

**OUE Real Estate Investment Trust
and its subsidiaries**

**(Constituted in the Republic of Singapore pursuant to a trust
deed dated 10 October 2013 (as amended))**

Condensed Interim Consolidated Financial Statements
Six-month period and financial year ended
31 December 2024

Introduction

OUE Real Estate Investment Trust (“OUE REIT”) was constituted by a trust deed dated 10 October 2013 (as amended) entered into by OUE REIT Management Pte. Ltd. as the Manager of OUE REIT (the “Manager”) and DBS Trustee Limited as the Trustee of OUE REIT (the “Trustee”).

OUE REIT was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 27 January 2014. The principal investment strategy of OUE REIT is to invest, directly or indirectly, in a portfolio of income-producing real estate used primarily for commercial (including real estate used primarily for office and/or retail purposes) in financial and business hubs and hospitality and/or hospitality-related purposes, within and outside of Singapore, as well as real estate-related assets.

OUE REIT’s portfolio currently comprises 6 prime properties located in Singapore:

- **One Raffles Place:** One of the tallest buildings in the Singapore CBD, One Raffles Place (“ORP”) is an iconic commercial development comprising two Grade A office towers and a retail mall, strategically located in the heart of main financial district Raffles Place. OUE REIT holds ORP through its 83.33% interest in OUB Centre Limited (“OUBC”). As OUBC owns 81.54% of the beneficial interest in ORP, OUE REIT has an effective interest of 67.95% in ORP.
- **OUE Downtown Office:** OUE Downtown Office is part of the OUE Downtown mixed-use development comprising Grade A offices, a retail podium as well as serviced residences, strategically located in Shenton Way.
- **Mandarin Gallery:** A high-end retail mall situated along Orchard Road in the heart of Singapore's shopping precinct, Mandarin Gallery boasts a wide 152-metre frontage, according it with a high degree of prominence, and serves as a preferred flagship location for international brands.
- **Hilton Singapore Orchard:** With 1,080 rooms, Hilton Singapore Orchard is Hilton's flagship hotel in the heart of Orchard Road, Singapore's shopping and entertainment district, providing top accommodation choices for both leisure and business travelers globally.
- **Crowne Plaza Changi Airport:** Crowne Plaza Changi Airport, managed by InterContinental Hotels Group, is a 575-room hotel directly connected to Changi Airport Terminal 3 and enjoys seamless connectivity to Jewel Changi Airport via a pedestrian bridge from Terminal 3.
- **OUE Bayfront:** Located at Collyer Quay in Singapore's CBD, OUE Bayfront is a premium Grade A office building which occupies a vantage position between the Marina Bay downtown and established financial hub of Raffles Place. OUE REIT has a 50% interest in OUE Bayfront via its interest in OUE Allianz Bayfront LLP.

On 20 December 2024, the Group through its wholly-owned subsidiary, entered into an agreement with an unrelated third party to divest the entire equity interest of Lippo Realty (Shanghai) Limited which owns 91.2% share of strata ownership of Lippo Plaza. The sale was completed on 27 December 2024.

OUE REIT’s distribution policy is to distribute at least 90% of its taxable income, on a semi-annual basis, with the actual level of distribution to be determined at the Manager’s discretion.

Summary of OUE REIT Group Results

	2H 2024⁽¹⁾ (\$'000)	2H 2023⁽²⁾ (\$'000)	Change (%)	FY 2024⁽¹⁾ (\$'000)	FY 2023⁽²⁾ (\$'000)	Change (%)
Revenue	148,792	146,253	1.7	295,521	285,055	3.7
Net property income	116,892	119,702	(2.3)	234,035	234,967	(0.4)
Amount to be distributed to Unitholders ⁽³⁾	62,361	57,723	8.0	113,660	115,307	(1.4)
Distribution per Unit (“DPU”) (cents)	1.13	1.04	8.7	2.06	2.09	(1.4)

NM: Not meaningful

Footnotes:

- (1) The current period results of OUE REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:5.3788 for 2H 2024 and 1:5.3879 for FY 2024.
- (2) The prior period results of OUE REIT’s foreign subsidiaries are translated using the SGD:CNY rate of 1:5.2516 for 2H 2023 and 1:5.2743 for FY 2023.
- (3) Net of retention for ongoing working capital requirements.

Statements of Financial Position
As at 31 December 2024

	Note	Group		Trust	
		31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
Non-current assets					
Plant and equipment		107	193	–	–
Investment properties	3	5,169,536	5,630,357	930,000	930,000
Investments in subsidiaries		–	–	2,639,743	2,683,406
Investment in joint venture	4	376,336	353,719	319,291	316,878
Financial derivatives		2,200	–	119	–
Trade and other receivables	5	4,438	4,805	–	–
Loans to a subsidiary	6	–	–	585,600	32,100
		<u>5,552,617</u>	<u>5,989,074</u>	<u>4,474,753</u>	<u>3,962,384</u>
Current assets					
Trade and other receivables	5	25,614	22,138	15,134	4,852
Cash and cash equivalents		361,670	54,225	2,580	3,274
Financial derivatives		–	3,274	–	869
		<u>387,284</u>	<u>79,637</u>	<u>17,714</u>	<u>8,995</u>
Total assets		<u>5,939,901</u>	<u>6,068,711</u>	<u>4,492,467</u>	<u>3,971,379</u>
Non-current liabilities					
Loans and borrowings	7	1,984,370	2,055,119	1,272,803	794,797
Trade and other payables	8	29,416	41,655	6,411	11,862
Financial derivatives		2,352	244	1,371	244
Deferred tax liabilities		16,721	64,356	–	–
Lease liability		22,612	22,716	–	–
		<u>2,055,471</u>	<u>2,184,090</u>	<u>1,280,585</u>	<u>806,903</u>
Current liabilities					
Loans and borrowings	7	115,265	–	105,265	–
Trade and other payables	8	71,594	90,340	27,619	24,564
Financial derivatives		167	–	167	–
Current tax liabilities		40,046	16,151	–	–
Lease liability		104	100	–	–
		<u>227,176</u>	<u>106,591</u>	<u>133,051</u>	<u>24,564</u>
Total liabilities		<u>2,282,647</u>	<u>2,290,681</u>	<u>1,413,636</u>	<u>831,467</u>
Net assets		<u>3,657,254</u>	<u>3,778,030</u>	<u>3,078,831</u>	<u>3,139,912</u>

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Financial Position (continued)
As at 31 December 2024

	Note	Group		Trust	
		31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
Represented by:					
Unitholders' funds		3,187,301	3,311,192	2,866,525	2,927,603
Convertible Perpetual Preferred Units ("CPPU") holder's funds	9	212,306	212,309	212,306	212,309
		<u>3,399,607</u>	<u>3,523,501</u>	<u>3,078,831</u>	<u>3,139,912</u>
Non-controlling interests		257,647	254,529	–	–
		<u>3,657,254</u>	<u>3,778,030</u>	<u>3,078,831</u>	<u>3,139,912</u>
Units in issue and to be issued ('000)	10	<u>5,500,064</u>	<u>5,492,950</u>	<u>5,500,064</u>	<u>5,492,950</u>
Net asset value per Unit (\$)	11	<u>0.58</u>	<u>0.60</u>	<u>0.52</u>	<u>0.53</u>

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statement of Total Return
Six-month period and financial year ended 31 December 2024

	Note	Group			
		Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Revenue	12	148,792	146,253	295,521	285,055
Property operating expenses		(31,900)	(26,551)	(61,486)	(50,088)
Net property income		116,892	119,702	234,035	234,967
Manager's management fees		(8,023)	(8,095)	(16,084)	(16,011)
Manager's performance fees		–	(1,643)	–	(1,643)
Trustee's fee		(487)	(484)	(971)	(961)
Other expenses		(280)	(653)	(1,427)	(611)
Finance income		3,267	2,394	3,655	3,004
Finance costs		(62,019)	(58,160)	(116,711)	(114,847)
Net finance costs	13	(58,752)	(55,766)	(113,056)	(111,843)
Net income		49,350	53,061	102,497	103,898
Share of results from joint venture		26,004	12,635	30,484	16,886
Net change in fair value of investment properties		(153,570)	87,474	(153,570)	87,474
Loss on disposal of a subsidiary	14	(26,427)	–	(26,427)	–
Total (loss)/return for the period/year before tax	15	(104,643)	153,170	(47,016)	208,258
Tax (expense)/credit	16	(5,101)	4,440	(11,892)	(2,479)
Total (loss)/return for the period/year		(109,744)	157,610	(58,908)	205,779
Total (loss)/return attributable to:					
Unitholders and CPPU holder		(115,985)	155,318	(68,321)	200,109
Non-controlling interests		6,241	2,292	9,413	5,670
		(109,744)	157,610	(58,908)	205,779
Earnings per Unit (cents)					
Basic	17	(2.13)	2.81	(1.28)	3.61
Diluted	17	(2.13)	2.68	(1.28)	3.45

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Distribution Statement
Six-month period and financial year ended 31 December 2024

