PRESS RELEASE
For Immediate Release

OUE Records Profit Attributable to Shareholders of S$40.2 million for 1H 2023

- *Revenue up 53.3% to S$304.5 million in 1H 2023 on higher contribution across all the Group's business segments*
- *Declares interim dividend of 1.0 Singapore cent per share*

Financial Highlights

S$ million	1H 2023	1H 2022	% Change
Revenue	304.5	198.7	53.3
Profit before interest, tax and other (losses)/gains ("Adjusted EBIT")	146.6	148.0	(1.0)
Profit attributable to shareholders	40.2	88.7	(54.6)

Singapore – 7 August 2023 – SGX Mainboard-listed integrated property developer OUE Limited ("OUE" or together with its subsidiaries, the "Group") today reported profit attributable to shareholders of S$40.2 million for the first six months ended 30 June 2023 ("1H 2023"), compared to S$88.7 million for the corresponding period a year ago ("1H 2022"). The year-on-year ("y-o-y") decline was mainly due to lower share of results of equity-accounted investees, higher finance expenses, lower net change in fair value of investments designated at fair value through profit or loss and lower net change in fair value of investment properties.

Driven by higher revenue contribution across all business segments, revenue for 1H 2023 rose 53.3% to S$304.5 million compared to S$198.7 million in 1H 2022.

Revenue for the Real Estate segment increased 46.0% to S$205.0 million in 1H 2023 from S$140.4 million in 1H 2022, with all three divisions under the segment contributing positively to the growth.

Revenue from the Investment Properties division rose 12.7% to S$101.3 million in 1H 2023 compared to S$89.9 million in 1H 2022, arising from higher occupancies and turnover rent, while revenue from the Development Properties division increased to S$8.0 million from S$0.2 million in 1H 2022 due to the completion of sale of three units at OUE Twin Peaks.

Riding on the continued recovery of the tourism and meetings, incentives, conventions and exhibitions ("MICE") sectors in Singapore, revenue from the Hospitality division jumped almost twofold to S$95.8 million in 1H 2023 from S$50.3 million in 1H 2022. The increase was driven by the reopening of the Orchard Wing at Hilton Singapore Orchard on 1 January 2023.

Revenue from the Group's Healthcare segment grew 79.1% to S$79.8 million in 1H 2023 compared to S$44.5 million in 1H 2022. This was mainly due to full period contribution from First Real Estate Investment Trust, which was accounted for as a subsidiary from 1 March 2022, as well as from O2 Healthcare Group, the medical partnership with three Singapore medical specialist groups beginning on 30 June 2022.

Share of results of equity-accounted investees decreased by 66.8% to S$25.8 million in 1H 2023, as compared to S$77.6 million in 1H 2022, arising from lower contributions from Gemdale Properties and Investment Corporation Limited and PT Matahari Department Store Tbk, (which is held via a joint venture).

As a result, Adjusted EBIT decreased by 1.0% to S$146.6 million in 1H 2023 from S$148.0 million in 1H 2022.

Dividend

The Board of Directors has approved an interim tax-exempt dividend of 1.0 Singapore cent per share.

Business Review

Despite improving operational performance, global and domestic economic recovery continues to be held back due to high inflation and tightening monetary policies. Nevertheless, OUE remains in a strong position to deliver stable performance from its strategically located commercial properties, hospitality assets, diversified tenant base, and its complementary healthcare segment.

Following the launch of the new 446-room Orchard Wing at Hilton Singapore Orchard on 1 January 2023, the hotel has been operating at its full inventory of 1,080 rooms. The completion of this final phase of the asset enhancement initiative ("AEI") at Hilton Singapore Orchard took place at an opportune time as the demand for international travel and the MICE sectors grew. The tourism sector is expected to be on track for full recovery to pre-pandemic levels in 2024.

In Singapore, Core Central Business District Grade A office vacancy rates stood at 4.0% as office rents increased. The demand-supply dynamics will likely keep rents and occupancies stable for the rest of the year. The revival of the real estate sector in China is projected to remain sluggish despite policy support from the government.

In June 2023, OUE Commercial Real Estate Investment Trust ("OUE C-REIT") completed its 2023 refinancing with its third sustainability-linked loan ("SLL") of S$430 million, bringing sustainability financing to 69.7% of its total debt, which is one of the highest percentages amongst S-REITs. The SLL is linked to sustainability performance targets, which will enable OUE C-REIT to enjoy savings in interest costs when the targets are achieved. OUE C-REIT has no further refinancing needs until 2025.

OUE and OUE C-REIT have recently announced a S$22 million AEI for Crowne Plaza Changi Airport to revitalise the offerings at the landmark asset. The enhancements will include the addition of 12 guest rooms, an extensive revamp of the all-day dining restaurant to complement the current F&B offerings at Changi Airport, and the creation of new and flexible meeting facilities by optimising and repurposing underutilised spaces to enhance value and drive greater returns.

On the healthcare front, in July 2023, OUE's subsidiary, OUE Healthcare Limited ("OUEH"), a company listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST"), has announced that it will make a conditional exit offer ("Exit Offer") for the acquisition of all the issued and paid-up ordinary shares in the capital of Healthway Medical Corporation Limited ("HMC"), other than those already owned, controlled or agreed to be acquired by OUEH, its wholly-owned subsidiary OUEH Investments Pte. Ltd. acting as offeror and parties acting in concert with it, in connection with a proposed voluntary delisting of HMC from the Official List of the SGX-ST. As set out in the joint announcement released by OUEH and HMC in relation to the proposed voluntary delisting and the Exit Offer on 3 July 2023, this is a milestone step for OUEH in building an integrated and seamless regional healthcare ecosystem centred on Singapore's renowned medical excellence, and assuming the Exit Offer is successful, it will provide opportunities on cost savings through streamlining of operations and economies of scale.

The Group has sufficient liquidity to meet its near-term debt obligations and operational needs and will continue to be prudent and proactive in its capital management.

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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 2022, 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 2022, OUE managed S$7.8 billion in funds under management across its two REIT platforms and its managed accounts.

Since 2017, OUE has expanded its business activities into the complementary and high-growth healthcare sector. OUE is the controlling shareholder of OUE 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

For further information, please contact:
Lisa Sajoto
Investor Relations
Tel: +65 6809 6064
Email: investorrelations@oue.com.sg