5,912,641</u>	<u>5,745,944</u>	<u>3,862,498</u>	<u>3,688,095</u>
<b>Current assets</b>					
Trade and other receivables	5	19,604	27,028	2,095	10,513
Cash and cash equivalents		49,482	59,549	3,749	3,986
Financial derivatives		7,378	–	3,087	–
		<u>76,464</u>	<u>86,577</u>	<u>8,931</u>	<u>14,499</u>
<b>Total assets</b>		<u>5,989,105</u>	<u>5,832,521</u>	<u>3,871,429</u>	<u>3,702,594</u>
<b>Non-current liabilities</b>					
Borrowings	7	1,721,841	1,813,196	392,468	455,916
Loans from a subsidiary	7	–	–	400,000	246,627
Trade and other payables		39,878	38,860	11,467	13,224
Financial derivatives		–	7,077	–	3,432
Deferred tax liabilities		76,109	83,993	–	–
Lease liability		25,146	25,280	–	–
		<u>1,862,974</u>	<u>1,968,406</u>	<u>803,935</u>	<u>719,199</u>
<b>Current liabilities</b>					
Borrowings	7	327,618	172,199	–	8,000
Trade and other payables		76,271	87,132	28,920	29,606
Financial derivatives		–	1,545	–	869
Current tax liabilities		14,741	14,594	–	–
Lease liability		134	130	–	–
		<u>418,764</u>	<u>275,600</u>	<u>28,920</u>	<u>38,475</u>
<b>Total liabilities</b>		<u>2,281,738</u>	<u>2,244,006</u>	<u>832,855</u>	<u>757,674</u>
<b>Net assets</b>		<u>3,707,367</u>	<u>3,588,515</u>	<u>3,038,574</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 31 December 2022**

	Note	Group		Trust	
		31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Represented by:					
<b>Unitholders' funds</b>		3,240,073	3,127,996	2,826,265	2,732,611
<b>Convertible Perpetual Preferred Units ("CPPU") holder's funds</b>	8	212,309	212,309	212,309	212,309
		3,452,382	3,340,305	3,038,574	2,944,920
<b>Non-controlling interests</b>		254,985	248,210	–	–
		<u>3,707,367</u>	<u>3,588,515</u>	<u>3,038,574</u>	<u>2,944,920</u>
<b>Units in issue and to be issued ('000)</b>	9	<u>5,470,950</u>	<u>5,449,685</u>	<u>5,470,950</u>	<u>5,449,685</u>
<b>Net asset value per Unit (\$)</b>	10	<u>0.59</u>	<u>0.57</u>	<u>0.52</u>	<u>0.50</u>

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

**Statement of Total Return**  
**Six-month period and financial year ended 31 December 2022**

		<b>Group</b>			
	<b>Note</b>	<b>Six-month period ended 31 December 2022 \$'000</b>	<b>Six-month period ended 31 December 2021 \$'000</b>	<b>Financial year ended 31 December 2022 \$'000</b>	<b>Financial year ended 31 December 2021 \$'000</b>
Revenue	11	125,670	116,338	241,507	249,884
Property operating expenses		(22,359)	(21,178)	(44,592)	(45,679)
<b>Net property income</b>		<b>103,311</b>	<b>95,160</b>	<b>196,915</b>	<b>204,205</b>
Other income		891	8,326	8,766	15,194
Amortisation of intangible asset		(1,250)	(2,500)	(3,750)	(5,000)
Write-off of intangible asset		(5,417)	–	(5,417)	–
Manager's management fees		(7,998)	(7,884)	(15,756)	(16,075)
Manager's performance fees		–	(816)	–	(2,174)
Divestment costs		–	–	–	(7,363)
Trustee's fee		(480)	(638)	(998)	(1,304)
Other expenses		(1,935)	(1,586)	(2,755)	(2,674)
Finance income		25,018	2,953	27,001	4,394
Finance costs		(48,562)	(37,270)	(81,967)	(76,187)
<b>Net finance costs</b>	12	<b>(23,544)</b>	<b>(34,317)</b>	<b>(54,966)</b>	<b>(71,793)</b>
<b>Net income</b>		<b>63,578</b>	<b>55,745</b>	<b>122,039</b>	<b>113,016</b>
Share of joint venture results		28,811	9,170	37,108	13,236
Net change in fair value of investment properties		139,727	(56,284)	139,727	(56,284)
<b>Total return for the period/year before tax</b>	13	<b>232,116</b>	<b>8,631</b>	<b>298,874</b>	<b>69,968</b>
Tax expense	14	(4,847)	(7,193)	(11,191)	(14,061)
<b>Total return for the period/year</b>		<b>227,269</b>	<b>1,438</b>	<b>287,683</b>	<b>55,907</b>
<b>Total return attributable to:</b>					
Unitholders and CPPU holder		218,162	(12,447)	275,574	38,876
Non-controlling interests		9,107	13,885	12,109	17,031
		<b>227,269</b>	<b>1,438</b>	<b>287,683</b>	<b>55,907</b>
<b>Earnings per Unit (cents)</b>					
Basic	15	3.97	(0.25)	5.01	0.67
Diluted	15	3.78	(0.25)	4.77	0.67

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

**Distribution Statement**  
**Six-month period and financial year ended 31 December 2022**

	<b>Group</b>			
	<b>Six-month period ended 31 December 2022 \$'000</b>	<b>Six-month period ended 31 December 2021 \$'000</b>	<b>Financial year ended 31 December 2022 \$'000</b>	<b>Financial year ended 31 December 2021 \$'000</b>
Amount available for distribution to Unitholders at beginning of the period/year	62,215	69,404	77,334	79,810
Total return/(loss) for the period/year attributable to Unitholders and CPPU holder	218,162	(12,447)	275,574	38,876
Less: Amount reserved for distribution to CPPU holder	(1,109)	(1,109)	(2,200)	(2,582)
Less: Amount retained for working capital requirements	(3,000)	(3,000)	(6,000)	(6,000)
Distribution adjustments (Note A)	(161,969)	80,976	(155,748)	101,338
Amount available for distribution for the period/year	52,084	64,420	111,626	131,632
Add: Amount released*	4,600	10,400	4,600	10,400
Amount to be distributed to Unitholders (Note B)	56,684	74,820	116,226	142,032
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 1.23 cents per Unit for the period from 1/1/2021 to 30/6/2021	-	(66,890)	-	(66,890)
- Distribution of 1.37 cents per Unit for the period from 1/7/2021 to 31/12/2021	-	-	(74,661)	-
- Distribution of 1.08 cents per Unit for the period from 1/1/2022 to 30/06/2022	(58,961)	-	(58,961)	-
	(58,961)	(66,890)	(133,622)	(144,508)
Amount available for distribution to Unitholders at the end of the period/year	59,938	77,334	59,938	77,334
Distribution per Unit ("DPU") (cents)	1.04	1.37	2.12	2.60

\* In 2H 2022, OUE C-REIT Group released \$4.6 million capital distribution from divestment of OUE Bayfront. In 2H 2021, OUE C-REIT Group released \$5.4 million capital distribution from divestment of OUE Bayfront and balance \$5.0 million from the \$10.8 million of tax-exempt income and capital distribution retained in 1H 2020.

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**Distribution Statement (continued)**  
**Six-month period and financial year ended 31 December 2022**

**Note A – Distribution adjustments**

	<b>Group</b>			
	<b>Six-month</b>	<b>Six-month</b>	<b>Financial</b>	<b>Financial</b>
	<b>period ended</b>	<b>period ended</b>	<b>year ended</b>	<b>year ended</b>
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Net change in fair value of investment properties	(139,727)	56,284	(139,727)	56,284
Amortisation of intangible asset	1,250	2,500	3,750	5,000
Write-off of intangible asset	5,417	–	5,417	–
Amortisation of debt establishment costs	11,119	4,371	14,740	10,339
Ineffective portion of changes in fair value of cash flow hedges	(314)	(355)	(2,177)	(1,364)
Net change in fair value of financial derivatives	(1,778)	(1,983)	(1,778)	(1,756)
Hedging reserve transferred (to)/from unitholders' funds due to discontinuation of hedge accounting	(22,058)	1,893	(22,058)	1,892
Manager's management fees paid/payable in Units	3,999	5,029	7,878	9,124
Trustee's fee	480	638	998	1,304
Foreign exchange differences	102	(44)	149	(230)
Deferred tax (credit)/expense	(1,654)	996	(1,222)	1,375
Straight-lining of lease incentives	367	2,168	(1,986)	2,044
Transfer to statutory reserve	(525)	(605)	(1,207)	(1,236)
Other items	(18,647)	10,084	(18,525)	18,562
Distribution adjustments	<u>(161,969)</u>	<u>80,976</u>	<u>(155,748)</u>	<u>101,338</u>

**Note B – Amount to be distributed to Unitholders**

	<b>Group</b>			
	<b>Six-month</b>	<b>Six-month</b>	<b>Financial</b>	<b>Financial</b>
	<b>period ended</b>	<b>period ended</b>	<b>year ended</b>	<b>year ended</b>
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Comprises:				
- From operations	33,409	47,787	79,470	95,213
- From tax exempt income	11,448	11,970	21,803	27,913
- From Unitholders' contribution	11,827	15,063	14,953	18,906
	<u>56,684</u>	<u>74,820</u>	<u>116,226</u>	<u>142,032</u>