	Group			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Amount available for distribution to Unitholders at beginning of the period/year	54,986	60,625	60,813	59,938
Total (loss)/return for the period/year attributable to Unitholders and CPPU holder	(115,985)	155,318	(68,321)	200,109
Less: Amount reserved for distribution to CPPU holder	(1,106)	(1,109)	(2,200)	(2,200)
Less: Amount retained for working capital requirements	–	(5,000)	(5,000)	(8,000)
Distribution adjustments (Note A)	176,952	(91,486)	184,181	(74,602)
Amount available for distribution for the period/year	59,861	57,723	108,660	115,307
Add: Amount released*	2,500	–	5,000	–
Amount to be distributed to Unitholders (Note B)	62,361	57,723	113,660	115,307
Distributions to Unitholders:				
- Distribution of 1.04 cents per Unit for the period from 1/7/2022 to 31/12/2022	–	–	–	(56,897)
- Distribution of 1.05 cents per Unit for the period from 1/1/2023 to 30/6/2023	–	(57,535)	–	(57,535)
- Distribution of 1.04 cents per Unit for the period from 1/7/2023 to 31/12/2023	–	–	(57,126)	–
- Distribution of 0.93 cents per Unit for the period from 1/1/2024 to 30/6/2024	(51,085)	–	(51,085)	–
	(51,085)	(57,535)	(108,211)	(114,432)
Amount available for distribution to Unitholders at the end of the period/year	66,262	60,813	66,262	60,813
Distribution per Unit (“DPU”) (cents)	1.13	1.04	2.06	2.09

* For the six-month period and financial year ended 31 December 2024, OUE REIT Group released the remaining \$2.5 million and \$5.0 million (2H 2023 and FY 2023: nil) of capital distribution from divestment of OUE Bayfront.

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Distribution Statement (continued)
Six-month period and financial year ended 31 December 2024

Note A – Distribution adjustments

	Group			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Net change in fair value of investment properties	153,570	(87,474)	153,570	(87,474)
Loss on disposal of a subsidiary	26,427	–	26,427	–
Withholding tax relating to disposal of a subsidiary	32,323	–	32,323	–
Amortisation of debt establishment costs	3,665	2,747	9,077	5,667
Ineffective portion of changes in fair value of cash flow hedges	(2,609)	(1,684)	(2,881)	(2,040)
Net change in fair value of financial derivatives	7,866	9,247	7,814	21,267
Manager's management fees paid/payable in Units	1,977	3,408	1,977	6,179
Trustee's fee	487	484	971	961
Foreign exchange differences	2,347	7	2,349	44
Deferred tax credit	(33,169)	(10,393)	(32,851)	(10,023)
Straight-lining of lease incentives	2,012	823	3,473	(3,017)
Transfer to statutory reserve	(486)	(471)	(1,049)	(1,064)
Other items	(17,458)	(8,180)	(17,019)	(5,102)
Distribution adjustments	<u>176,952</u>	<u>(91,486)</u>	<u>184,181</u>	<u>(74,602)</u>

Note B – Amount to be distributed to Unitholders

	Group			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Comprises:				
- From operations	45,343	49,562	80,984	93,335
- From tax exempt income	6,389	4,919	18,226	16,684
- From Unitholders' contribution	10,629	3,242	14,450	5,288
	<u>62,361</u>	<u>57,723</u>	<u>113,660</u>	<u>115,307</u>

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds
Six-month period ended 31 December 2024

	<---- Attributable to ---->				
	Unitholders \$'000	CPPU holder \$'000	Total \$'000	Non- controlling interests \$'000	Total \$'000
Group					
Net assets attributable to owners at 1 July 2024	3,298,178	212,294	3,510,472	251,301	3,761,773
Operations					
Total (loss)/return for the period	(115,985)	–	(115,985)	6,241	(109,744)
Less: Amount reserved for distribution to CPPU holder	(1,106)	1,106	–	–	–
Net (decrease)/increase in net assets resulting from operations	(117,091)	1,106	(115,985)	6,241	(109,744)
Transactions with owners					
Issue of new Units:					
- Manager's management fees paid/payable in Units	1,977	–	1,977	–	1,977
Distributions paid to Unitholders	(51,085)	–	(51,085)	–	(51,085)
Distributions paid to CPPU holder	–	(1,094)	(1,094)	–	(1,094)
Net decrease in net assets resulting from transactions with owners	(49,108)	(1,094)	(50,202)	–	(50,202)
Foreign currency translation reserve					
Foreign operations:					
- Currency translation differences	(1,988)	–	(1,988)	–	(1,988)
- Currency translation differences transferred to statement of total return	54,614	–	54,614	–	54,614
Net movement in foreign currency translation reserve	52,626	–	52,626	–	52,626
Hedging transactions					
Effective portion of change in fair value of cash flow hedges	8,089	–	8,089	–	8,089
Hedging reserve transferred to statement of total return	(4,326)	–	(4,326)	105	(4,221)
Share of movements in hedging reserve of joint venture	(1,067)	–	(1,067)	–	(1,067)
Net movement in hedging transactions	2,696	–	2,696	105	2,801
At 31 December 2024	<u>3,187,301</u>	<u>212,306</u>	<u>3,399,607</u>	<u>257,647</u>	<u>3,657,254</u>

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds (continued)
Financial year ended 31 December 2024

	<---- Attributable to ---->				
	Unitholders \$'000	CPPU holder \$'000	Total \$'000	Non- controlling interests \$'000	Total \$'000
Group					
Net assets attributable to owners at 1 January 2024	3,311,192	212,309	3,523,501	254,529	3,778,030
Operations					
Total (loss)/return for the year	(68,321)	–	(68,321)	9,413	(58,908)
Less: Amount reserved for distribution to CPPU holder	(2,200)	2,200	–	–	–
Net (decrease)/increase in net assets resulting from operations	(70,521)	2,200	(68,321)	9,413	(58,908)
Transactions with owners					
Issue of new Units:					
- Manager's management fees paid/payable in Units	1,977	–	1,977	–	1,977
Distributions paid to Unitholders	(108,211)	–	(108,211)	–	(108,211)
Distributions paid to CPPU holder	–	(2,203)	(2,203)	–	(2,203)
Distributions paid to non-controlling interests	–	–	–	(6,400)	(6,400)
Net decrease in net assets resulting from transactions with owners	(106,234)	(2,203)	(108,437)	(6,400)	(114,837)
Foreign currency translation reserve					
Foreign operations:					
- Currency translation differences	(3,990)	–	(3,990)	–	(3,990)
- Currency translation differences transferred to statement of total return	54,614	–	54,614	–	54,614
Net movement in foreign currency translation reserve	50,624	–	50,624	–	50,624
Hedging transactions					
Effective portion of change in fair value of cash flow hedges	6,626	–	6,626	–	6,626
Hedging reserve transferred to statement of total return	(3,136)	–	(3,136)	105	(3,031)
Share of movements in hedging reserve of joint venture	(1,250)	–	(1,250)	–	(1,250)
Net movement in hedging transactions	2,240	–	2,240	105	2,345
At 31 December 2024	<u>3,187,301</u>	<u>212,306</u>	<u>3,399,607</u>	<u>257,647</u>	<u>3,657,254</u>

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds (continued)
Six-month period ended 31 December 2023

	<---- Attributable to ---->				
	Unitholders \$'000	CPPU holder \$'000	Total \$'000	Non- controlling interests \$'000	Total \$'000
Group					
Net assets attributable to owners at 1 July 2023	3,218,347	212,291	3,430,638	252,237	3,682,875
Operations					
Total return for the period	155,318	–	155,318	2,292	157,610
Less: Amount reserved for distribution to CPPU holder	(1,109)	1,109	–	–	–
Net increase in net assets resulting from operations	154,209	1,109	155,318	2,292	157,610
Transactions with owners					
Issue of new Units:					
- Manager's management fees paid/payable in Units	3,408	–	3,408	–	3,408
Distributions paid to Unitholders	(57,535)	–	(57,535)	–	(57,535)
Distributions paid to CPPU holder	–	(1,091)	(1,091)	–	(1,091)
Net decrease in net assets resulting from transactions with owners	(54,127)	(1,091)	(55,218)	–	(55,218)
Movement in foreign currency translation reserve	(2,345)	–	(2,345)	–	(2,345)
Hedging transactions					
Effective portion of change in fair value of cash flow hedges	7,555	–	7,555	–	7,555
Hedging reserve transferred to statement of total return	(10,952)	–	(10,952)	–	(10,952)
Share of movements in hedging reserve of joint venture	(1,495)	–	(1,495)	–	(1,495)
Net movement in hedging transactions	(4,892)	–	(4,892)	–	(4,892)
At 31 December 2023	<u>3,311,192</u>	<u>212,309</u>	<u>3,523,501</u>	<u>254,529</u>	<u>3,778,030</u>

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds (continued)
Financial year ended 31 December 2023

