

**PRESS RELEASE**

For Immediate Release

OUE Records Profit Attributable to Shareholders of S\$80.9 million

- *Proposes final tax-exempt dividend of 1.0 Singapore cent per share, bringing total cash dividend for FY 2021 to 2.0 Singapore cents per share*
- *Higher contribution from equity-accounted investees in FY 2021*
- *Launched on 24 February 2022, Hilton Singapore Orchard is set to benefit from the recovering hospitality sector*

Financial Highlights

S\$ million	2H 2021	2H 2020	% Change	FY 2021	FY 2020	% Change
Revenue	148.8	229.3	(35.1)	300.8	530.5	(43.3)
Profit before interest, tax and other gains ("Adjusted EBIT")	209.0	121.6	71.9	313.4	246.7	27.1
Profit/(Loss) attributable to shareholders	50.9	(136.2)	n.m.	80.9	(343.4)	n.m.

Singapore – 28 February 2022 – SGX Mainboard-listed integrated property developer OUE Limited ("OUE" or together with its subsidiaries, the "Group") today reported a profit attributable to shareholders of S\$80.9 million for the full year ended 31 December 2021 ("FY 2021"), compared to loss attributable to shareholders of S\$343.4 million for the corresponding period a year ago ("FY 2020").

The Group registered revenue of S\$300.8 million in FY 2021 compared to S\$530.5 million in FY 2020, resulting from lower contribution from its Real Estate segment.

Revenue from the Group's Real Estate segment declined across all three divisions – Investment Properties, Hospitality and Development Properties. The Investment Properties division recorded revenue of S\$195.5 million in FY 2021, a decline of 26.2% from S\$264.8 million in FY 2020, due to the absence of contribution from U.S. Bank Tower following its disposal in September 2020, and OUE Bayfront, OUE Tower and OUE Link (the "OUE Bayfront Property") following the partial divestment in March 2021.

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The Group's Hospitality division recorded a 32.7% decrease in revenue to S\$57.6 million in FY 2021 compared to S\$85.5 million in FY 2020. This was mainly contributed by Mandarin Orchard Singapore due to lower room inventory as a result of major renovation works for the rebranding to Hilton Singapore Orchard, and lower contribution from serving as a PSHN (Person issued with Stay-Home Notice) accommodation during the year. During the year, Crowne Plaza Changi Airport was designated as a Stay-Home Notice Dedicated Facility and designated crew accommodation venue, which provided support for the hotel. The Group also capitalised on the downtime in the hospitality and tourism sectors to prepare for the launch of Hilton Singapore Orchard, which is expected to ride on the travel sector's recovery.

The Development Properties division recorded revenue of S\$1.7 million in FY 2021 compared to S\$140.2 million in FY 2020 as a result of fewer completions of OUE Twin Peaks units sold under deferred payment schemes in FY 2021.

The Healthcare segment achieved revenue of S\$31.2 million in FY 2021, a slight increase from S\$29.4 million in FY 2020.

The Consumer segment turned in revenue of S\$14.7 million in FY 2021, an increase of 40.5% compared to FY 2020, due to new dining concepts launched during the year. Looking ahead, the Consumer segment can look forward to new growth drivers from the acquisition of equity interests in PT Matahari Department Store Tbk ("Matahari") and PT Multipolar Tbk ("MPC"), which will give the Group exposure to the fast-growing retail, consumer and technology sectors, as well as the opening of new restaurant concepts in 2022.

The share of results of equity-accounted investees increased by S\$112.6 million to S\$231.9 million in FY 2021. This was mainly due to higher contribution from First Real Estate Investment Trust ("First REIT") and the contribution from the OUE Bayfront Property.

Adjusted EBIT increased by 27.1% to S\$313.4 million in FY 2021 from S\$246.7 million in FY 2020 mainly due to higher contribution from the Healthcare and Consumer segments. This was partially offset by lower contribution from the Real Estate segment.

The Group closed the year with profit attributable to shareholders of S\$80.9 million, as compared to loss attributable to shareholders of S\$343.4 million in FY 2020. This was mainly due to higher adjusted EBIT, lower share of fair value losses on investment properties and marked-to-market fair value gains on investments designated at fair value through profit or loss. This was partially offset by higher impairment losses recognised on property, plant and equipment in FY 2021.

The Group ended FY 2021 with a healthy balance sheet position with a net gearing ratio of 40.5% (FY 2020: 51.8%). Cash and cash equivalents stood at S\$518.9 million and real estate portfolio value at S\$9.5 billion, while net asset value per share as at 31 December 2021 grew to S\$4.41 (FY 2020: S\$4.24).