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

**Statements of Movements in Unitholders' Funds**  
**Six-month period and financial year ended 31 December 2022**

	<---- Attributable to ---->				
	Unitholders \$'000	CPPU holder \$'000	Total \$'000	Non- controlling interests \$'000	Total \$'000
<b>Group</b>					
<b>Net assets attributable to owners at 1 July 2022</b>	3,127,443	212,291	3,339,734	245,779	3,585,513
<b>Operations</b>					
Total return for the period	218,162	–	218,162	9,107	227,269
Less: Amount reserved for distribution to CPPU holder	(1,109)	1,109	–	–	–
<b>Net increase in net assets resulting from operations</b>	217,053	1,109	218,162	9,107	227,269
<b>Transactions with owners</b>					
Issue of new Units:					
- Manager's management fees paid/payable in Units	3,999	–	3,999	–	3,999
Distributions paid to Unitholders	(58,961)	–	(58,961)	–	(58,961)
Distributions paid to CPPU Holder	–	(1,091)	(1,091)	–	(1,091)
<b>Net decrease in net assets resulting from transactions with owners</b>	(54,962)	(1,091)	(56,053)	–	(56,053)
<b>Movement in foreign currency translation reserve</b>	(32,572)	–	(32,572)	–	(32,572)
<b>Hedging transactions</b>					
Effective portion of change in fair value of cash flow hedges	(16,152)	–	(16,152)	205	(15,947)
Hedging reserve transferred to statement of total return	(2,603)	–	(2,603)	(106)	(2,709)
Share of movements in hedging reserve of joint venture	1,866	–	1,866	–	1,866
<b>Net movement in hedging transactions</b>	(16,889)	–	(16,889)	99	(16,790)
<b>At 31 December 2022</b>	<u>3,240,073</u>	<u>212,309</u>	<u>3,452,382</u>	<u>254,985</u>	<u>3,707,367</u>

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

**Statements of Movements in Unitholders' Funds (continued)**  
**Six-month period and financial year ended 31 December 2022**

<b>Group</b>	<----- Attributable to ----->				
	<b>Unitholders</b>	<b>CPPU</b>	<b>Total</b>	<b>Non-</b>	<b>Total</b>
	<b>\$'000</b>	<b>holder</b>		<b>controlling</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Net assets attributable to owners at 1 January 2022</b>	3,127,996	212,309	3,340,305	248,210	3,588,515
<b>Operations</b>					
Total return for the year	275,574	–	275,574	12,109	287,683
Less: Amount reserved for distribution to CPPU holder	(2,200)	2,200	–	–	–
<b>Net increase in net assets resulting from operations</b>	273,374	2,200	275,574	12,109	287,683
<b>Transactions with owners</b>					
Issue of new Units:					
- Manager's management fees paid/payable in Units	7,878	–	7,878	–	7,878
Distributions paid to Unitholders	(133,622)	–	(133,622)	–	(133,622)
Distributions paid to CPPU Holder	–	(2,200)	(2,200)	–	(2,200)
Distributions paid to non-controlling interests	–	–	–	(6,000)	(6,000)
<b>Net decrease in net assets resulting from transactions with owners</b>	(125,744)	(2,200)	(127,944)	(6,000)	(133,944)
<b>Movement in foreign currency translation reserve</b>	(48,544)	–	(48,544)	–	(48,544)
<b>Hedging transactions</b>					
Effective portion of change in fair value of cash flow hedges	7,291	–	7,291	520	7,811
Hedging reserve transferred to statement of total return	1,879	–	1,879	146	2,025
Share of movements in hedging reserve of joint venture	3,821	–	3,821	–	3,821
<b>Net movement in hedging transactions</b>	12,991	–	12,991	666	13,657
<b>At 31 December 2022</b>	3,240,073	212,309	3,452,382	254,985	3,707,367

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

**Statements of Movements in Unitholders' Funds (continued)**  
**Six-month period and financial year ended 31 December 2022**

	<----- Attributable to ----->				
	Unitholders	CPPU	Total	Non-	Total
	\$'000	holder		controlling	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>					
<b>Net assets attributable to owners at 1 July 2021</b>	3,176,562	212,291	3,388,853	233,879	3,622,732
<b>Operations</b>					
Total (loss)/return for the period	(12,447)	–	(12,447)	13,885	1,438
Less: Amount reserved for distribution to CPPU holder	(1,109)	1,109	–	–	–
<b>Net (decrease)/increase in net assets resulting from operations</b>	(13,556)	1,109	(12,447)	13,885	1,438
<b>Transactions with owners</b>					
Issue of new Units:					
- Manager's management fees paid/payable in Units	5,029	–	5,029	–	5,029
Distributions paid to Unitholders	(66,890)	–	(66,890)	–	(66,890)
Distributions paid to CPPU Holder	–	(1,091)	(1,091)	–	(1,091)
<b>Net decrease in net assets resulting from transactions with owners</b>	(61,861)	(1,091)	(62,952)	–	(62,952)
<b>Movement in foreign currency translation reserve</b>	13,971	–	13,971	–	13,971
<b>Hedging transactions</b>					
Effective portion of change in fair value of cash flow hedges	4,321	–	4,321	105	4,426
Hedging reserve transferred to statement of total return	8,559	–	8,559	341	8,900
<b>Net movement in hedging transactions</b>	12,880	–	12,880	446	13,326
<b>At 31 December 2021</b>	3,127,996	212,309	3,340,305	248,210	3,588,515

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

**Statements of Movements in Unitholders' Funds (continued)**  
**Six-month period and financial year ended 31 December 2022**

Group	<----- Attributable to ----->				
	Unitholders	CPPU	Total	Non-	Total
	\$'000	holder	\$'000	controlling	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Net assets attributable to owners at 1 January 2021</b>	3,177,972	361,885	3,539,857	235,805	3,775,662
<b>Operations</b>					
Total return for the year	38,876	–	38,876	17,031	55,907
Less: Amount reserved for distribution to CPPU holder	(2,582)	2,582	–	–	–
<b>Net increase in net assets resulting from operations</b>	36,294	2,582	38,876	17,031	55,907
<b>Transactions with owners</b>					
Issue of new Units:					
- Manager's management fees paid/payable in Units	9,124	–	9,124	–	9,124
CPPUs redeemed	–	(148,800)	(148,800)	–	(148,800)
Difference on redemption of CPPUs	(6,200)	–	(6,200)	–	(6,200)
Distributions paid to Unitholders	(144,508)	–	(144,508)	–	(144,508)
Distributions paid to CPPU Holder	–	(3,358)	(3,358)	–	(3,358)
Distributions paid to non-controlling interests	–	–	–	(5,600)	(5,600)
<b>Net decrease in net assets resulting from transactions with owners</b>	(141,584)	(152,158)	(293,742)	(5,600)	(299,342)
<b>Movement in foreign currency translation reserve</b>	24,196	–	24,196	–	24,196
<b>Hedging transactions</b>					
Effective portion of change in fair value of cash flow hedges	11,157	–	11,157	195	11,352
Hedging reserve transferred to statement of total return	19,961	–	19,961	779	20,740
<b>Net movement in hedging transactions</b>	31,118	–	31,118	974	32,092
<b>At 31 December 2021</b>	3,127,996	212,309	3,340,305	248,210	3,588,515

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

**Statements of Movements in Unitholders' Funds (continued)**  
**Six-month period and financial year ended 31 December 2022**

	<----- Attributable to ----->		Total \$'000
	Unitholders \$'000	CPPU holder \$'000	
<b>Trust</b>			
<b>Net assets attributable to owners at 1 July 2022</b>	2,737,801	212,291	2,950,092
<b>Operations</b>			
Total return for the period	142,864	–	142,864
Less: Amount reserved for distribution to CPPU holder	(1,109)	1,109	–
<b>Net increase in net assets resulting from operations</b>	141,755	1,109	142,864
<b>Transactions with owners</b>			
Issue of new Units:			
- Manager's management fees paid/payable in Units	3,999	–	3,999
Distributions paid to Unitholders	(58,961)	–	(58,961)
Distributions paid to CPPU holder	–	(1,091)	(1,091)
<b>Net decrease in net assets resulting from transactions with owners</b>	(54,962)	(1,091)	(56,053)
<b>Hedging transactions</b>			
Effective portion of change in fair value of cash flow hedges	2,626	–	2,626
Hedging reserve transferred to statement of total return	(955)	–	(955)
<b>Net movement in hedging transactions</b>	1,671	–	1,671
<b>At 31 December 2022</b>	<u>2,826,265</u>	<u>212,309</u>	<u>3,038,574</u>

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

**Statements of Movements in Unitholders' Funds (continued)**  
**Six-month period and financial year ended 31 December 2022**