	<----- Attributable to ----->				
	Unitholders	CPPU	Total	Non-	Total
	\$'000	holder	\$'000	controlling	\$'000
Group					
Net assets attributable to owners at 1 January 2023	3,240,073	212,309	3,452,382	254,985	3,707,367
Operations					
Total return for the year	200,109	–	200,109	5,670	205,779
Less: Amount reserved for distribution to CPPU holder	(2,200)	2,200	–	–	–
Net increase in net assets resulting from operations	197,909	2,200	200,109	5,670	205,779
Transactions with owners					
Issue of new Units:					
- Manager's management fees paid/payable in Units	6,179	–	6,179	–	6,179
Distributions paid to Unitholders	(114,432)	–	(114,432)	–	(114,432)
Distributions paid to CPPU holder	–	(2,200)	(2,200)	–	(2,200)
Distributions paid to non-controlling interests	–	–	–	(6,000)	(6,000)
Net decrease in net assets resulting from transactions with owners	(108,253)	(2,200)	(110,453)	(6,000)	(116,453)
Movement in foreign currency translation reserve	(13,581)	–	(13,581)	–	(13,581)
Hedging transactions					
Effective portion of change in fair value of cash flow hedges	9,234	–	9,234	–	9,234
Hedging reserve transferred to statement of total return	(12,353)	–	(12,353)	(126)	(12,479)
Share of movements in hedging reserve of joint venture	(1,837)	–	(1,837)	–	(1,837)
Net movement in hedging transactions	(4,956)	–	(4,956)	(126)	(5,082)
At 31 December 2023	3,311,192	212,309	3,523,501	254,529	3,778,030

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds (continued)
Six-month period ended 31 December 2024

	<----- Attributable to ----->		Total
	Unitholders	CPPU holder	
	\$'000	\$'000	\$'000
Trust			
Net assets attributable to owners at			
1 July 2024	2,936,013	212,294	3,148,307
Operations			
Total loss for the period	(20,612)	–	(20,612)
Less: Amount reserved for distribution to CPPU holder	(1,106)	1,106	–
Net (decrease)/increase in net assets resulting from operations	(21,718)	1,106	(20,612)
Transactions with owners			
Issue of new Units:			
- Manager's management fees paid/payable in Units	1,977	–	1,977
Distributions paid to Unitholders	(51,085)	–	(51,085)
Distributions paid to CPPU holder	–	(1,094)	(1,094)
Net decrease in net assets resulting from transactions with owners	(49,108)	(1,094)	(50,202)
Hedging transactions			
Effective portion of change in fair value of cash flow hedges	1,841	–	1,841
Hedging reserve transferred to statement of total return	(503)	–	(503)
Net movement in hedging transactions	1,338	–	1,338
At 31 December 2024	2,866,525	212,306	3,078,831

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds (continued)
Financial year ended 31 December 2024

	<----- Attributable to ----->		Total
	Unitholders	CPPU holder	
	\$'000	\$'000	\$'000
Trust			
Net assets attributable to owners at			
1 January 2024	2,927,603	212,309	3,139,912
Operations			
Total return for the year	45,754	–	45,754
Less: Amount reserved for distribution to CPPU holder	(2,200)	2,200	–
Net increase in net assets resulting from operations	43,554	2,200	45,754
Transactions with owners			
Issue of new Units:			
- Manager's management fees paid/payable in Units	1,977	–	1,977
Distributions paid to Unitholders	(108,211)	–	(108,211)
Distributions paid to CPPU holder	–	(2,203)	(2,203)
Net decrease in net assets resulting from transactions with owners	(106,234)	(2,203)	(108,437)
Hedging transactions			
Effective portion of change in fair value of cash flow hedges	2,419	–	2,419
Hedging reserve transferred to statement of total return	(817)	–	(817)
Net movement in hedging transactions	1,602	–	1,602
At 31 December 2024	2,866,525	212,306	3,078,831

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds (continued)
Six-month period ended 31 December 2023

	<----- Attributable to ----->		Total
	Unitholders	CPPU holder	
	\$'000	\$'000	\$'000
Trust			
Net assets attributable to owners at 1 July 2023	2,822,950	212,291	3,035,241
Operations			
Total return for the period	163,840	–	163,840
Less: Amount reserved for distribution to CPPU holder	(1,109)	1,109	–
Net increase in net assets resulting from operations	162,731	1,109	163,840
Transactions with owners			
Issue of new Units:			
- Manager's management fees paid/payable in Units	3,408	–	3,408
Distributions paid to Unitholders	(57,535)	–	(57,535)
Distributions paid to CPPU holder	–	(1,091)	(1,091)
Net decrease in net assets resulting from transactions with owners	(54,127)	(1,091)	(55,218)
Hedging transactions			
Effective portion of change in fair value of cash flow hedges	(2,810)	–	(2,810)
Hedging reserve transferred to statement of total return	(1,141)	–	(1,141)
Net movement in hedging transactions	(3,951)	–	(3,951)
At 31 December 2023	2,927,603	212,309	3,139,912

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Statements of Movements in Unitholders' Funds (continued)
Financial year ended 31 December 2023

	<----- Attributable to ----->		Total
	Unitholders	CPPU holder	
	\$'000	\$'000	\$'000
Trust			
Net assets attributable to owners at 1 January 2023	2,826,265	212,309	3,038,574
Operations			
Total return for the year	214,836	–	214,836
Less: Amount reserved for distribution to CPPU holder	(2,200)	2,200	–
Net increase in net assets resulting from operations	212,636	2,200	214,836
Transactions with owners			
Issue of new Units:			
- Manager's management fees paid/payable in Units	6,179	–	6,179
Distributions paid to Unitholders	(114,432)	–	(114,432)
Distributions paid to CPPU holder	–	(2,200)	(2,200)
Net decrease in net assets resulting from transactions with owners	(108,253)	(2,200)	(110,453)
Hedging transactions			
Effective portion of change in fair value of cash flow hedges	(503)	–	(503)
Hedging reserve transferred to statement of total return	(2,542)	–	(2,542)
Net movement in hedging transactions	(3,045)	–	(3,045)
At 31 December 2023	2,927,603	212,309	3,139,912

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Portfolio Statements
As at 31 December 2024

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 31/12/2024 \$'000	Percentage of Unitholders' funds at 31/12/2024 %	Carrying value at 31/12/2023 \$'000	Percentage of Unitholders' funds at 31/12/2023 %
<i>Singapore</i>								
OUE Downtown Office								
OUE Downtown is a mixed-use development comprising a 50-storey building (OUE Downtown 1) and a 37-storey building (OUE Downtown 2), a retail podium and a multi-storey car park	OUE Downtown 1 and OUE Downtown 2: 99-year lease from 19 July 1967	42 years	6 Shenton Way, Singapore 068809 and 6A Shenton Way, Singapore 068815	Commercial	930,000	30	930,000	28
The Group owns the office components of OUE Downtown (OUE Downtown Office), comprising OUE Downtown 1 (Strata Lot U4628V) and OUE Downtown 2 (Strata Lot U4629P)								
One Raffles Place								
An integrated commercial development comprising One Raffles Place Tower 1, One Raffles Place Tower 2 and One Raffles Place Shopping Mall	One Raffles Place Tower 1: 841-year lease from 1 November 1985	802 years	1 Raffles Place, One Raffles Place, Singapore 048616	Commercial	1,926,300	61	1,909,000	58
The Group has an effective interest of 67.95% in One Raffles Place	One Raffles Place Tower 2: 99-year lease from 26 May 1983	58 years						
	One Raffles Place Shopping Mall: the retail podium straddles two land plots: - approximately 75% of the net lettable area ("NLA") of the retail podium is on a 99-year lease from 1 November 1985 - the balance 25% of the NLA of the retail podium is on an 841-year lease from 1 November 1985	60 years 803 years						

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Portfolio Statements (continued)
As at 31 December 2024

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 31/12/2024 \$'000	Percentage of Unitholders' funds at 31/12/2024 %	Carrying value at 31/12/2023 \$'000	Percentage of Unitholders' funds at 31/12/2023 %
Crowne Plaza Changi Airport An airport hotel situated within the vicinity of passenger terminals of Singapore Changi Airport and is connected to Jewel Changi Airport via a pedestrian bridge from Terminal 3.	74-year lease from 1 July 2009	59 years	75 Airport Boulevard, Singapore 819664	Hotel	520,000	16	519,000	15
Hilton Singapore Orchard A hotel with 1,080 rooms located in the heart of Orchard Road.	99-year lease from 1 July 1957	32 years	333 Orchard Road, Singapore 238867	Hotel	1,318,500	41	1,346,000	41
Mandarin Gallery High-end retail mall with 152-metre frontage situated along Orchard Road.	99-year lease from 1 July 1957	32 years	333A Orchard Road, Singapore 238897	Retail	451,000	14	453,500	14

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Portfolio Statements (continued)
As at 31 December 2024

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Group -----			
					Carrying value at 31/12/2024 \$'000	Percentage of Unitholders' funds at 31/12/2024 %	Carrying value at 31/12/2023 \$'000	Percentage of Unitholders' funds at 31/12/2023 %
<i>Shanghai</i>								
Lippo Plaza ⁽¹⁾	50-year land use right commencing from 2 July 1994	–	222 Huaihai Zhong Road, Huangpu District, Shanghai, PRC 200021	Commercial	–	–	449,041	13
A 36-storey commercial building with retail podium at Shanghai, China excluding:								
(i) Unit 2 in Basement 1,								
(ii) the 12 th , 13 th , 15 th and 16 th floors and								
(iii) 4 car park lots								
Total investment properties					5,145,800	162	5,606,541	169
Investment in joint venture					376,336	12	353,719	11
Other assets and liabilities (net)					(1,864,882)	(59)	(2,182,230)	(66)
Net assets of the Group					3,657,254	115	3,778,030	114
Net assets attributable to CPPU holder					(212,306)	(7)	(212,309)	(6)
Net assets attributable to non-controlling interests					(257,647)	(8)	(254,529)	(8)
Unitholders' funds					3,187,301	100	3,311,192	100

⁽¹⁾ Lippo Plaza was disposed in December 2024 (Note 14). The carrying value of Lippo Plaza as at 31 December 2023 in Renminbi was RMB 2,400,000,000.

