
OUE Exits Proposed Integrated Resort Project in Incheon, Korea

OUE Limited ("**OUE**") announces that it has today exited its 40% investment in the proposed integrated resort project in Incheon, Korea ("**Project**") for an aggregate consideration of up to USD22.9 million (or SGD32.3 million¹) in cash.

In March 2014, OUE announced that it had formed a consortium with Lippo Limited ("**Lippo**") and Caesars Entertainment Corporation ("**Caesars**") to develop the Project. After careful consideration, OUE has decided to exit its investment in the Project.

OUE's investment in the Project is made through its 50% equity stake in OCZ Holding Pte Ltd ("**OCZ**"), all of which is sold to a joint venture company formed by Caesars and Guangzhou R&F Properties Co., Ltd. ("**R&F**"), a Chinese property developer based in Guangzhou, People's Republic of China and listed on the Hong Kong Stock Exchange. The purchase price for OUE's 50% equity stake in OCZ is a negotiated price, agreed on an arm's length basis between OUE and the purchasers, and takes into account, among other things, the unaudited net asset value of OCZ as at 31 December 2016 of USD37.1 million (or SGD52.3 million).

Of the USD22.9 million purchase price, USD2.5 million is a contingent consideration. Specifically, if certain conditions relating to the implementation of the Project:

- have been satisfied or waived by Caesars and R&F (which shall not in any event be later than 30 June 2017), such payment will be made by 30 June 2017; or
- have not been satisfied or waived, such payment will be made on 30 June 2017 unless Caesars and R&F have notified OUE that they will cease to implement the Project.

In connection with the Project, OUE has a right to acquire a plot of land ("**Phase 2 Land**") adjacent to the land where the Project is to be constructed. In line with its exit from the Project, OUE has agreed to sell such right to R&F for USD2 million. This is also a contingent consideration and is payable:

- on the date on which R&F purchases the Phase 2 Land (which shall not in any event be later than 30 June 2017) if R&F proceeds with such purchase; or
- 30 June 2017 if R&F has not, by such date, notified OUE in writing that R&F does not intend to proceed with such purchase.

¹ At an exchange rate of USD1:SGD1.41.

OUE LIMITED

Company Registration No. 196400050E
50 Collyer Quay, #18-01/02, OUE Bayfront, Singapore 049321
T +65 6809 6000 F +65 6809 6060 www.oue.com.sg

OUE LIMITED

OUE will also be reimbursed for certain of the costs and expenses it has incurred in connection with its participation in the Project.

By Order of the Board of
OUE LIMITED

Ng Ngai
Company Secretary
10 March 2017, Singapore