	<----- Attributable to ----->		<b>Total</b>
	<b>Unitholders</b>	<b>CPPU holder</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Trust</b>			
<b>Net assets attributable to owners at</b>			
<b>1 January 2022</b>	2,732,611	212,309	2,944,920
<b>Operations</b>			
Total return for the year	215,819	–	215,819
Less: Amount reserved for distribution to CPPU holder	(2,200)	2,200	–
<b>Net increase in net assets resulting from operations</b>	213,619	2,200	215,819
<b>Transactions with owners</b>			
Issue of new Units:			
- Manager's management fees paid/payable in Units	7,878	–	7,878
Distributions paid to Unitholders	(133,622)	–	(133,622)
Distributions paid to CPPU holder	–	(2,200)	(2,200)
<b>Net decrease in net assets resulting from transactions with owners</b>	(125,744)	(2,200)	(127,944)
<b>Hedging transactions</b>			
Effective portion of change in fair value of cash flow hedges	4,561	–	4,561
Hedging reserve transferred to statement of total return	1,218	–	1,218
<b>Net movement in hedging transactions</b>	5,779	–	5,779
<b>At 31 December 2022</b>	<b>2,826,265</b>	<b>212,309</b>	<b>3,038,574</b>

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

**Statements of Movements in Unitholders' Funds (continued)**  
**Six-month period and financial year ended 31 December 2022**

	<----- Attributable to ----->		<b>Total</b> <b>\$'000</b>
	<b>Unitholders</b> <b>\$'000</b>	<b>CPPU holder</b> <b>\$'000</b>	
<b>Trust</b>			
<b>Net assets attributable to owners at 1 July 2021</b>	2,868,689	212,291	3,080,980
<b>Operations</b>			
Total loss for the period	(78,129)	–	(78,129)
Less: Amount reserved for distribution to CPPU holder	(1,109)	1,109	–
<b>Net (decrease)/increase in net assets resulting from operations</b>	(79,238)	1,109	(78,129)
<b>Transactions with owners</b>			
Issue of new Units:			
- Manager's management fees paid/payable in Units	5,029	–	5,029
Distributions paid to Unitholders	(66,890)	–	(66,890)
Distributions paid to CPPU holder	–	(1,091)	(1,091)
<b>Net decrease in net assets resulting from transactions with owners</b>	(61,861)	(1,091)	(62,952)
<b>Hedging transactions</b>			
Effective portion of change in fair value of cash flow hedges	1,450	–	1,450
Hedging reserve transferred to statement of total return	3,571	–	3,571
<b>Net movement in hedging transactions</b>	5,021	–	5,021
<b>At 31 December 2021</b>	<b>2,732,611</b>	<b>212,309</b>	<b>2,944,920</b>

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

**Statements of Movements in Unitholders' Funds (continued)**  
**Six-month period and financial year ended 31 December 2022**

	<----- Attributable to ----->		<b>Total</b>
	<b>Unitholders</b>	<b>CPPU holder</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Trust</b>			
<b>Net assets attributable to owners at</b>			
<b>1 January 2021</b>	2,887,911	361,885	3,249,796
<b>Operations</b>			
Total loss for the year	(24,030)	–	(24,030)
Less: Amount reserved for distribution to CPPU holder	(2,582)	2,582	–
<b>Net (decrease)/increase in net assets resulting from operations</b>	<b>(26,612)</b>	<b>2,582</b>	<b>(24,030)</b>
<b>Transactions with owners</b>			
Issue of new Units:			
- Manager's management fees paid/payable in Units	9,124	–	9,124
CPPUs redeemed	–	(148,800)	(148,800)
Difference on redemption of CPPUs	(6,200)	–	(6,200)
Distributions paid to Unitholders	(144,508)	–	(144,508)
Distributions paid to CPPU holder	–	(3,358)	(3,358)
<b>Net decrease in net assets resulting from transactions with owners</b>	<b>(141,584)</b>	<b>(152,158)</b>	<b>(293,742)</b>
<b>Hedging transactions</b>			
Effective portion of change in fair value of cash flow hedges	4,585	–	4,585
Hedging reserve transferred to statement of total return	8,311	–	8,311
<b>Net movement in hedging transactions</b>	<b>12,896</b>	<b>–</b>	<b>12,896</b>
<b>At 31 December 2021</b>	<b>2,732,611</b>	<b>212,309</b>	<b>2,944,920</b>

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

**Interim Portfolio Statements**  
**As at 31 December 2022**

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 31/12/2022 \$'000	Percentage of Unitholders' funds at 31/12/2022 %	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	930,000	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	804 years	1 Raffles Place, Singapore 048616	Commercial	1,909,000	59	1,867,700	60
	One Raffles Place Tower 2: 99-year lease from 26 May 1983	60 years						
The Group has an effective interest of 67.95% in One Raffles Place	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	60 years						
	- the balance 25% of the NLA of the retail podium is on an 841-year lease from 1 November 1985	804 years						

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

**Interim Portfolio Statements (continued)**  
**As at 31 December 2022**

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 31/12/2022 \$'000	Percentage of Unitholders' funds at 31/12/2022 %	Carrying value at 31/12/2021 \$'000	Percentage of Unitholders' funds at 31/12/2021 %
<p>Crowne Plaza Changi Airport</p> <p>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.</p> <p>The 563-room hotel is managed by Intercontinental Hotels Group.</p>	74-year lease from 1 July 2009	61 years	75 Airport Boulevard, Singapore 819664	Hotel	460,200	14	455,200	15
<p>Hilton Singapore Orchard (formerly known as Mandarin Orchard Singapore)</p> <p>A renowned upscale hotel with strong brand recognition. With 1,080 rooms, Hilton Singapore Orchard is the largest hotel located in the heart of Orchard Road.</p>	99-year lease from 1 July 1957	34 years	333 Orchard Road, Singapore 238867	Hotel	1,250,000	39	1,130,000	36
<p>Mandarin Gallery</p> <p>High-end retail mall with 152-metre frontage situated along Orchard Road, Singapore and is the preferred location for flagship stores of international brands.</p>	99-year lease from 1 July 1957	34 years	333A Orchard Road, Singapore 238897	Retail	453,900	13	453,900	14

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

**Interim Portfolio Statements (continued)**  
**As at 31 December 2022**

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 31/12/2022 \$'000	Percentage of Unitholders' funds at 31/12/2022 %	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	509,784	16	574,538	18
A 36-storey commercial building with retail podium at Shanghai, China excluding:								
(i) Unit 2 in Basement 1,								
(ii) the 12 <sup>th</sup> , 13 <sup>th</sup> , 15 <sup>th</sup> and 16 <sup>th</sup> floors and								
(iii) 4 car park lots								
<b>Total investment properties</b>					5,512,884	170	5,383,338	172
<b>Investment in joint venture</b>					347,332	11	322,056	10
<b>Other assets and liabilities (net)</b>					(2,152,849)	(66)	(2,116,879)	(67)
<b>Net assets of the Group</b>					3,707,367	115	3,588,515	115
Net assets attributable to CPPU holder					(212,309)	(7)	(212,309)	(7)
Net assets attributable to non-controlling interests					(254,985)	(8)	(248,210)	(8)
Unitholders' funds					3,240,073	100	3,127,996	100

The carrying value of Lippo Plaza as at 31 December 2022 in Renminbi is RMB 2,640,000,000 (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 10 years (31 December 2021: 1 to 10 years). Subsequent renewals are negotiated with the respective lessees.

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

**Portfolio Statements (continued)**  
**As at 31 December 2022**

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Trust -----			
					Carrying value at 31/12/2022 \$'000	Percentage of Unitholders' funds at 31/12/2022 %	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  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)	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	930,000	33	902,000	33
<b>Investment properties</b>					930,000	33	902,000	33
<b>Investment in joint venture</b>					316,878	12	316,878	12
<b>Other assets and liabilities (net)</b>					1,791,696	63	1,726,042	63
<b>Net assets of the Trust</b>					3,038,574	108	2,944,920	108
Net assets attributable to CPPU holder					(212,309)	(8)	(212,309)	(8)
Unitholders' funds					2,826,265	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.