The properties are leased to third parties except as otherwise stated in Note 12. Generally, the leases contain an initial non-cancellable period of 1 to 11 years (31 December 2023: 1 to 10 years). Subsequent renewals are negotiated with the respective lessees.

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Portfolio Statements (continued)
As at 31 December 2024

Description of property	Leasehold tenure	Remaining Term of Lease	Location	Existing use	----- Trust -----			
					Carrying value at 31/12/2024 \$'000	Percentage of Unitholders' funds at 31/12/2024 %	Carrying value at 31/12/2023 \$'000	Percentage of Unitholders' funds at 31/12/2023 %
<i>Singapore</i>								
OUE Downtown Office OUE Downtown is a mixed-use development comprising a 50-storey building (OUE Downtown 1) and a 37-storey building (OUE Downtown 2), a retail podium and a multi-storey car park	OUE Downtown 1 and OUE Downtown 2: 99-year lease from 19 July 1967	42 years	6 Shenton Way, Singapore 068809 and 6A Shenton Way, Singapore 068815	Commercial	930,000	32	930,000	32
The Trust owns the office components of OUE Downtown (OUE Downtown Office), comprising OUE Downtown 1 (Strata Lot U4628V) and OUE Downtown 2 (Strata Lot U4629P)								
Investment properties					930,000	32	930,000	32
Investment in joint venture					319,291	11	316,878	11
Other assets and liabilities (net)					1,829,540	64	1,893,034	64
Net assets of the Trust					3,078,831	107	3,139,912	107
Net assets attributable to CPPU holder					(212,306)	(7)	(212,309)	(7)
Unitholders' funds					2,866,525	100	2,927,603	100

The properties are leased to third parties except as otherwise stated in Note 12. Generally, the leases contain an initial non-cancellable period of 1 to 6 years (31 December 2023: 1 to 6 years). Subsequent renewals are negotiated with the respective lessees.

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Consolidated Statement of Cash Flows
Financial year ended 31 December 2024

	Group	
	Financial year ended	Financial year ended
	31 December 2024	31 December 2023
Note	\$'000	\$'000
Cash flows from operating activities		
Total return for the year	(58,908)	205,779
Adjustments for:		
Depreciation of plant and equipment	61	66
Finance costs	114,359	114,805
Finance income	(3,655)	(3,004)
Manager's fees paid/payable in Units	1,977	6,179
Share of results from joint venture	(30,484)	(16,886)
Net change in fair value of investment properties	153,570	(87,474)
Loss on disposal of a subsidiary	26,427	–
Allowance/(write-back) for doubtful receivables	412	(162)
Tax expense	11,892	2,479
Operating income before working capital changes	215,651	221,782
Changes in working capital:		
Trade and other receivables	(1,764)	(1,139)
Trade and other payables	(1,518)	3,997
Cash generated from operating activities	212,369	224,640
Tax paid	(11,750)	(11,253)
Net cash from operating activities	200,619	213,387
Cash flows from investing activities		
Additions to plant and equipment	–	(40)
Payment for capital expenditure on investment properties	(24,075)	(10,568)
Disposal of a subsidiary, net of cash disposed	14 299,460	–
Dividends received from joint venture	9,031	8,662
Interest received	3,305	3,404
Net cash from investing activities	287,721	1,458
Cash flows from financing activities		
Distributions paid to Unitholders	(108,211)	(114,432)
Distributions paid to CPPU holder	(2,203)	(2,200)
Distributions paid to non-controlling interests	(6,400)	(6,000)
Interest paid	(90,795)	(85,296)
Payment of transaction costs related to borrowings	(11,775)	(2,007)
Payment of lease liability	(1,020)	(1,009)
Proceeds from bank loans	622,250	446,882
Proceeds from issuance of Notes	550,000	–
Repayment of bank loans	(1,132,250)	(444,882)
Net cash used in financing activities	(180,404)	(208,944)

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Consolidated Statement of Cash Flows (continued)
Financial year ended 31 December 2024

	Group	
	Financial year ended	Financial year ended
	31 December	31 December
	2024	2023
	\$'000	\$'000
Net increase in cash and cash equivalents	307,936	5,901
Cash and cash equivalents at beginning of the year	54,225	49,482
Effect of exchange rate fluctuations on cash held	(491)	(1,158)
Cash and cash equivalents at end of the year	361,670	54,225

Significant non-cash transaction

During the year, there were the following significant non-cash transaction:

Financial year ended 31 December 2024

- a total of 7,114,108 Units, amounting to \$1,977,000 were or would be issued to the Manager as satisfaction of the Manager's management fees for the financial year.

Financial year ended 31 December 2023

- a total of 21,999,691 Units, amounting to \$6,179,000 were or would be issued to the Manager as satisfaction of the Manager's management fees for the financial year.

The accompanying notes form an integral part of the condensed interim consolidated financial statements

Notes to the Financial Statements

These notes form an integral part of the condensed interim consolidated financial statements.

1 General

OUE Real Estate Investment Trust (the “Trust”) is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 10 October 2013 (as amended) (the “Trust Deed”) between OUE REIT Management Pte. Ltd. (the “Manager”) and DBS Trustee Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiaries (the “Group”) in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

The Trust was admitted to the Official List of Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 27 January 2014 (the “Listing Date”).

The principal activity of the Trust is to invest, directly or indirectly, in a portfolio of income-producing real estate used primarily for commercial purposes (including real estate used primarily for office and/or retail purposes) in financial and business hubs and hospitality and/or hospitality-related purposes, within and outside of Singapore, as well as real estate-related assets.

The condensed interim consolidated financial statements (“Financial Statements”) relates to the Trust and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interests in its joint venture.

The Group is regarded as a subsidiary of OUE Limited (“OUE”) for financial reporting purposes. Accordingly, the ultimate holding company of the Trust is Lippo ASM Asia Property Limited, a company incorporated in the Cayman Islands.

On 29 January 2024, OUE Commercial Real Estate Investment Trust changed its name to OUE Real Estate Investment Trust.

2 Basis of preparation

The Financial Statements has been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice (“RAP”) 7 “*Reporting Framework for Investment Funds*” relevant to condensed interim consolidated financial statements issued by the Institute of Singapore Chartered Accountants (“ISCA”), the applicable requirements of the Code on Collective Investment Schemes (the “CIS Code”) issued by the Monetary Authority of Singapore (the “MAS”) and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards (“FRS”). The Financial Statements does not include all the information required for a complete set of financial statements prepared in accordance with FRS Standards and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last annual financial statements.

The Financial Statements has been prepared on the historical cost basis, except for the investment properties and financial derivatives which are stated at their fair values.

The Financial Statements is presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The preparation of the Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

The accounting policies applied by the Group in this Financial Statements are consistent with those applied by the Group in its financial statements as at and for the year ended 31 December 2023 except for the adoption of the revised standards that are effective for annual periods beginning on 1 January 2024. The adoption of these new and revised standards did not have a material impact on the Group's Financial Statements.

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial year.

3 Investment properties

	----- Group -----		----- Trust -----	
	31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
At 1 January	5,630,357	5,539,164	930,000	930,000
Capital expenditure capitalised	11,618	22,460	2,296	819
Disposal of a subsidiary (note 14)	(311,136)	-	-	-
Lease incentives	(3,461)	(554)	(4)	219
Fair value changes recognised in the statement of total return	(153,570)	84,527	(2,292)	(1,038)
Translation differences	(4,272)	(15,240)	-	-
At 31 December	5,169,536	5,630,357	930,000	930,000

As at 31 December 2024, no investment property was pledged as security to secure bank loans (31 December 2023: \$930,000,000) (see Note 7).

Measurement of fair value

The investment properties are stated at fair value at the reporting date.