Dividend

The Board of Directors has proposed a final tax-exempt dividend of 1.0 Singapore cent per share. Together with the interim dividend of 1.0 Singapore cent per share paid in September 2021, the total cash dividend for the current financial year amounts to 2.0 Singapore cents per share.

Business Review

In FY 2021, the Group was able to navigate the challenges presented by the evolving COVID-19 pandemic and captured opportunities to unlock value for the Group, expanded its business footprint, repositioned businesses to capture market opportunities and laid the foundation for driving future sustainable growth.

For its Investment Properties division, OUE Commercial Real Estate Investment Trust ("OUE C-REIT") had strengthened its financial position with the partial divestment of the OUE Bayfront Property at an agreed value of S\$1,267.5 million in March 2021. The agreed value of the property represented a premium of 26.1% over OUE C-REIT's purchase consideration in 2014 and 7.3% over its book value as at 31 December 2020. The divestment was a timely opportunity for the Group to realise value above valuation and allowed OUE C-REIT to optimise capital structure and enhance financial flexibility while retaining a 50.0% interest in the premium commercial asset.

For the Hospitality division, the new Hilton Singapore Orchard was launched on 24 February 2022. The hotel is Hilton's flagship hotel in Singapore and the largest Hilton hotel in Asia Pacific. Rebranded from the Group's former landmark hotel asset, Mandarin Orchard Singapore, the Hilton Singapore Orchard features 1,080 well-appointed energy-efficient guestrooms and suites, as well as over 2,400 square metres of modern MICE facilities, including 16 modern and versatile meeting spaces and two pillarless state-of-the-art ballrooms that can cater to approximately 900 guests. The hotel also houses five curated dining concepts, including new additions *Osteria Mozza* by celebrated chef Nancy Silverton, all-day dining restaurant *Estate* and the botanical-inspired *Ginger.Lily* lounge and bar. All-time favourite *Chatterbox* and the two-Michelin-starred *Shisen Hanten by Chen Kentaro* round up the stellar culinary line up at Hilton Singapore Orchard. The relaunch of the hotel is well timed to benefit from the anticipated recovery in the hospitality sector as travel restrictions continue to ease.

In the Group's Healthcare segment, First REIT unveiled its "2.0 Growth Strategy" comprising four strategic pillars of diversifying into developed markets, reshaping its portfolio for capital efficient growth, strengthening its capital structure to remain resilient and pivoting to ride megatrends to reshape and reposition First REIT as Asia's premier healthcare trust. As a first step in this new phase of growth, First

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REIT announced the proposed acquisition of 12 nursing homes in Japan from OUE Lippo Healthcare Limited ("OUELH") in December 2021, which marks its strategic entry into the Japanese market. The acquisition will allow First REIT to expand its presence in developed markets and diversify its geographical mix, while the divestment is in line with OUELH's strategy to focus on quality healthcare services delivery. The transaction is expected to be completed in March 2022.

OUELH's two hospital developments in China, Changshu China Merchants-Lippo Obstetrics & Gynaecology Hospital in Changshu, Suzhou and Prince Bay Hospital in Shenzhen, continue to progress as planned. Expected to be commissioned in 2023 and 2024 respectively, the hospitals, which have a total capacity of approximately 340 beds, will be managed and operated by OUELH's joint venture with China Merchants Group.

The Group's Consumer segment made two strategic acquisitions in Indonesia, expanding its footprint and network into the rapidly growing consumer market in Indonesia. First, the Group's joint venture with Auric Bespoke I Pte. Ltd. acquired a 32.0% stake in Matahari, a leading retail operator with 145 stores in 76 cities across Indonesia and a growing online presence. Subsequently, in December 2021, the Group entered into a sale and purchase agreement to acquire approximately 17.2% equity stake in MPC, an Indonesian technology investment company listed on the Indonesian Stock Exchange, whose growing investment portfolio spans the retail / e-commerce, consumer services, financial services, technology, multimedia and telecommunications sectors with investments in over 50 high-growth, industry-leading companies.

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About OUE Limited

OUE Limited (SGX:LJ3) is a leading pan-Asian, full service real estate development, investment and management company with assets across the commercial, hospitality, retail, residential and healthcare sectors. Best known for its landmark property portfolio in Singapore, OUE consistently leverages its expertise in property development and asset management to maximise yield and unlock value. As at 31 December 2021, OUE's real estate portfolio was valued at S\$9.5 billion.

OUE is the manager of two SGX-listed REITs: OUE Commercial Real Estate Investment Trust and First Real Estate Investment Trust. As at 31 December 2021, OUE managed S\$7.5 billion in funds under management across its two REIT platforms and its managed accounts.

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

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

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

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