

PRESS RELEASE

For Immediate Release

OUE Records 3.3% Rise in Revenue to S\$314.5 million and Loss Attributable to Shareholders of S\$96.1 million for 1H 2024

- Positive contributions recorded across the Group’s Real Estate and Others business segments
- Loss attributable to shareholders largely due to share of losses from Gemdale
- Healthy balance sheet with cash and cash equivalents standing at S\$186.3 million and sufficient liquidity to meet operational needs
- Declares interim dividend of 1.0 Singapore cent per share

Financial Highlights

S\$ million	1H 2024	1H 2023	% Change
Revenue	314.5	304.5	3.3
Profit before interest, tax and other (losses) (“Adjusted EBIT”)	28.1	146.6	(80.8)
(Loss) / Profit attributable to shareholders	(96.1)	40.2	n.m.

n.m.- not meaningful

Singapore – 12 August 2024 – SGX Mainboard-listed real estate and healthcare group OUE Limited (“OUE” or together with its subsidiaries, the “Group”) today reported a loss attributable to shareholders of S\$96.1 million for the first six months ended 30 June 2024 (“1H 2024”), compared to a profit attributable to shareholders of S\$40.2 million for the corresponding period a year ago (“1H 2023”).

The loss was largely attributable to share of results from Gemdale Properties and Investment Corporation Limited (“Gemdale”), an investee company which is 25.2% owned by the Group, whose principal activities in the People’s Republic of China (“PRC”) was adversely impacted by the prevailing slow-down of the property market and the current economic environment in the PRC. Additionally, higher finance expenses, tax expenses and lower net change in fair value of investments designated at fair value through profit or loss also impacted the Group’s bottom line. The loss attributable to share of results from Gemdale is non-cash in nature and there is no material impact on the Group’s operational cashflows and corporate funding requirements.

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The Group's revenue for the period grew 3.3% to S\$314.5 million from S\$304.5 million in 1H 2023, largely from higher contribution from its Real Estate and Others business segments. In 1H 2024, its Real Estate segment grew 5.1% to S\$215.4 million from S\$205.0 million in 1H 2023 due to higher revenue from the Investment Properties and Fund Management and Hospitality business divisions.

Revenue from Investment Properties and Fund Management rose 2.7% to S\$104.0 million in 1H 2024, primarily due to better performance of the Group's commercial portfolio in Singapore. Meanwhile, the Hospitality division saw a 14.8% growth in revenue to S\$109.9 million in 1H 2024, driven by higher room rates and occupancy rates supported by strong meetings, incentives, conferences and exhibitions ("MICE") and event pipeline in the first quarter of 2024, which offset the impact of softer tourist arrivals in the second quarter of 2024 due to seasonal demand fluctuations. On the other hand, revenue from the Development Property division slipped to S\$1.5 million in 1H 2024 from S\$8.0 million in 1H 2023 due to lower sales contribution from OUE Twin Peaks.

The Group's Healthcare segment registered a 4.4% decrease in revenue to S\$76.3 million in 1H 2024 from S\$79.8 million in 1H 2023. This was primarily due to lower contribution from First Real Estate Investment Trust ("First REIT") on weaker Indonesian Rupiah and Japanese Yen against the Singapore Dollar, and lower revenue from O2 Healthcare Group Pte. Ltd. due to a decrease in patient volume as post-Covid19 pent-up demand eased.

The Others segment, which includes contribution from the food and beverage operations of the Group, saw revenue increasing 15.8% to S\$22.8 million due to contribution from a new dining concept that was launched in the fourth quarter of 2023.

In 1H 2024, the share of results of equity-accounted investees registered a loss of S\$92.5 million compared to share of profits of S\$25.8 million in 1H 2023, arising from a share of losses from Gemdale.

Adjusted EBIT came in at S\$28.1 million in 1H 2024, down from S\$146.6 million in 1H 2023 due to the share of losses from Gemdale, partially mitigated by higher contribution from the Hospitality division in the Real Estate business segment.

Overall, the Group maintains a robust balance sheet, with cash and cash equivalents at S\$186.3 million as at 30 June 2024 and ensures sufficient liquidity to meet its financial and operational needs.

Dividend

The Board of Directors has approved an interim tax-exempt dividend of 1.0 Singapore cent per share for 1H 2024.

Business Review

As part of its 60th anniversary celebrations, OUE undertook an off-market purchase of ordinary shares of OUE ("**Shares**") in accordance with an equal access scheme (the "**Offer**") to purchase up to 84,038,036 Shares at S\$1.25 per Share, representing a premium of 20% over the average of the last dealt prices of a Share for the five consecutive market days on which the Shares were transacted on the Singapore Exchange Securities Trading Limited immediately preceding the date of the making of the Offer. The initiative aimed to reward shareholders and enhance long-term shareholder value. Under the Offer, each shareholder was entitled to sell up to 10% of their Shares. The Company purchased 84,038,036 Shares, representing 100% of the maximum buyback amount available under the Offer, at an aggregate offer consideration of S\$105.05 million.

OUE T2 Hotel Trust, a private trust wholly-owned by OUE, was awarded the tender by Changi Airport Group (Singapore) Pte. Ltd. for the lease and development of a new hotel, Hotel Indigo Changi Airport, at Changi Airport Terminal 2. With sustainability as a core component, the hotel will combine energy-efficient design with low-energy operations, incorporating sustainability features such as solar photovoltaic panels, hybrid cooling systems, naturally ventilated corridors and rainwater-harvesting technology aimed at reducing environmental impact while enhancing overall guest comfort and well-being. This marks a significant milestone for OUE in its pursuit of sustainable business practices. Expected to be completed and fully operational by 2028, Hotel Indigo Changi Airport is targeted to be Singapore's first zero-energy hotel and possibly the first zero-energy airport hotel in the world.

In April 2024, OUE Real Estate Investment Trust ("OUE REIT") obtained an unsecured sustainability-linked loan ("SLL") of S\$600 million. The facility was OUE REIT's first SLL which references its recalibrated sustainability performance target of achieving a 40% reduction in absolute greenhouse gas emissions for its commercial properties, and was used for the early refinancing of S\$540 million existing secured borrowings due in 2025 and for general corporate purposes. Subsequently, in June 2024, OUE REIT successfully completed the issuance of its S\$250 million investment grade inaugural green notes at a 4.10% fixed rate due 2027. With these two facilities, OUE REIT has no further refinancing requirements until 2H 2025, where only 14.4% of total debt is due.

About OUE Limited

OUE Limited (SGX:LJ3) is a leading real estate and healthcare group, growing strategically to capitalise on growth trends across Asia. Incorporated in 1964 and listed in 1969, OUE has a proven track record of developing and managing prime real estate assets, with a portfolio spanning the commercial, hospitality, retail and residential sectors.

OUE manages two SGX-listed REITs: OUE REIT, one of Singapore's largest diversified REITs, and First REIT (a subsidiary of OUE Healthcare), Singapore's first listed healthcare REIT. As at 30 June 2024, OUE's total assets were valued at S\$9.1 billion, with S\$7.9 billion in funds under management across OUE's two REIT platforms and managed accounts.

OUE Healthcare, an SGX Catalist-listed subsidiary of OUE, operates and owns high-quality healthcare assets in high-growth Asian markets. With a vision of creating a regional healthcare ecosystem that is anchored on Singapore's medical best practices, OUE Healthcare's portfolio of owned and operated businesses includes hospitals, medical centres, clinics and senior care facilities in Singapore, Japan, Indonesia and China.

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

Read more:



[OUE Limited – 60 Years of Transformation \(oue.com.sg\)](https://www.oue.com.sg)

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