Properties	Valuer
31 December 2024	
OUE Downtown Office	Savills Valuation and Professional Services (S) Pte Ltd
One Raffles Place	Savills Valuation and Professional Services (S) Pte Ltd
Crowne Plaza Changi Airport	Cushman & Wakefield VHS Pte Ltd
Hilton Singapore Orchard	Cushman & Wakefield VHS Pte Ltd
Mandarin Gallery	Cushman & Wakefield VHS Pte Ltd
31 December 2023	
OUE Downtown Office	Savills Valuation and Professional Services (S) Pte Ltd
One Raffles Place	Savills Valuation and Professional Services (S) Pte Ltd
Crowne Plaza Changi Airport	Cushman & Wakefield VHS Pte Ltd
Hilton Singapore Orchard	Cushman & Wakefield VHS Pte Ltd
Mandarin Gallery	Cushman & Wakefield VHS Pte Ltd
Lippo Plaza	CBRE (Shanghai) Management Limited

The fair values were derived based on the discounted cash flow, capitalisation and direct comparison methods. The valuation methods involve certain estimates including those relating to discount rate, terminal yield rate, capitalisation rate, price per square foot and price per room. The specific risks inherent in each of the properties are taken into consideration in arriving at the valuations.

The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. The capitalisation method capitalises an income stream into a present value using single-year capitalisation rate. The direct comparison method involves the analysis of comparable sales of similar properties, with adjustments made to differentiate the comparables in terms of location, area, quality and other relevant factors.

In relying on the valuation reports, the Manager has exercised its judgment and is satisfied that the valuation methods and estimates used are reflective of the current market conditions. The fair value measurement of all of the Group's investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

	31 December 2024 \$'000	31 December 2023 \$'000
Fair value of investment properties (based on independent valuation)	5,145,800	5,606,541
Add: Carrying amount of lease liability	22,716	22,816
Add: Prepayment of lease	1,020	1,000
Carrying amount of investment properties	<u>5,169,536</u>	<u>5,630,357</u>

Valuation techniques and significant unobservable inputs

The following table shows the Group's valuation techniques used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Commercial (Singapore)	Commercial (China)	Hospitality (Singapore)	Inter-relationship between key unobservable inputs and fair value measurement
<i>Discounted cash flow method</i>	Discount rate				The estimated fair value would increase/(decrease) if: <ul style="list-style-type: none"> • discount rate was lower (higher); • terminal yield rate was lower (higher).
	At 31 December 2024	6.5% - 7.0%	–	6.8% - 7.0%	
	At 31 December 2023	6.5% - 7.0%	7.5%	7.0% - 7.25%	
	Terminal yield rate				
	At 31 December 2024	3.8% - 5.3%	–	4.8% - 6.0%	
	At 31 December 2023	3.8% - 5.8%	4.8%	5.0% - 6.0%	
<i>Capitalisation method</i>	Capitalisation rate				The estimated fair value would increase/(decrease) if the capitalisation rate was lower (higher).
	At 31 December 2024	3.5% - 5.0%	–	–	
	At 31 December 2023	3.5% - 5.0%	4.5%	–	
<i>Direct comparison method</i>	Price per square foot (psf)				The estimated fair value would increase/(decrease) if the price psf was higher (lower).
	At 31 December 2024	\$1,758 - \$3,573	–	–	
	At 31 December 2023	\$1,755 - \$3,591	–	–	

4 Investment in joint venture

	----- Group -----		----- Trust -----	
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Investment in joint venture	376,336	353,719	319,291	316,878

Details of the joint venture are as follows:

Name of joint venture	Place of constitution/ business	Principal activities	Effective equity interest held by the Trust	
			2024	2023
			%	%
OUE Allianz Bayfront LLP	Singapore	Property owner and investment holding	50	50

5 Trade and other receivables

	----- Group -----		----- Trust -----	
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables from:				
- other related parties	8,559	7,861	-	-
- third parties	3,520	3,730	299	223
	12,079	11,591	299	223
Less: Allowance for doubtful receivables	(639)	(410)	-	-
	11,440	11,181	299	223
Interest receivables	185	1,187	167	602
Other receivables from:				
- subsidiaries	-	-	13,681	2,958
- other related parties	52	16	1	16
- joint venture	415	330	415	330
- third parties	10,827	7,562	484	551
	11,479	9,095	14,748	4,457
Deposits	25	273	3	3
	22,944	20,549	15,050	4,683
Prepayments	2,670	1,589	84	169
	25,614	22,138	15,134	4,852
Non-current				
Deposits	4,109	4,109	-	-
Prepayments	329	696	-	-
	4,438	4,805	-	-

6 Loans to a subsidiary

As at 31 December 2024, the Trust has:

- on-lent the proceeds of \$555.0 million (31 December 2023: \$5.0 million) from the issuance of the notes to OUE Hospitality Sub-Trust (“OUE H-Sub-Trust”) (see note 7(d)). The loans are unsecured and repayable on demand with a fixed rate ranging from 3.90% to 4.10% per annum. The loans are not expected to be repaid in the next twelve months from the reporting date; and
- lent a loan of \$30.6 million (31 December 2023: \$27.1 million) to OUE H-Sub-Trust. The loan is unsecured, bears interest at SORA with a fixed margin per annum and matures in 2026.

7 Loans and borrowings

	----- Group -----		----- Trust -----	
	31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
Bank loans				
- Secured	–	400,000	–	400,000
- Unsecured	1,163,500	1,268,000	439,500	–
Unsecured notes	950,000	400,000	–	–
Loans from a subsidiary	–	–	950,000	400,000
Less: Unamortised transaction costs	(13,865)	(12,881)	(11,432)	(5,203)
	2,099,635	2,055,119	1,378,068	794,797
Classified as:				
Current	115,265	–	105,265	–
Non-current	1,984,370	2,055,119	1,272,803	794,797
	2,099,635	2,055,119	1,378,068	794,797

The aggregate leverage was 39.9% (31 December 2023: 38.2%). The interest coverage ratio stood at 2.2 times^(a) (31 December 2023: 2.4 times^(a)).

^(a) Interest coverage ratio is calculated based on guidance under Monetary Authority of Singapore’s Code on Collective Investment Schemes, Property Funds Appendix 6 (last revised on 28 November 2024).

(a) Secured bank loans

The Group does not have secured term loans and revolving credit facilities as at 31 December 2024. As at 31 December 2023, the Group has secured term loans and revolving credit facilities which are secured on the following:

- investment property with a total carrying amount of \$930,000,000;
- assignment of insurance policies on the investment property, except public liability insurance;

- assignment of all rights, titles, benefits and interests in connection with the sale and tenancy agreements, tenancy deposits/proceeds, sales deposits/proceeds, property management agreements and the receivables of the investment property;
- a debenture incorporating a fixed charge over book debt, charged accounts, goodwill, intellectual property and plant and machinery and floating charge over generally all of the present and future assets of the Trust in connection with the investment property; and
- the account control or charge over certain bank accounts of the Trust.

(b) Unsecured bank loans

The Group has in place the following unsecured bank loans:

- a total of \$1,358.0 million (31 December 2023: \$1,308.0 million) committed bank loans and revolving credit facilities with banks. At the reporting date, \$1,148.0 million (31 December 2023: \$1,268.0 million) was drawn down; and
- \$150.0 million (31 December 2023: \$150.0 million) uncommitted revolving credit facility with banks. At the reporting date, \$15.5 million (31 December 2023: nil) was drawn down. The outstanding balance of the drawn facilities is repayable on demand.

In May 2024, the Group completed the refinancing of a \$600.0 million unsecured sustainability-linked facilities. The unsecured facilities were used to refinance existing \$540.0 million secured term and revolving loan facilities and general corporate funding purposes and incorporate interest rate reductions linked to predetermined sustainability performance targets which will allow the Group to enjoy savings in interest costs if targets are achieved.

(c) Unsecured notes

In March 2020, the Trust, through its wholly-owned subsidiary, OUE REIT Treasury Pte. Ltd., established a \$2.0 billion Multicurrency Debt Issuance Programme (the “2020 Programme”). Under the 2020 Programme, OUE REIT Treasury Pte. Ltd. may from time to time issue notes and/or perpetual securities in series or tranches.

During the year, OUE REIT Treasury Pte. Ltd. issued notes amounting to \$550.0 million under the 2020 Programme.

As at 31 December 2024, the unsecured notes outstanding under the 2020 Programme is \$950.0 million (31 December 2023: \$400.0 million). The unsecured notes have fixed rates ranging from 3.90% to 4.10% (31 December 2023: 3.95% to 4.00%) per annum payable semi-annually in arrears and mature between 2025 and 2031 (31 December 2023: 2025 and 2027).

In October 2024, the Trust, through its wholly-owned subsidiary, OUE REIT Treasury Pte. Ltd., established a \$2.0 billion Euro Medium Term Note Programme (the “EMTN Programme”). Under the EMTN Programme, OUE REIT Treasury Pte. Ltd. may from time to time issue notes and/or perpetual securities in series or tranches. As at 31 December 2024, no notes have been issued under the EMTN programme.