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

**Consolidated Statement of Cash Flows**  
**Financial year ended 31 December 2022**

	<b>Group</b>	
	<b>Financial year ended</b>	<b>Financial year ended</b>
	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Total return for the year	287,683	55,907
Adjustments for:		
Amortisation of intangible asset	3,750	5,000
Write-off of intangible asset	5,417	–
Depreciation of plant and equipment	84	82
Finance costs	81,818	76,187
Finance income	(27,001)	(4,164)
Manager's fees paid/payable in Units	7,878	9,124
Net change in fair value of investment properties	(139,727)	56,284
Share of joint venture results	(37,108)	(13,236)
Loss on write-off of plant and equipment	2	10
Plant and equipment written-off	–	1
Allowance/(write-back) for doubtful receivables	97	(1,118)
Tax expense	11,191	14,061
<b>Operating income before working capital changes</b>	<b>194,084</b>	<b>198,138</b>
Changes in working capital:		
Trade and other receivables	941	(3,086)
Trade and other payables	124	(12,502)
<b>Cash generated from operating activities</b>	<b>195,149</b>	<b>182,550</b>
Tax paid	(11,615)	(15,749)
<b>Net cash from operating activities</b>	<b>183,534</b>	<b>166,801</b>
<b>Cash flows from investing activities</b>		
Additions to plant and equipment	(166)	(3)
Payment for capital expenditure on investment properties	(47,639)	(56,896)
Dividends received from joint venture	15,652	8,058
Interest received	1,305	729
Proceeds from divestment of investment property	–	950,634
Proceeds from sale of plant and equipment	–	1
<b>Net cash (used in)/from investing activities</b>	<b>(30,848)</b>	<b>902,523</b>
<b>Cash flows from financing activities</b>		
Distributions paid to Unitholders	(133,622)	(144,508)
Distributions paid to CPPU holder	(2,200)	(3,358)
Distributions paid to non-controlling interests	(6,000)	(5,600)
Interest paid	(65,289)	(66,487)
Payment of transaction costs related to borrowings	(13,024)	(9,636)
Payment of lease liability	(1,000)	(1,000)
Proceeds from bank loans	1,233,000	764,973
Proceeds from issuance of Notes	150,000	150,000
Redemption of CPPUs	–	(155,000)
Repayment of bank loans	(1,320,985)	(1,480,035)
Repayment of Notes	–	(150,000)
<b>Net cash used in financing activities</b>	<b>(159,120)</b>	<b>(1,100,651)</b>

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

**Consolidated Statement of Cash Flows (continued)**  
**Financial year ended 31 December 2022**

	<b>Group</b>	
	<b>Financial year ended</b>	<b>Financial year ended</b>
	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Net decrease in cash and cash equivalents</b>	(6,434)	(31,327)
<b>Cash and cash equivalents at beginning of the year</b>	59,549	88,508
Effect of exchange rate fluctuations on cash held	(3,633)	2,368
<b>Cash and cash equivalents at end of the year</b>	49,482	59,549

**Significant non-cash transactions**

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

***Financial period ended 31 December 2022***

- a total of 21,265,471 Units, amounting to \$7,878,000 were or would be issued to the Manager as satisfaction of the Manager's management fees for the financial year.

***Financial period ended 31 December 2021***

- a total of 21,834,172 Units, amounting to \$9,124,000, were issued to the Manager as satisfaction of the Manager's management fees for the financial year.

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.

On 31 March 2021, OUE C-REIT completed the divestment of OUE Bayfront to OUE Allianz Bayfront LLP (formerly known as BPH Propco LLP), with DBS Trustee Limited, in its capacity as trustee of OUE C-REIT (the “Trustee”), holding 50.0% of OUE Allianz Bayfront 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 OUE Allianz Bayfront LLP.

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 revised version of RAP 7 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.

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing this Financial Information.

### 3 Investment properties

	----- Group -----		----- Trust -----	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
At 1 January	5,409,748	5,370,383	902,000	900,000
Capital expenditure capitalised	40,436	68,875	1,292	4,377
Lease incentives	5,635	(2,029)	–	(15)
Fair value changes recognised in the statement of total return (unrealised)	139,727	(56,284)	26,708	(2,362)
Translation differences	(56,382)	28,803	–	–
At 31 December	5,539,164	5,409,748	930,000	902,000

As at 31 December 2022, investment properties with a carrying amount of \$930,000,000 (31 December 2021: \$3,060,438,000) are pledged as security to secure bank loans (see Note 7).

#### Measurement of fair value

##### (i) Fair value hierarchy

The investment properties are stated at fair value at the reporting date.

Properties	Valuer
<b>31 December 2022</b>	
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*	Savills Valuation and Professional Services (S) Pte Ltd
Mandarin Gallery	Savills Valuation and Professional Services (S) Pte Ltd
Lippo Plaza	CBRE (Shanghai) Management Limited

Properties	Valuer
<b>31 December 2022</b>	
<b>2021</b>	
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*	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

\* Formerly known as Mandarin Orchard Singapore

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 specific risks inherent in each of the properties are taken into consideration in arriving at the valuations.

The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The capitalisation method capitalises an income stream into a present value using single-year capitalisation rate. The direct comparison method involves the analysis of comparable sales of similar properties, with adjustments made to differentiate the comparable in terms of location, area, quality and other relevant factors.

In relying on the valuation reports, the Manager has exercised its judgment and is satisfied that the valuation methods and estimates used are reflective of the current market conditions. The valuation reports obtained from certain valuers had included market uncertainty clauses given the global inflationary pressures and rising interest rates, geopolitical events and ongoing COVID-19 pandemic, and recommended the valuation be closely monitored.

The fair value measurement of all of the Group's investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

	<b>31 December 2022 \$'000</b>	<b>31 December 2021 \$'000</b>
Fair value of investment property (based on valuation report)	5,512,884	5,383,338
Add: Carrying amount of lease liability	25,280	25,410
Add: Prepayment of lease	1,000	1,000
Carrying amount of investment property	<u>5,539,164</u>	<u>5,409,748</u>

**(ii) Valuation techniques and significant unobservable inputs**

The following table shows the Group's valuation techniques used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Commercial (Singapore)	Commercial (China)	Hospitality (Singapore)	Inter-relationship between key unobservable inputs and fair value measurement
<i>Discounted cash flow method</i>	Discount rate				The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> <li>• discount rate was lower (higher);</li> <li>• terminal yield rate was lower (higher).</li> </ul>
	At 31 December 2022	6.8% - 7.0%	7.0%	6.8%	
	At 31 December 2021	6.8% - 7.0%	6.5%	6.8%	
	Terminal yield rate				
	At 31 December 2022	3.5% - 5.8%	4.3%	5.0% - 5.8%	
	At 31 December 2021	3.5% - 5.8%	3.5%	5.0% - 5.8%	
<i>Capitalisation method</i>	Capitalisation rate				The estimated fair value would increase/(decrease) if the capitalisation rate was lower (higher).
	At 31 December 2022	3.4% - 5.4%	4.0%	4.8% - 5.3%	
	At 31 December 2021	3.4% - 5.4%	–	–	
<i>Direct comparison method</i>	Price per square foot (psf)				The estimated fair value would increase/(decrease) if the price psf or per room was higher (lower).
	At 31 December 2022	\$1,755 - \$3,594	–	–	
	At 31 December 2021	\$1,704 - \$3,594	\$1,360	–	
	Price per room				
	At 31 December 2022	–	–	\$0.8 million - \$1.2 million	
	At 31 December 2021	–	–	\$0.9 million - \$1.0 million	

#### 4 Investment in joint venture

	----- Group -----		----- Trust -----	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
Interest in joint venture	347,332	322,056	316,878	316,878

The Group and Trust completed the divestment of 50.0% interest in OUE Bayfront, OUE Tower and OUE Link (the “Property”) on 31 March 2021. The Property is now wholly-owned by a limited liability partnership known as OUE Allianz Bayfront LLP, with the Trustee, in its capacity as trustee of the Group, holding 50.0% of OUE Allianz Bayfront 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 OUE Allianz Bayfront LLP.

#### 5 Trade and other receivables

	----- Group -----		----- Trust -----	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
<b>Current</b>				
Trade receivables from:				
- other related parties	6,495	5,634	–	9
- third parties	2,964	4,533	255	1,149
	9,459	10,167	255	1,158
Less: Allowance for doubtful receivables	(611)	(506)	–	(4)
	8,848	9,661	255	1,154
Other receivables from:				
- subsidiaries	–	–	826	621
- other related parties	–	8,127	–	8,127
- joint venture	350	331	350	331
- third parties	8,009	7,198	535	110
	8,359	15,656	1,711	9,189
Deposits	265	27	3	3
	17,472	25,344	1,969	10,346
Prepayments	2,132	1,684	126	167
	19,604	27,028	2,095	10,513
<b>Non-current</b>				
Deposits	3,826	3,826	–	–
Prepayments	508	41	–	–
	4,334	3,867	–	–

## 6 Loans to a subsidiary

The Trust has on-lent the proceeds of \$20.0 million (31 December 2021: Nil) from the issuance of the notes to OUE Hospitality Sub-Trust (“OUE H-Sub-Trust”) (see note 7(d)). The loan is unsecured and repayable on demand with a fixed rate of 4.20%.

In December 2022, the Trust has lent a loan of \$35.0 million (31 December 2021: Nil) to OUE H-Sub-Trust. The loan is unsecured and repayable on demand.

Loans to subsidiary is not expected to be repaid in the next twelve months from the reporting date.

## 7 Borrowings

	----- Group -----		----- Trust -----	
	31 December 2022 \$'000	31 December 2021 \$'000	31 December 2022 \$'000	31 December 2021 \$'000
<b>Secured borrowings</b>				
Amount repayable within one year, or on demand	–	164,199	–	–
Amount repayable after one year	396,924	1,242,494	396,924	455,916
Total secured borrowings	<u>396,924</u>	<u>1,406,693</u>	<u>396,924</u>	<u>455,916</u>
<b>Unsecured borrowings</b>				
Amount repayable within one year, or on demand	327,618	8,000	–	8,000
Amount repayable after one year	1,324,917	570,702	395,544	246,627
Total unsecured borrowings	<u>1,652,535</u>	<u>578,702</u>	<u>395,544</u>	<u>254,627</u>
Total borrowings, net of amortised cost	<u>2,049,459</u>	<u>1,985,395</u>	<u>792,468</u>	<u>710,543</u>
<b>Classified as:</b>				
Current	327,618	172,199	–	8,000
Non-current	1,721,841	1,813,196	792,468	702,543
	<u>2,049,459</u>	<u>1,985,395</u>	<u>792,468</u>	<u>710,543</u>

The aggregate leverage was 38.8% (31 December 2021: 38.7%). The interest coverage ratio stood at 2.4 times<sup>(a)</sup> (31 December 2021: 2.8 times<sup>(a)</sup>).

