COMPANY REGISTRATION NO. 196300438C

For Immediate Release

NEWS RELEASE

UOL'S FY22 NET ATTRIBUTABLE PROFIT RISES 60% TO $491.9 MILLION

- *Increase due to strong performance from property development and hotel operations*
- *Group pre-tax profit before fair value and other gains/losses rises 39% to $626.9 million*
- *Special dividend of 3.0 cents per share on top of first and final dividend of 15.0 cents*
- *Group revenue up 28% to $3.2 billion with higher contributions from property development and hotel operations*

Singapore, 27 February 2023 – Strong performance from property development and hotel operations helped boost net attributable profit by 60% to $491.9 million at UOL Group Limited for the financial year ended 31 December 2022 (FY22).

Group pre-tax profit before fair value and other gains/losses was up 39% to $626.9 million. Fair value gains of $268.2 million also bolstered the bottom line.

The Board of Directors has proposed a special dividend of 3.0 cents on top of a first and final dividend of 15.0 cents per share.

Group revenue for the full year increased 28% to $3.2 billion with development projects in Singapore and China accounting for slightly over half of the total.

Revenue from property development rose 26% to $1.98 billion in FY22 on higher progressive revenue recognition from Clavon, The Watergardens at Canberra and AMO Residence in Singapore, while more units were handed over for Park Eleven in Shanghai.

Hotel operations saw a significant revenue increase of 97% to $554.1 million due mainly to contributions from the opening of new or refurbished hotels, including PARKROYAL COLLECTION Marina Bay in May 2021, Pan Pacific London in September 2021, and PARKROYAL COLLECTION Kuala Lumpur in June 2022. The Group's hotels benefitted from the reopening of borders as well as a resumption of economic and social activities in their respective countries.

The property investments segment contributed $504.2 million in revenue for FY22, which was comparable to the contribution in FY21. The segment continued to provide stable recurring income for the Group.

Investment income grew 20% to $51.3 million owing to a higher final dividend of 60.0 cents per share from United Overseas Bank in FY22.

Share of profit from joint venture and associated companies, including MEYER HOUSE and Mandarin Oriental Singapore, also supported the buoyant results.

Expenses were also generally higher due to the resumption of business activities, the opening of new or refurbished hotels, and inflation. Group marketing expenses rose 20% to $139 million in FY22, due to the hospitality segment's greater volume of marketing activities, including promotions for the opening of Pan Pacific London, higher selling expenses for development projects, as well as increased promotion activities by the retail malls.

Finance expenses for FY22 rose 90% to $128.3 million. Interest rate hikes and new loans including those for the acquisition of the Watten Estate and Pine Grove sites, contributed to the increase. Consequently, the weighted average interest rate on Group external borrowings was 2.25 per cent in FY22 against 1.26 per cent the year before.

UOL Group Chief Executive Liam Wee Sin said: "We are pleased with the strong set of results for the full year on the back of healthy sales of our residential projects and the rebound in the hospitality business.

“Going forward, we are mindful of the external uncertainties given the ongoing geopolitical tensions, persistent inflationary pressures, recession risks in some developed economies and rising business costs.”

UOL expects the residential property market in Singapore to remain healthy although price increases will be moderated by a projected higher supply in new homes this year. The recently introduced higher Buyer’s Stamp Duty is likely to have a marginal impact on end-sale home demand.

Mr Liam added: “We believe UOL’s residential inventory which has strong locational attributes will continue to draw keen interest from homebuyers and investors. Our land replenishment includes two freehold land parcels which are rare and sought-after.”

Meanwhile, in the Singapore office market, office rents in the central region which expanded 11.7% in 2022 are expected to grow at a slower pace. Rentals should continue to stay supported by the tight future supply and might be further mitigated by the reduction of inventory due to potential redevelopment in the CBD. Mr Liam added: “We are pursuing more AEI projects to strengthen our office portfolio to be better positioned to cater to tenants who are seeking more flexible space, living room concepts and sustainable features.”

UOL said the retail sector looks to benefit from the rebound in tourism and higher shopper footfall following the reopening of economies, including China. Rents should remain supported by the low supply pipeline.

The Group’s hospitality business should continue to trend upwards as business travel and tourism return to normalcy with the opening of international borders.

As at 31 December 2022, the Group’s shareholders’ funds increased to $10.6 billion from $10.2 billion as at 31 December 2021 due mainly to profit recognised for the year and higher reserves. This was partly offset by the payment of dividends. Net tangible asset per ordinary share increased to $12.55 from $11.99 as at 31 December 2021.

The Group's net gearing ratio remained unchanged at 0.26 as at 31 December 2022.

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About UOL Group Limited

UOL Group Limited (UOL) is a leading Singapore-listed property and hospitality group with total assets of about $20 billion. The Company has a diversified portfolio of development and investment properties, hotels and serviced suites in Asia, Oceania, Europe and North America. With a track record of 60 years, UOL strongly believes in delivering product excellence and quality service in all its business ventures. UOL, through its hotel subsidiary Pan Pacific Hotels Group Limited, owns three acclaimed brands namely "Pan Pacific", PARKROYAL COLLECTION and PARKROYAL. The Company's Singapore-listed property subsidiary, Singapore Land Group Limited, owns an extensive portfolio of prime commercial assets and hotels in Singapore.

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