The unsecured notes and the coupons relating thereto of all series will constitute direct, unconditional, unsubordinated and unsecured obligations of OUE REIT Treasury Pte. Ltd. and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than the subordinated obligations and priorities created by law) of OUE REIT Treasury Pte. Ltd.. All sums payable in respect of the unsecured notes will be unconditionally and irrevocably guaranteed by the Trustee, in its capacity as trustee of the Group.

(d) Loans from a subsidiary

OUE REIT Treasury Pte. Ltd. has on-lent the proceeds from the issuance of the notes to the Trust. The Trust has then on-lent \$555.0 million (31 December 2023: \$5.0 million) of the proceeds to OUE H-Sub-Trust.

8 Trade and other payables

	----- Group -----		----- Trust -----	
	31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
Current				
Trade payables	1,996	2,146	33	189
Other payables due to:				
- the Manager	3,543	3,726	1,977	3,726
- subsidiaries	-	-	3,325	1,693
- related parties	877	16,453	173	-
- joint venture	464	454	464	454
- third parties	5,012	14,032	414	613
Advance rental received	1,095	2,539	290	143
Accrued expenses	33,512	29,006	9,357	12,476
Interest payable to:				
- a subsidiary	-	-	4,397	3,681
- third parties	8,976	7,550	3,216	-
Rental deposits				
- related parties	104	-	74	-
- third parties	14,309	12,556	3,570	1,247
Other deposits				
- related parties	47	34	14	4
- third parties	1,659	1,844	315	338
	<u>71,594</u>	<u>90,340</u>	<u>27,619</u>	<u>24,564</u>
Non-current				
Rental deposits				
- related parties	608	627	299	316
- third parties	28,808	38,029	6,112	8,547
Provisions	-	2,999	-	2,999
	<u>29,416</u>	<u>41,655</u>	<u>6,411</u>	<u>11,862</u>

9 Convertible perpetual preferred units

In October 2015, the Group and the Trust issued 550 million Convertible Perpetual Preferred Units (“CPPU”) at \$1 per Unit to a substantial unitholder of the Trust which is also a related party of the Manager, as partial satisfaction of the purchase consideration for the subsidiaries acquired. The key terms and conditions of the CPPUs are as follows:

- the CPPU holder has the right to receive preferential non-cumulative distribution of an amount equivalent to 1.0% per annum of the issue price which may be declared by the Manager at its sole discretion;
- any preferential distribution or part thereof not due or payable shall not accumulate for the benefit of the CPPU holder or entitle the CPPU holder to any claim in respect thereof against the Trust, the Trustee and/or the Manager;
- the CPPUs rank senior to the Units in respect of the entitlement to participate in the distributions of the Trust and rank senior to the Units in respect of the entitlement to receive out of the assets of the Trust the amount equivalent to the number of CPPUs held by the CPPU holder multiplied by the issue price and outstanding preferred and special preferred distribution upon the liquidation of the Trust. The CPPUs rank junior to the claims of all other present and future creditors of the Trust;
- the CPPU holder has the sole right to convert the CPPUs into Units, provided that the number of CPPUs converted in each financial year shall not exceed one-third of the total number of CPPUs initially issued to the CPPU holder, at a conversion price of \$0.7154 per CPPU, being the adjusted conversion price pursuant to the rights issue undertaken by the Trust in October 2018. The CPPUs may not be converted into Units for a period of four years commencing from the date of issuance of the CPPUs on 8 October 2015;
- the Manager shall have the sole right to redeem any number of CPPUs for the time being issued and outstanding on a pro-rata basis at the issue price at all times;
- the Manager shall not declare distributions or pay any distributions to the Unitholders, or make any redemption, unless the Manager declares or pays distributions to the CPPU holder; and
- the CPPU holder does not have the right to attend and vote at the meetings of Unitholders except during such period as the preferred or special preferred distribution remains in arrears and unpaid for at least 12 months, or upon any resolution which varies or abrogates any right, preference or privilege of the CPPUs, or upon any resolution for the dissolution or winding up of the Trust.

The CPPUs are classified as equity instruments in the statement of financial position.

The carrying value of the remaining 220.0 million (31 December 2023: 220.0 million) CPPUs and the total return attributable to the CPPU holder from the last distribution date is presented as \$212,306,000 (31 December 2023: \$212,309,000) in the condensed interim consolidated statement of financial position.

10 Units in issue and to be issued

	-----Group and Trust-----	
	31 December 2024 '000	31 December 2023 '000
Units in issue		
At 1 January	5,492,950	5,465,002
Creation of Units:		
- Manager's management fees paid in Units	-	20,913
At 31 December	5,492,950	5,485,915
Units to be issued		
Manager's management fees payable in Units	7,114	7,035
Units in issue and to be issued	5,500,064	5,492,950

11 Net asset value per Unit

		----- Group -----		----- Trust -----	
	Note	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Net asset value per Unit is based on:					
- Net assets attributable to Unitholders (\$'000)		3,187,301	3,311,192	2,866,525	2,927,603
- Units in issue and to be issued at 31 December ('000)	10	5,500,064	5,492,950	5,500,064	5,492,950

12 Revenue

	----- Group -----			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Rental income	135,944	133,970	268,828	259,269
Service fee income	9,605	8,928	20,255	18,909
Carpark income	873	964	1,767	1,936
Others	2,370	2,391	4,671	4,941
	148,792	146,253	295,521	285,055

Under the terms of the lease agreements for the properties, the Group is generally entitled to a fixed rent component and/or a variable rent component computed based on a certain percentage of the revenue. Hilton Singapore Orchard is leased to a related party under a master lease arrangement. The lease contains an initial term of 15 years from 25 July 2013 with an option to renew for a further 15 years. Crowne Plaza Changi Airport is leased to a related party under a master lease agreement till 27 May 2028, with an option to renew for two consecutive terms of five years each.

Included in rental income is variable rent of \$3,286,000 (31 December 2023: \$3,806,000) recognised in the statement of total return for the Group.

Included in the revenue of the Group are amounts derived from related parties of \$109,142,000 (31 December 2023: \$99,770,000).

Others include miscellaneous income such as utilities and annual license fee, which are recognised over time as the service is provided.

13 Net finance costs

	----- Group -----			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Finance income				
Interest income	658	710	774	964
Ineffective portion of changes in fair value of cash flow hedges	2,609	1,684	2,881	2,040
	3,267	2,394	3,655	3,004
Finance costs				
Amortisation of debt-related transaction costs	(3,665)	(2,747)	(9,077)	(5,667)
Interest paid/payable to banks*	(47,679)	(45,670)	(96,549)	(86,948)
Net change in fair value of derivatives	(7,866)	(9,247)	(7,814)	(21,267)
Net foreign exchange loss	(2,349)	(5)	(2,351)	(42)
Financial liability measured at amortised cost – interest expense	(460)	(491)	(920)	(923)
	(62,019)	(58,160)	(116,711)	(114,847)
Net finance costs	(58,752)	(55,766)	(113,056)	(111,843)

* 2H 2024 and FY 2024 included gain on cash flow hedges of \$4,221,000 (2H 2023: \$10,952,000) and \$3,031,000 (FY 2023: \$12,479,000) transferred from hedging reserve.

14 Disposal of a subsidiary

On 20 December 2024, the Group announced the divestment of 100% issued and paid-up capital of Lippo Realty (Shanghai) Limited through its indirect wholly-owned subsidiary, Tecwell Pte. Ltd. for a total sales consideration of RMB 1,916,925,000 (equivalent to approximately \$357,382,000). The sale was completed on 27 December 2024.

Effect of disposal

The cash flows relating to assets and liabilities of Lippo Realty (Shanghai) Limited disposed during the period were as follows:

	\$'000
Investment property	311,136
Property, plant and equipment	27
Trade and other receivables	972
Cash and cash equivalents	57,920
Trade and other payables	(21,436)
Deferred tax liabilities	(14,368)
Current tax liabilities	(9,011)
Net asset disposed	325,240
Transfer of foreign currency translation reserve to statement of total return	54,614
Tax expense relating to disposal	(32,323)
Loss on disposal of a subsidiary	(26,427)
	321,104
Less: Deferred consideration	(3,260)
Less: Cash and cash equivalents disposed	(57,920)
Add: Transaction costs payable in cash	39,536
Net cash inflow on disposal of a subsidiary	299,460

15 Total return for the period/year before tax

Included in total return for the period/year before tax are the following:

	Group			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Audit fees paid/payable to:				
- Auditors of the Trust	96	144	227	281
- Auditors of other firms affiliated with KPMG International Limited	27	30	52	55
Non-audit fees paid/payable to:				
- Auditors of the Trust [#]	141	64	168	96
- Auditors of other firms affiliated with KPMG International Limited	3	2	6	6
Valuation fees	43	26	90	88

[#] Non-audit fees paid to auditors of the Trust and other firm affiliated with KPMG International Limited include audit-related services of \$69,000 (31 December 2023: \$18,000).