<sup>(a)</sup> 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 4 to 5 years (31 December 2021: 2 to 8 years) which are secured on the following:

- investment property with a total carrying amount of \$930,000,000 (31 December 2021: \$3,060,438,000) (Note 3);
- assignment of insurance policies on the above investment property, 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 property;
- 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 in 2021;
- 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; and for Hilton Singapore Orchard and Mandarin Gallery in 2021 only; and
- the account control or charge over certain bank accounts of the Trust.

**(b) Unsecured bank loans**

The Group has in place the following unsecured bank loans:

- a total of \$1,308.0 million\* (31 December 2021: \$370.0 million) committed bank loans and revolving credit facilities with banks. At the reporting date, \$1,266.0 million (31 December 2021: \$325.0 million) was drawn down; and
  - \$15.0 million (31 December 2021: \$35.0 million) uncommitted revolving credit facility with a bank. At the reporting date, Nil (31 December 2021: \$8.0 million) was drawn down. The uncommitted revolving credit facility is repayable on demand.
- \* On 29 August 2022, the Group, through OUE H-Sub-Trust, completed the refinancing of a \$978.0 million unsecured sustainability-linked loan. The unsecured facility is to refinance an existing secured term loan facility of \$978.0 million and it incorporates interest rate reductions linked to predetermined sustainability performance targets which will allow the Group to enjoy savings in interest costs when targets are achieved. On 29 December 2022, \$40.0 million of the loan was repaid.

**(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.

During the year, OUE CT Treasury Pte. Ltd. issued notes amounting to \$150 million under the 2020 Programme.

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

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 to the Trust. The Trust has then on-lent \$20.0 million (31 December 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 which is also 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 \$212,309,000 (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-----	
	31 December 2022 '000	31 December 2021 '000
<b>Units in issue</b>		
At 1 January	5,442,608	5,421,506
Creation of Units:		
- Manager's management fees paid in Units	22,394	21,102
At 31 December	5,465,002	5,442,608
<b>Units to be issued</b>		
Manager's management fees payable in Units	5,948	7,077
<b>Units in issue and to be issued</b>	5,470,950	5,449,685

## 10 Net asset value per Unit

		----- Group -----		----- Trust -----	
	Note	2022	2021	2022	2021
Net asset value per Unit					
is based on:					
- Net assets					
attributable to					
Unitholders (\$'000)		3,240,073	3,127,996	2,826,265	2,732,611
- Units in issue and to					
be issued at					
31 December ('000)	9	5,470,950	5,449,685	5,470,950	5,449,685

**11 Revenue**

	----- <b>Group</b> -----			
	<b>Six-month period ended 31 December 2022 \$'000</b>	<b>Six-month period ended 31 December 2021 \$'000</b>	<b>Financial year ended 31 December 2022 \$'000</b>	<b>Financial year ended 31 December 2021 \$'000</b>
Rental income	115,041	106,087	221,388	225,822
Service fee income	7,265	6,385	14,541	16,435
Carpark income	916	798	1,705	1,872
Others	2,511	3,147	4,015	5,912
Less: Business and other taxes	(63)	(79)	(142)	(157)
	125,670	116,338	241,507	249,884

Under the terms of the lease agreements for the properties, the Group and the Trust are 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 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 \$2,293,000 (31 December 2021: \$1,234,000) recognised in the statement of total return for the Group.

Included in the revenue of the Group are amounts derived from related parties of \$69,744,000 (31 December 2021: \$69,815,000).

Due to the COVID-19 impact, the Group has provided a total of \$5,321,000 (31 December 2021: \$8,470,000) rental waiver to the affected tenants during the year.

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 31 December 2022 \$'000	Six-month period ended 31 December 2021 \$'000	Financial year ended 31 December 2022 \$'000	Financial year ended 31 December 2021 \$'000
<b>Finance income</b>				
Interest income	868	571	988	1,044
Ineffective portion of changes in fair value of cash flow hedges	314	355	2,177	1,364
Net change in fair value of derivatives	1,778	1,983	1,778	1,756
Hedging reserve transferred from unitholders' funds due to discontinuation of hedge accounting	22,058	–	22,058	–
Net foreign exchange gains	–	44	–	230
	25,018	44	27,001	4,394
<b>Finance costs</b>				
Amortisation of debt-related transaction costs	(11,119)	(4,371)	(14,740)	(10,339)
Interest paid/payable to banks	(36,906)	(30,568)	(66,208)	(63,081)
Hedging reserve transferred from unitholders' funds due to discontinuation of hedge accounting	–	(1,893)	–	(1,892)
Net foreign exchange loss	(102)	–	(149)	–
Financial liability measured at amortised cost – interest expense	(435)	(438)	(870)	(875)
	(48,562)	(37,270)	(81,967)	(76,187)
<b>Net finance costs</b>	(23,544)	(34,317)	(54,966)	(71,793)

### 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 31 December 2022 \$'000	Six-month period ended 31 December 2021 \$'000	Financial year ended 31 December 2022 \$'000	Financial year ended 31 December 2021 \$'000
Audit fees paid/payable to:				
- Auditors of the Trust	146	104	299	299
- Other auditors	25	18	53	50
Non-audit fees paid/payable to:				
- Auditors of the Trust	33	31	65	80
- Other auditors	(9)	(3)	6	6
Valuation fees	7	59	95	132

### 14 Tax expense

	----- Group -----			
	Six-month period ended 31 December 2022 \$'000	Six-month period ended 31 December 2021 \$'000	Financial year ended 31 December 2022 \$'000	Financial year ended 31 December 2021 \$'000
<b>Current tax expense</b>				
Current period/year	6,143	5,913	11,441	11,834
Changes in estimates relating to prior years	(113)	(260)	(113)	(260)
	6,030	5,653	11,328	11,574
<b>Withholding tax</b>	471	544	1,085	1,112
<b>Deferred tax (credit)/expense</b>				
Origination and reversal of temporary differences	(1,654)	996	(1,222)	1,375
	4,847	7,193	11,191	14,061

## 15 Earnings per Unit

### (i) Basic earnings per Unit

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

#### *Total return attributable to Unitholders*

	----- Group -----			
	Six-month period ended 31 December 2022 \$'000	Six-month period ended 31 December 2021 \$'000	Financial year ended 31 December 2022 \$'000	Financial year ended 31 December 2021 \$'000
Total return/(loss) for the period/year attributable to Unitholders and CPPU holder	218,162	(12,447)	275,574	38,876
Less: Amount reserved for distribution to CPPU holder	(1,109)	(1,109)	(2,200)	(2,582)
Total return/(loss) attributable to Unitholders	217,053	(13,556)	273,374	36,294

#### *Weighted average number of Units*

	----- Group -----			
	Six-month period ended 31 December 2022 '000	Six-month period ended 31 December 2021 '000	Financial year ended 31 December 2022 '000	Financial year ended 31 December 2021 '000
Units issued or to be issued at beginning of the period/year	5,459,367	5,438,176	5,449,685	5,427,850
Effect of Units issued during the period/year	2,849	2,240	7,505	7,728
Effect of Units to be issued as payment of the Manager's management fees payable in Units	32	38	16	19
Weighted average number of Units during the period/year	5,462,248	5,440,454	5,457,206	5,435,597

**(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 31 December 2022 \$'000	Six-month period ended 31 December 2021 \$'000	Financial year ended 31 December 2022 \$'000	Financial year ended 31 December 2021 \$'000
Total return attributable to Unitholders (basic)	217,053	(13,556)	273,374	36,294
Add: Amount reserved for distribution to CPPU holder	1,109	1,109	2,200	2,582
Total return attributable to Unitholders and CPPU holder (diluted)	218,162	(12,447)	275,574	38,876

***Weighted average number of Units (diluted)***

	Group			
	Six-month period ended 31 December 2022 '000	Six-month period ended 31 December 2021 '000	Financial year ended 31 December 2022 '000	Financial year ended 31 December 2021 '000
Weighted average number of Units (basic)	5,462,248	5,440,454	5,457,206	5,435,597
Effect of the Manager's fees paid/payable in Units	8,702	–	13,744	14,088
Effect of conversion of CPPUs into Units <sup>(1)</sup>	307,520	–	307,520	360,944
Weighted average number of Units (diluted)	5,778,470	5,440,454	5,778,470	5,810,629

<sup>(1)</sup> 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. For six-month period ended 31 December 2021, 360,943,777 Units were excluded from the diluted weighted average number of Units calculation as their effect would have been anti-dilutive.