16 Tax expense/(credit)

	Group			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Current tax expense				
Current period/year	5,510	5,564	11,476	11,580
Changes in estimates relating to prior years	–	(36)	–	(36)
	5,510	5,528	11,476	11,544
Withholding tax	32,760	425	33,267	958
Deferred tax credit				
Origination and reversal of temporary differences	(33,169)	(10,393)	(32,851)	(10,023)
	5,101	(4,440)	11,892	2,479

17 Earnings per Unit

(i) Basic earnings per Unit

The calculation of basic earnings per Unit was based on the total return attributable to Unitholders and the weighted average number of Units, as set out below:

Total return attributable to Unitholders

	----- Group -----			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Total (loss)/return for the period/year attributable to Unitholders and CPPU holder	(115,985)	155,318	(68,321)	200,109
Less: Amount reserved for distribution to CPPU holder	(1,106)	(1,109)	(2,200)	(2,200)
Total (loss)/return attributable to Unitholders	(117,091)	154,209	(70,521)	197,909

Weighted average number of Units

	----- Group -----			
	Six-month period ended 31 December 2024 '000	Six-month period ended 31 December 2023 '000	Financial year ended 31 December 2024 '000	Financial year ended 31 December 2023 '000
Units issued or to be issued at beginning of the period/year	5,492,950	5,479,523	5,492,950	5,470,950
Effect of Units issued during the period/year	–	3,231	–	7,060
Effect of Units to be issued as payment of the Manager's management fees payable in Units	38	38	19	20
Weighted average number of Units during the period/year	5,492,988	5,482,792	5,492,969	5,478,030

(ii) Diluted earnings per Unit

The calculation of diluted earnings per Unit was based on the total return attributable to Unitholders and CPPU holder and the weighted average number of Units, after adjustment for the effect of all dilutive potential Units, as set out below:

Total return attributable to Unitholders (diluted)

	Group			
	Six-month period ended 31 December 2024 \$'000	Six-month period ended 31 December 2023 \$'000	Financial year ended 31 December 2024 \$'000	Financial year ended 31 December 2023 \$'000
Total (loss)/return attributable to Unitholders (basic)	(117,091)	154,209	(70,521)	197,909
Add: Amount reserved for distribution to CPPU holder	1,106	1,109	2,200	2,200
Total (loss)/return attributable to Unitholders and CPPU holder (diluted)	(115,985)	155,318	(68,321)	200,109

Weighted average number of Units (diluted)

	Group			
	Six-month period ended 31 December 2024 '000	Six-month period ended 31 December 2023 '000	Financial year ended 31 December 2024 '000	Financial year ended 31 December 2023 '000
Weighted average number of Units (basic)	5,492,988	5,482,792	5,492,969	5,478,030
Effect of the Manager's fees paid/payable in Units	–	10,158	–	14,920
Effect of conversion of CPPUs into Units ⁽¹⁾	–	307,520	–	307,520
Weighted average number of Units (diluted)	5,492,988	5,800,470	5,492,969	5,800,470

⁽¹⁾ The weighted average number of Units includes the weighted average potential Units to be issued assuming all the remaining CPPUs were converted at \$0.7154 per Unit, being the adjusted conversion price pursuant to the rights issue.

18 Operating segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the Board of Directors of the Manager. Segment net property income is used to measure performance as management believes that such information is the most relevant in evaluating the results of its segments relative to other entities that operate within the same industry.

Information about reportable segments

	Commercial \$'000	Hospitality \$'000	Total \$'000
Six-months ended 31 December 2024			
Revenue	94,602	54,190	148,792
Property operating expenses	(24,652)	(7,248)	(31,900)
Reportable segment net property income	<u>69,950</u>	<u>46,942</u>	<u>116,892</u>
Depreciation and amortisation	(29)	–	(29)
Finance income	1,305	1,962	3,267
Finance costs	(38,490)	(23,529)	(62,019)
Unallocated items			
- Expenses			<u>(8,761)</u>
Net income			49,350
Share of results from joint venture			26,004
Net change in fair value of investment properties	(121,557)	(32,013)	(153,570)
Loss on disposal of a subsidiary			(26,427)
Tax expense			<u>(5,101)</u>
Total loss for the period			<u>(109,744)</u>
31 December 2024			
Total assets	<u>3,878,863</u>	<u>2,061,038</u>	<u>5,939,901</u>
Six-months ended 31 December 2023			
Revenue	94,830	51,423	146,253
Property operating expenses	(23,737)	(2,814)	(26,551)
Reportable segment net property income	<u>71,093</u>	<u>48,609</u>	<u>119,702</u>
Depreciation and amortisation	(32)	–	(32)
Finance income	1,447	947	2,394
Finance costs	(31,466)	(26,694)	(58,160)
Unallocated items			
- Expenses			<u>(10,843)</u>
Net income			53,061
Share of results from joint venture			12,635
Net change in fair value of investment properties	(47,212)	134,686	87,474
Tax credit			4,440
Total return for the period			<u>157,610</u>
31 December 2023			
Total assets	<u>4,061,714</u>	<u>2,006,997</u>	<u>6,068,711</u>

OUE Real Estate Investment Trust and its subsidiaries
Condensed Interim Consolidated Financial Statements
Six-month period and financial year ended 31 December 2024

	Commercial \$'000	Hospitality \$'000	Total \$'000
Year ended 31 December 2024			
Revenue	189,608	105,913	295,521
Property operating expenses	(48,006)	(13,480)	(61,486)
Reportable segment net property income	141,602	92,433	234,035
Depreciation and amortisation	(61)	–	(61)
Finance income	1,693	1,962	3,655
Finance costs	(71,347)	(45,364)	(116,711)
Unallocated items			
- Expenses			(18,421)
Net income			102,497
Share of results from joint venture			30,484
Net change in fair value of investment properties	(121,557)	(32,013)	(153,570)
Loss on disposal of a subsidiary			(26,427)
Tax expense			(11,892)
Total loss for the year			(58,908)
31 December 2024			
Total assets	3,878,863	2,061,038	5,939,901
Year ended 31 December 2023			
Revenue	187,802	97,253	285,055
Property operating expenses	(44,419)	(5,669)	(50,088)
Reportable segment net property income	143,383	91,584	234,967
Depreciation and amortisation	(66)	–	(66)
Finance income	2,057	947	3,004
Finance costs	(64,908)	(49,939)	(114,847)
Unallocated items			
- Expenses			(19,160)
Net income			103,898
Share of results from joint venture			16,886
Net change in fair value of investment properties	(47,212)	134,686	87,474
Tax expense			(2,479)
Total return for the year			205,779
31 December 2023			
Total assets	4,061,714	2,006,997	6,068,711

Geographical information

The Group has two reportable segments, which are Singapore and China. The reporting segments operate in different countries and are managed separately because of the differences in operating and regulatory environment. For each of the reporting segments, the Board of Directors of the Manager reviews internal management reports on a regular basis.

Information about reportable segments

	Singapore \$'000	China \$'000	Total \$'000
Six-months ended 31 December 2024			
Revenue	138,449	10,343	148,792
Property operating expenses	(29,817)	(2,083)	(31,900)
Reportable segment net property income	108,632	8,260	116,892
Depreciation and amortisation	(28)	(1)	(29)
Finance income	2,613	654	3,267
Finance costs	(62,109)	90	(62,019)
Unallocated items			
- Expenses			(8,761)
Net income			49,350
Share of results from joint venture			26,004
Net change in fair value of investment properties	(18,699)	(134,871)	(153,570)
Loss on disposal of a subsidiary			(26,427)
Tax expense			(5,101)
Total loss for the period			(109,744)
31 December 2024			
Total assets	5,939,901	–	5,939,901
Six-months ended 31 December 2023			
Revenue	135,078	11,175	146,253
Property operating expenses	(23,146)	(3,405)	(26,551)
Reportable segment net property income	111,932	7,770	119,702
Depreciation and amortisation	(30)	(2)	(32)
Finance income	1,814	580	2,394
Finance costs	(58,185)	25	(58,160)
Unallocated items			
- Expenses			(10,843)
Net income			53,061
Share of results from joint venture			12,635
Net change in fair value of investment properties	132,014	(44,540)	87,474
Tax credit			4,440
Total return for the period			157,610
31 December 2023			
Total assets	5,573,449	495,262	6,068,711

OUE Real Estate Investment Trust and its subsidiaries
Condensed Interim Consolidated Financial Statements
Six-month period and financial year ended 31 December 2024

	Singapore \$'000	China \$'000	Total \$'000
Year ended 31 December 2024			
Revenue	273,266	22,255	295,521
Property operating expenses	(57,133)	(4,353)	(61,486)
Reportable segment net property income	216,133	17,902	234,035
Depreciation and amortisation	(58)	(3)	(61)
Finance income	2,916	739	3,655
Finance costs	(116,693)	(18)	(116,711)
Unallocated items			
- Expenses			(18,421)
Net income			102,497
Share of results from joint venture			30,484
Net change in fair value of investment properties	(18,699)	(134,871)	(153,570)
Loss on disposal of a subsidiary			(26,427)
Tax expense			(11,892)
Total loss for the year			<u>(58,908)</u>
31 December 2024			
Total assets	5,939,901	–	5,939,901
Year ended 31 December 2023			
Revenue	261,885	23,170	285,055
Property operating expenses	(44,854)	(5,234)	(50,088)
Reportable segment net property income	217,031	17,936	234,967
Depreciation and amortisation	(61)	(5)	(66)
Finance income	2,302	702	3,004
Finance costs	(114,698)	(149)	(114,847)
Unallocated items			
- Expenses			(19,160)
Net income			103,898
Net change in fair value of investment properties	132,014	(44,540)	87,474
Share of results from joint venture			16,886
Tax expense			(2,479)
Total return for the year			<u>205,779</u>
31 December 2023			
Total assets	5,573,449	495,262	6,068,711

19 Commitments

The Group and the Trust have the following commitments as at the reporting date:

Capital commitments

	----- Group -----		----- Trust -----	
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Contracted but not provided for in the financial statements:				
- Expenditure in respect of investment properties	29,307	2,032	9,534	247

20 Related party transactions

In the normal course of the operations of the Trust, the Manager's management fee and Trustee's fee have been paid or are payable to the Manager and the Trustee respectively. Property management fees are payable to the Property Managers, related parties of the Manager.