## 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

	<b>Commercial \$'000</b>	<b>Hospitality \$'000</b>	<b>Total \$'000</b>
<b>Six-months ended 31 December 2022</b>			
Revenue	91,050	34,620	125,670
Property operating expenses	(19,686)	(2,673)	(22,359)
Reportable segment net property income	<u>71,364</u>	<u>31,947</u>	<u>103,311</u>
Other income	891	–	891
Depreciation and amortisation	(6,703)	–	(6,703)
Finance income	10,478	14,540	25,018
Finance costs	(26,591)	(21,971)	(48,562)
Unallocated items			
- Expenses			<u>(10,377)</u>
<b>Net income</b>			<u>63,578</u>
Net change in fair value of investment properties			139,727
Share of joint venture results			28,811
Tax expense			<u>(4,847)</u>
<b>Total return for the period</b>			<u><u>227,269</u></u>
<b>31 December 2022</b>			
Non-current assets <sup>(1)</sup>	<u>4,150,745</u>	<u>1,736,480</u>	<u>5,887,225</u>
<b>Six-months ended 31 December 2021</b>			
Revenue	82,588	33,750	116,338
Property operating expenses	(20,172)	(1,006)	(21,178)
Reportable segment net property income	<u>62,416</u>	<u>32,744</u>	<u>95,160</u>
Other income	8,127	199	8,326
Depreciation and amortisation	(2,540)	–	(2,540)
Finance income	2,574	379	2,953
Finance costs	(25,934)	(11,336)	(37,270)
Unallocated items			
- Expenses			<u>(10,884)</u>
<b>Net income</b>			<u>55,745</u>
Net change in fair value of investment properties			(56,284)
Share of joint venture results			9,170
Tax expense			<u>(7,193)</u>
<b>Total return for the period</b>			<u><u>1,438</u></u>

<sup>(1)</sup> Excluding financial instruments

*OUE Commercial Real Estate Investment Trust and its subsidiaries*  
*Interim financial information*  
*Six-month period and financial year ended 31 December 2022*

	<b>Commercial \$'000</b>	<b>Hospitality \$'000</b>	<b>Total \$'000</b>
<b>31 December 2021</b>			
Non-current assets <sup>(1)</sup>	4,129,548	1,611,610	5,741,158
<b>Year ended 31 December 2022</b>			
Revenue	173,137	68,370	241,507
Property operating expenses	(39,677)	(4,915)	(44,592)
Reportable segment net property income	133,460	63,455	196,915
Other income	8,766	–	8,766
Depreciation and amortisation	(9,251)	–	(9,251)
Finance income	12,241	14,760	27,001
Finance costs	(48,291)	(33,676)	(81,967)
Unallocated items			
- Expenses			(19,425)
<b>Net income</b>			122,039
Net change in fair value of investment properties			139,727
Share of joint venture results			37,108
Tax expense			(11,191)
<b>Total return for the year</b>			287,683
<b>31 December 2022</b>			
Non-current assets <sup>(1)</sup>	4,150,745	1,736,480	5,887,225
<b>Year ended 31 December 2021</b>			
Revenue	182,384	67,500	249,884
Property operating expenses	(41,489)	(4,190)	(45,679)
Reportable segment net property income	140,895	63,310	204,205
Other income	14,995	199	15,194
Depreciation and amortisation	(5,082)	–	(5,082)
Finance income	3,601	793	4,394
Finance costs	(52,880)	(23,307)	(76,187)
Divestment cost	(7,363)	–	(7,363)
Unallocated items			
- Expenses			(22,145)
<b>Net income</b>			113,016
Net change in fair value of investment properties			(56,284)
Share of joint venture results			13,236
Tax expense			(14,061)
<b>Total return for the year</b>			55,907
<b>31 December 2021</b>			
Non-current assets <sup>(1)</sup>	4,129,548	1,611,610	5,741,158

<sup>(1)</sup> Excluding financial instruments

## 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

	<b>Singapore</b>	<b>China</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Six-months ended 31 December 2022</b>			
Revenue	108,828	16,842	125,670
Property operating expenses	(20,346)	(2,013)	(22,359)
Reportable segment net property income	88,482	14,829	103,311
Other income	891	–	891
Depreciation and amortisation	(6,697)	(6)	(6,703)
Finance income	24,522	496	25,018
Finance costs	(48,578)	16	(48,562)
Unallocated items			
- Expenses			(10,377)
<b>Net income</b>			<b>63,578</b>
Net change in fair value of investment properties			139,727
Share of joint venture results			28,811
Tax expense			(4,847)
<b>Total return for the period</b>			<b>227,269</b>
<b>31 December 2022</b>			
Non-current assets <sup>(1)</sup>	5,377,408	509,817	5,887,225
<b>Six-months ended 31 December 2021</b>			
Revenue	103,300	13,038	116,338
Property operating expenses	(19,250)	(1,928)	(21,178)
Reportable segment net property income	84,050	11,110	95,160
Other income	8,326	–	8,326
Depreciation and amortisation	(2,518)	(22)	(2,540)
Other expenses	(518)	–	(518)
Finance income	2,338	615	2,953
Finance costs	(36,722)	(548)	(37,270)
Unallocated items			
- Expenses			(10,366)
<b>Net income</b>			<b>55,745</b>
Net change in fair value of investment properties			(56,284)
Share of joint venture results			9,170
Tax expense			(7,193)
<b>Total return for the period</b>			<b>1,438</b>
<b>31 December 2021</b>			
Non-current assets <sup>(1)</sup>	5,166,558	574,600	5,741,158

<sup>(1)</sup> Excluding financial instruments

*OUE Commercial Real Estate Investment Trust and its subsidiaries*  
*Interim financial information*  
*Six-month period and financial year ended 31 December 2022*

	<b>Singapore</b> <b>\$'000</b>	<b>China</b> <b>\$'000</b>	<b>Total</b> <b>\$'000</b>
<b>Year ended 31 December 2022</b>			
Revenue	214,436	27,071	241,507
Property operating expenses	(41,473)	(3,119)	(44,592)
Reportable segment net property income	<u>172,963</u>	<u>23,952</u>	<u>196,915</u>
Other income	8,766	–	8,766
Depreciation and amortisation	(9,223)	(28)	(9,251)
Finance income	26,394	607	27,001
Finance costs	(81,512)	(455)	(81,967)
Unallocated items			
- Expenses			<u>(19,425)</u>
<b>Net income</b>			122,039
Net change in fair value of investment properties			139,727
Share of joint venture results			37,108
Tax expense			<u>(11,191)</u>
<b>Total return for the year</b>			<u>287,683</u>
<b>31 December 2022</b>			
Non-current assets <sup>(1)</sup>	<u>5,377,408</u>	<u>509,817</u>	<u>5,887,225</u>
<b>Year ended 31 December 2021</b>			
Revenue	224,741	25,143	249,884
Property operating expenses	(41,899)	(3,780)	(45,679)
Reportable segment net property income	<u>182,842</u>	<u>21,363</u>	<u>204,205</u>
Other income	15,194	–	15,194
Depreciation and amortisation	(5,040)	(42)	(5,082)
Other expenses	(518)	–	(518)
Finance income	3,325	1,069	4,394
Finance costs	(75,089)	(1,098)	(76,187)
Divestment costs	(7,363)	–	(7,363)
Unallocated items			
- Expenses			<u>(21,627)</u>
<b>Net income</b>			113,016
Net change in fair value of investment properties			(56,284)
Share of joint venture results			13,236
Tax expense			<u>(14,061)</u>
<b>Total return for the year</b>			<u>55,907</u>
<b>31 December 2021</b>			
Non-current assets <sup>(1)</sup>	<u>5,166,558</u>	<u>574,600</u>	<u>5,741,158</u>

<sup>(1)</sup> Excluding financial instruments

## 17 Commitments

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

### Capital commitments

	----- Group -----		----- Trust -----	
	31 December	31 December	31 December	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	1,360	39,978	-	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/year, 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	Financial year ended	Financial year ended
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Hotel service expenses and professional fees paid/payable to related parties	834	703	1,636	1,294
Settlement of liabilities by related parties of the Manager on behalf of the Group and the Trust	45	15	66	44

## 19 Financial ratios

	----- Group -----			
	Six-month period ended 31 December 2022 %	Six-month period ended 31 December 2021 %	Financial year ended 31 December 2022 %	Financial year ended 31 December 2021 %
Expenses to weighted average net assets <sup>1</sup>				
- including performance component of the Manager's fees	1.09	0.84	0.92	0.85
- excluding performance component of the Manager's fees	1.09	0.79	0.92	0.78
Portfolio turnover rate <sup>2</sup>	-	-	-	-

<sup>1</sup> 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.

<sup>2</sup> 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 48.

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

#### **(1) Intangible asset**

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. As the income support has been fully drawn down in 2H2022, the remaining balance of the intangible asset has been written off as at 31 December 2022.

#### **(2) Trade and other receivables - Current**

The Group's trade and other receivables decreased compared to 31 December 2021 mainly due to improved collections coupled with income support received from OUE Limited's subsidiary (the "Sponsor Group").

#### **(3) Loans to a subsidiary**

The Trust has provided an intercompany loan of \$55.0 million to OUE H-Sub-Trust during the financial year.

#### **(4) Borrowings – Non-current and Current**

The Group's total borrowings increased as compared to 31 December 2021 mainly due to payments for capital expenditure. The Trust's total borrowings decreased mainly due to repayment of loans.

#### **(5) Loans from a subsidiary**

At the Trust level, the loans from a subsidiary as at 31 December 2022 relate to the \$100.0 million notes issued in June 2020, \$150.0 million notes issued in June 2021 and \$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.

#### **(6) Trade and other payables - Non-current and Current**

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

#### **(7) Financial derivatives**

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

**(8) Unitholders' funds**

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

**(9) 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 31 December 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 29-31.

**(c) Consolidated Statement of Cash Flows (Please refer to pages 21-22)**

- (1) In May 2022, the Group issued \$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 \$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 \$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:

	<b>31 Dec 2022</b> <b>(\$'000)</b>	<b>31 Dec 2021</b> <b>(\$'000)</b>
Bank and cash balances	22,255	25,261
Short-term deposits	27,227	34,288
Cash and cash equivalents	49,482	59,549

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

Please refer to pages 9-16.

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

Please refer to page 32.

**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")**

	<b>2H 2022</b>	<b>2H 2021</b>
Weighted average number of Units	5,462,247,623	5,440,454,362
Basic EPU (cents)	3.97	(0.25)
Weighted average number of Units <sup>(1)</sup>	5,778,470,277	5,440,454,362
Diluted EPU (cents)	3.78	(0.25)

	<b>FY 2022</b>	<b>FY 2021</b>
Weighted average number of Units	5,457,206,290	5,435,596,910
Basic EPU (cents)	5.01	0.67
Weighted average number of Units <sup>(1)</sup>	5,778,470,277	5,810,628,315
Diluted EPU (cents)	4.77	0.67

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 \$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 \$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 2021. Assuming that the remaining 220.0 million CPPUs are fully converted at the conversion price, 307,520,268 Units will be issued. For six-month period ended 31 December 2021, 360,943,777 Units were excluded from the diluted weighted average number of Units calculation as their effect would have been anti-dilutive.

**Distribution per Unit attributable to Unitholders (“DPU”)**

	<b>2H 2022</b>	<b>2H 2021</b>
No of Units entitled to distribution	5,470,950,009 <sup>(1)</sup>	5,449,684,538 <sup>(1)</sup>
Distribution per Unit (cents)	1.04 <sup>(3)</sup>	1.37 <sup>(3)</sup>

  

	<b>FY 2022</b>	<b>FY 2021</b>
No of Units entitled to distribution	5,470,950,009 <sup>(1)</sup>	5,449,684,538 <sup>(2)</sup>
Distribution per Unit (cents)	2.12	2.60

Footnotes:

- (1) Comprises the Units in issue as at 31 December 2022 of 5,465,002,027 and Units to be issued to the Manager as satisfaction of Manager’s base fee payable for 4Q 2022 of 5,947,982.
- (2) Comprises the Units in issue as at 31 December 2021 of 5,442,607,740 and Units to be issued to the Manager as satisfaction of Manager’s base fee payable for 4Q 2021 of 4,557,508 and Manager’s performance fee payable for FY 2021 of 2,519,290.
- (3) Release \$4.6 million capital distribution from divestment of OUE Bayfront.
- (4) Release \$5.4 million capital distribution from divestment of OUE Bayfront and balance \$5.0 million from \$10.8 million of tax-exempt income and capital distribution retained in 1H 2020.

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

	<b>Group</b>		<b>Trust</b>	
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
No. of Units in issue and to be issued at end of year	5,470,950,009	5,449,684,538	5,470,950,009	5,449,684,538
Net asset value (“NAV”) per Unit (\$)	0.59	0.57	0.52	0.50
Net tangible asset (“NTA”) per Unit (\$)	0.59	0.57	0.52	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 year.

## 8 Review of the Performance

<b>Statement of Total Return</b>	<b>Note</b>	<b>2H 2022<sup>(1)</sup></b>	<b>2H 2021<sup>(2)</sup></b>	<b>Change</b>	<b>FY 2022<sup>(1)</sup></b>	<b>FY 2021<sup>(2)</sup></b>	<b>Change</b>
		(\$'000)	(\$'000)	(%)	(\$'000)	(\$'000)	(%)
Revenue	(a)	125,670	116,338	8.0	241,507	249,884	(3.4)
- Commercial <sup>(3)</sup>		91,050	82,588	10.2	173,137	182,384	(5.1)
- Hospitality <sup>(4)</sup>		34,620	33,750	2.6	68,370	67,500	1.3
Property operating expenses		(22,359)	(21,178)	5.6	(44,592)	(45,679)	(2.4)
- Commercial <sup>(3)</sup>		(19,686)	(20,172)	(2.4)	(39,677)	(41,489)	(4.4)
- Hospitality <sup>(4)</sup>		(2,673)	(1,006)	NM	(4,915)	(4,190)	17.3
Net property income	(a)	103,311	95,160	8.6	196,915	204,205	(3.6)
- Commercial <sup>(3)</sup>		71,364	62,416	14.3	133,460	140,895	(5.3)
- Hospitality <sup>(4)</sup>		31,947	32,744	(2.4)	63,455	63,310	0.2
Other income	(b)	891	8,326	(89.3)	8,766	15,194	(42.3)
Amortisation of intangible asset		(1,250)	(2,500)	(50.0)	(3,750)	(5,000)	(25.0)
Write-off of intangible asset		(5,417)	–	NM	(5,417)	–	NM
Manager's management fees	(c)	(7,998)	(7,884)	1.4	(15,756)	(16,075)	(2.0)
Manager's performance fees	(d)	–	(816)	NM	–	(2,174)	NM
Divestment costs	(e)	–	–	–	–	(7,363)	NM
Trustee's fee		(480)	(638)	(24.8)	(998)	(1,304)	(23.5)
Other expenses		(1,935)	(1,586)	22.0	(2,755)	(2,674)	3.0
Finance income		25,018	2,909	NM	27,001	4,164	NM
Finance costs		(48,460)	(37,270)	30.0	(81,818)	(76,187)	7.4
Net finance costs	(f)	(23,442)	(34,361)	(34.7)	(54,817)	(72,023)	(23.9)
Foreign exchange differences		(102)	44	NM	(149)	230	NM
Net income		63,578	55,745	14.1	122,039	113,016	8.0
Net change in fair value of investment properties	(g)	139,727	(56,284)	NM	139,727	(56,284)	NM
Share of joint venture results	(h)	28,811	9,170	NM	37,108	13,236	NM
Total return for the period/year before tax		232,116	8,631	NM	298,874	69,968	NM
Tax expense		(4,847)	(7,193)	(32.6)	(11,191)	(14,061)	(20.4)
Total return for the period/year	(i)	227,269	1,438	NM	287,683	55,907	NM

NM: Not meaningful

Footnotes:

- (1) The current period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:5.047 for 2H 2022 and 1:4.897 for FY 2022.
- (2) The prior period results of OUE C-REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:4.737 for 2H 2021 and 1:4.796 for FY 2021.
- (3) Commercial comprised One Raffles Place, Lippo Plaza, OUE Downtown Office, Mandarin Gallery and OUE Bayfront (January to March 2021 before the divestment of 50% in OUE Bayfront).
- (4) Hospitality comprised Hilton Singapore Orchard and Crowne Plaza Changi Airport.

**Review of OUE C-REIT Group's performance for the six months period from 1 July 2022 to 31 December 2022 ("2H 2022") vs 1 July 2021 to 31 December 2021 ("2H 2021") and FY 2022 vs FY 2021**

- (a) 2H 2022 revenue of \$125.7 million and net property income of \$103.3 million were 8.0% and 8.6% higher respectively as compared to 2H 2021. FY 2022 revenue and net property income decreased to \$241.5 million and \$196.9 million respectively compared to FY 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 performance of the property being equity accounted as share of joint venture results vs being consolidated prior to the divestment. This was partially mitigated by lower rental rebates and other support measures granted to tenants compared to 2H 2021 and FY2021. The Hospitality segment recorded higher revenue and net property income mainly due to variable rent recognised during the year.
- (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 2H 2022 and FY 2022 decreased to \$0.9 million and \$8.8 million respectively as the income support of \$60 million was fully drawn down in 2H 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 FY 2021. No performance fee was recognised in FY 2022.

- (e) Divestment costs in the prior year relates to cost incurred in relation to the divestment of OUE Bayfront.
- (f) 2H 2022 and FY2022 net finance cost decreased \$11.5 million and \$17.8 million year-on-year mainly attributable to higher fair value movements arising from the financial derivatives by \$26.6 million. This is mitigated by higher interest cost by \$6.3 million resulting from higher SORA rate and \$7.8 million upfront fee written off due to early loan re-financing in August 2022.
- (g) Net fair value gain on investment properties for FY 2022 was \$139.7 million as compared to net fair value loss of \$56.3 million in the prior year.
- (h) Share of joint venture results represents OUE C-REIT's 50.0% interest in OUE Allianz Bayfront LLP results, upon completion of sale on 31 March 2021.

- (i) Total return recorded for 2H 2022 was \$277.3 million, compared to total return of \$1.4 million in 2H 2021. Total return for FY 2022 was \$287.7 million compared to total return of \$55.9 million in FY 2021.

## **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 (“MTI”), Singapore’s GDP grew 2.2% year-on-year (“YoY”) in 4Q 2022, moderating from the 4.2% YoY growth in 3Q 2022<sup>(1)</sup>. On a quarter-on-quarter (“QoQ”) seasonally-adjusted basis, the economy expanded by a slower 0.2% in 4Q 2022 after a 1.1% expansion in the previous quarter. In 2022, Singapore’s economy grew 3.8% which was slower than the 7.6% growth in 2021. The manufacturing sector contracted 3.0% YoY in 4Q 2022, a reversal from the 1.4% growth in the previous quarter on the back of output contractions in the electronics, chemicals and biomedical manufacturing sectors which outweighed expansions in other sectors. The services producing sector expanded 4.1% YoY in 4Q 2022 and 5.0% in 2022. The expansion was underpinned by growth in all sectors due to the easing of domestic and border restrictions. The information & communications, finance & insurance, and professional services sectors grew 2.9% YoY while the accommodation & food services, real estate, administrative & support services and other services sectors grew 8.2% in 4Q 2022. The accommodation sector expanded for the first time since 2Q 2021 due to the strong recovery in international arrivals. The MTI expects Singapore’s economy to grow by 0.5% to 2.5% in 2023.

According to CBRE, the Singapore office market saw positive net absorption of 0.59 million square feet (“sq ft”) in 4Q 2022 with demand driven by legal firms, the fast-moving consumer goods sector and non-banking financial companies<sup>(2)</sup>. This brought 2022’s total net absorption to 1.15 million sq ft which was 3.6 times the net demand in 2021. Consequently, the islandwide vacancy of office space declined to 5.0% as at end 2022 from 6.3% as at end 2021. Core Central Business District (“CBD”) Grade A office vacancy decreased to 4.2% in 4Q 2022 from 4.5% a year ago while rents climbed for the seventh consecutive quarter to S\$11.70 per square feet (“psf”) per month. However, the QoQ rental growth has slowed to 0.9% in 4Q 2022 from 2.7% in the previous quarter. With weaker economic growth expected in 2023 and slowing demand from large occupiers, especially the tech sector, CBRE trimmed its rental forecast. For 2023, core CBD Grade A office rents are expected to increase by about 1.0% YoY from the previous forecast of 4.0% to 5.0%. OUE C-REIT’s portfolio of core Grade A offices and well-diversified tenant base is expected to underpin a stable performance in 2023.

International visitor arrivals reached 6.3 million in 2022, exceeding the Singapore Tourism Board’s (“STB”) forecast of between four to six million<sup>(3)</sup>. The continued recovery in the MICE sector and China’s recent relaxation of COVID-19 restrictions are expected to provide a further boost to international arrivals in 2023 with the STB expecting 12 to 14 million on the back of increasing flight connectivity and capacity. Tourism activity is expected to recover to pre-pandemic levels by 2024. While the pace of recovery may be impacted by labour and cost challenges, as well as the murky economic outlook and business uncertainties, OUE C-REIT’s hotel properties are well-positioned to capitalise on the ongoing recovery in the hospitality sector.

Retail leasing activity continued to pick up in 4Q 2022 according to CBRE, with the demand mainly driven by food & beverage (“F&B”) operators as they sought to capitalise on the recovery in tourism by selecting locations near or within hotels. Alongside the increase in back-to-office workers and recovering visitor arrivals, prime Orchard Road retail rents increased 0.3% QoQ to S\$34.55 psf per month in 4Q 2022. While landlords have raised rents amidst improving shopper traffic and retail sales, retailers continue to face a labour shortage, higher business costs and competition from e-commerce against the backdrop of an economic slowdown. Nonetheless, overall retail rents are expected to continue the recovery in 2023 with improved mobility, the return of Chinese tourists and lower-than-historical-average new supply.

### China

China’s economy grew at a slower 2.9% YoY in 4Q 2022 compared to the previous quarter. The full year annual growth rate of 3.0% for 2022 was one of the slowest annual growths in decades due to Beijing’s zero-COVID policy and faltering overseas demand. China’s major growth drivers have started to taper off. In December, industrial production grew 1.3% YoY, easing from the 2.2% expansion recorded in November. Fixed asset investment rose by 5.1%, slower than the 5.3% growth in the previous month. While December retail sales increased 1.7% YoY, growth slowed 0.2% month-on-month. China’s economy is expected to face multiple challenges ahead, especially in the first half of 2023, including a potential global economic slowdown which may affect demand, slower domestic consumption growth and the persistent weakness in the property market. While the central bank has kept its key lending rates unchanged, it has stepped up liquidity injections and committed to further policy and monetary easing measures to stabilise the economy and head off a sharper slowdown.

According to Colliers International, Shanghai CBD Grade A office demand picked up in 4Q 2022 with the easing of COVID-19 restrictions. Net absorption increased almost three times QoQ to 1,187 square metres (“sqm”) in 4Q 2022. However, the total demand in 2022 was less than half that of 2021. Consequently, occupancy declined 0.5 percentage points to 89.8% while rents remained unchanged at RMB9.08 per square metre per day. Due to a large CBD office supply of 1.22 million sqm over the next five years, with supply peaking in 2023 and 2024, Colliers expects rents to remain under pressure in view of intense leasing competition, before a gradual rebound in late 2024. The Manager continues to prioritise occupancy at Lippo Plaza as the office market gradually moves towards a full recovery.

### Overall

In view of the weaker global economic outlook and continued business uncertainties, the Manager will continue to calibrate its leasing strategy to adapt to potential shifts in occupier demand to optimise the performance of OUE C-REIT’s properties. OUE C-REIT’s Singapore portfolio of core Grade A offices with high occupancies and a well-diversified tenant base is expected to underpin a stable performance in 2023. The stronger capital structure and the Manager’s prudent capital management approach to preserve financial flexibility places OUE C-REIT on solid footing to pursue future growth opportunities.

<sup>(1)</sup> Singapore Ministry of Trade and Industry Press Release, 3 January 2023

<sup>(2)</sup> CBRE, Singapore Figures Q4 2022

<sup>(3)</sup> Singapore Tourism Board Press Release, 17 January 2023

<sup>(4)</sup> National Bureau of Statistics of China Press Release, 17 January 2023

<sup>(5)</sup> Colliers International, 4Q 2022 Shanghai Office Market, 6 January 2023

## 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 July 2022 to 31 December 2022

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

Distribution rate: 1.04 cents per Unit comprises:-  
(i) Taxable income distribution: 0.61 cents per Unit  
(ii) Tax exempt income distribution: 0.21 cents per Unit  
(iii) Capital distribution: 0.22 cents per Unit

#### CPPU Holder

Name of distribution: Distribution for the financial period from 1 July 2022 to 31 December 2022

Distribution rate/ type: \$1,109,041.10 which represents 1% p.a. of CPPU based on the issue price of \$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: 7 February 2023

Date payable: 28 February 2023

**(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 July 2021 to 31 December 2021

Distribution type: Taxable income distribution

Distribution rate: 1.37 cents per Unit comprises:-  
(i) Taxable income distribution: 0.88 cents per Unit  
(ii) Tax exempt income distribution: 0.22 cents per Unit  
(iii) Capital distribution: 0.27 cents per Unit

CPPU Holder

Name of distribution: Distribution for the financial period from 1 July 2021 to 31 December 2021

Distribution rate/ type: \$1,109,041.10 which represents 1% p.a. of CPPU based on the issue price of \$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%.

Book closure date: 24 February 2022

Date payable: 30 March 2022

**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 Segment Information by Geographical Segment**

Please refer to pages 40-41.

**15 In the review of the performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments**

Please refer to Section 8 for the review of the actual performance.

**16 Breakdown of Revenue**

	<b>FY 2022 (\$'000)</b>	<b>FY 2021 (\$'000)</b>	<b>Change (%)</b>
Revenue for first half year	115,837	133,546	(13.3)
Total return for first half year	60,414	54,469	10.9
Revenue for second half year	125,670	116,338	8.0
Total return for second half year	227,269	1,438	NM

NM: Not meaningful

**17 Breakdown of Total Annual Distribution**

	<b>FY 2022 (\$'000)</b>	<b>FY 2021 (\$'000)</b>
1 July 2020 to 31 December 2020	–	77,618
1 January 2021 to 30 June 2021	–	66,890
1 July 2021 to 31 December 2021 <sup>(1)</sup>	74,661	–
1 January 2022 to 30 June 2022	58,961	–

Footnote:

<sup>(1)</sup> Refer to Section 11 for details of the distribution.

**18 Confirmation pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirm that there is no person occupying a managerial position in Manager, who is related to a director or the chief executive officer or a substantial shareholder of the Manager or a substantial of unitholder of OUE C-REIT.

**19 Confirmation pursuant to Appendix 7.7 under Rule 720(1) 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 the undertakings from all its directors and executive officer as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

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

*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)

30 January 2023