During the financial period/year, other than the transactions disclosed elsewhere in the Financial Statements, there were the following related party transactions:

	----- Group -----			
	Six-month period ended	Six-month period ended	Financial year ended	Financial year ended
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Payment of capital expenditure to a related party	3,121	19,273	3,121	19,452
Hotel service expenses and professional fees paid/payable to related parties	2,489	2,350	3,733	3,227
Settlement of liabilities by related parties of the Manager on behalf of the Group and the Trust	173	47	210	75

21 Financial ratios

	----- Group -----			
	Six-month period ended 31 December 2024 %	Six-month period ended 31 December 2023 %	Financial year ended 31 December 2024 %	Financial year ended 31 December 2023 %
Expenses to weighted average net assets ¹				
- including performance component of the Manager's fees	0.54	0.67	0.56	0.60
- excluding performance component of the Manager's fees	0.54	0.57	0.56	0.55
Portfolio turnover rate ²	9.49	–	9.49	–

¹ The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group and, excluding property expenses and finance expenses.

² The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

Other Information Required by Listing Rule Appendix 7.2

1 (a) Statement of Total Return and Distribution Statement

Please refer to pages 5-7 and section 8 on page 49.

(b)(i) Statements of Financial Position (Please refer to pages 3-4)

(1) Loan to a subsidiary

This relates to a loan to OUE H-Sub Trust.

(2) Trade and other receivables – Non-Current and Current

The Group's trade and other receivables increased mainly due to outstanding consideration not received relating to divestment of a subsidiary.

(3) Cash and cash equivalents

The Group's cash and cash equivalents increased as compared to 31 December 2023 due to sales proceeds from divestment of a subsidiary.

(4) Borrowings – Non-current and Current

The Group's total borrowings increased as compared to 31 December 2023 mainly due to payment of capital expenditure and upfront fees for loan refinancing.

(5) Loans from a subsidiary – Non-current and Current

At the Trust level, the loans from a subsidiary as at 31 December 2024 of \$950.0 million relates to \$100.0 million notes issued in June 2020, \$150.0 million notes issued in June 2021, \$150.0 million notes issued in May 2022, \$250.0 million notes issued in June 2024, \$180.0 million notes issued in September 2024 and \$120.0 million notes issued in October 2024 through the Trust's wholly-owned subsidiary, OUE REIT Treasury Pte. Ltd., which were then on-lent to the Trust.

(6) Trade and other payables - Non-current and Current

The Group and Trust's trade and other payables decreased mainly due to deconsolidation of Lippo Realty (Shanghai) Limited's liabilities upon divestment and settlement of cost related to Hilton Singapore Orchard's asset enhancement initiative works.

(7) Financial derivatives

Financial derivatives represent the fair value of the interest rate swaps ("IRS") entered to hedge the floating interest rate exposure of OUE REIT Group's borrowings. The movement for the financial year from 31 December 2023 to 31 December 2024 was mainly due to net changes in the fair value of the IRS during the year.

(8) Unitholders' funds

The decrease in Unitholders' funds was mainly due to loss for the financial year and distribution paid to Unitholders. This was partially mitigated by net movement in the foreign currency translation reserve upon divestment of a subsidiary and net movement in the fair value reserve of IRS during the year.

(9) Non-controlling interests

OUE REIT holds an 83.33% indirect interest in OUBC. Non-controlling interests represent the equity in OUBC that is not attributable to OUE REIT Group.

(b)(ii) Aggregate Amount of Borrowings and Debt Securities for OUE REIT Group

Please refer to pages 28-30.

(c) Consolidated Statement of Cash Flows (Please refer to pages 20-21)

- (1) During the year, the Group issued \$550.0 million notes under the 2020 Programme. The net proceeds have been utilised for repayment of OUE H-Sub-Trust's bank loans.
- (2) For purpose of the Consolidated Statement of Cash Flows, the Group's cash and cash equivalents comprise the following:

	31 Dec 2024 (\$'000)	31 Dec 2023 (\$'000)
Bank and cash balances	361,670	20,853
Short-term deposits	–	33,372
Cash and cash equivalents	361,670	54,225

(d)(i) Statement of Changes in Unitholders' Funds

Please refer to pages 8-15.

(d)(ii) Details of Any Changes in Units

Please refer to page 32.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by OUE REIT's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied

The accounting policies and methods of computation adopted in the preparation of the condensed interim consolidated financial statements for the current financial period are consistent with those described in the audited financial statements for the financial year ended 31 December 2023.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

6 Earnings per Unit and Distribution per Unit

Earnings per Unit attributable to Unitholders (“EPU”)

	2H 2024	2H 2023
Weighted average number of Units	5,492,988,364	5,482,792,244
Basic EPU (cents)	(2.13)	2.81
Weighted average number of Units ⁽¹⁾	5,492,988,364	5,800,469,968
Diluted EPU (cents)	(2.13)	2.68

	FY 2024	FY 2023
Weighted average number of Units	5,492,969,137	5,478,029,631
Basic EPU (cents)	(1.28)	3.61
Weighted average number of Units ⁽¹⁾	5,492,969,137	5,800,469,968
Diluted EPU (cents)	(1.28)	3.45

Footnote:

(1) The weighted average number of Units includes the weighted average potential Units to be issued assuming all the remaining CPPUs are converted at the conversion price of \$0.7154 per Unit.

550.0 million CPPUs were issued in October 2015 as partial satisfaction of the purchase consideration for the acquisition of ORP. The CPPUs cannot be converted for a period of four years commencing from the date of issue (“Restriction Period”) save in certain limited circumstances and thereafter, not more than one-third of the CPPUs initially issued can be converted in any one year. After the Restriction Period, the CPPUs can be converted into Units at \$0.7154 per Unit and will impact the EPU upon conversion.

A total of 220.0 million CPPUs remain outstanding as at 31 December 2024. Assuming that the remaining 220.0 million CPPUs are fully converted at the conversion price, 307,520,268 units will be issued.

Distribution per Unit attributable to Unitholders (“DPU”)

	2H 2024	2H 2023
No of Units entitled to distribution	5,500,063,808 ⁽¹⁾	5,492,949,700 ⁽²⁾
Distribution per Unit (cents)	1.13	1.04

	FY 2024	FY 2023
No of Units entitled to distribution	5,500,063,808 ⁽¹⁾	5,492,949,700 ⁽²⁾
Distribution per Unit (cents)	2.06	2.09

Footnotes:

- (1) Comprises the Units in issue as at 31 December 2024 of 5,492,949,700 and Units to be issued to the Manager as satisfaction of Manager’s base fee payable for 4Q 2024 of 7,114,108.
- (2) Comprises the Units in issue as at 31 December 2023 of 5,485,915,256 and Units to be issued to the Manager as satisfaction of Manager’s base fee payable for 4Q 2023 and performance fee payable for FY 2023 of 7,034,444.

7 Net Asset Value per Unit and Net Tangible Asset per Unit attributable to Unitholders

	Group		Trust	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
No. of Units in issue and to be issued at end of year	5,500,063,808	5,492,949,700	5,500,063,808	5,492,949,700
Net asset value (“NAV”) per Unit (\$)	0.58	0.60	0.52	0.53
Net tangible asset (“NTA”) per Unit (\$)	0.58	0.60	0.52	0.53

The NAV per Unit and NTA per Unit are computed based on the Units in issue and to be issued as at the end of the financial year.

8 Review of the Performance

Statement of Total Return	Note	2H 2024⁽¹⁾	2H 2023⁽²⁾	Change	FY 2024⁽¹⁾	FY 2023⁽²⁾	Change
		(\$'000)	(\$'000)	(%)	(\$'000)	(\$'000)	(%)
Revenue	(a)	148,792	146,253	1.7	295,521	285,055	3.7
- Commercial ⁽³⁾		94,602	94,830	(0.2)	189,608	187,802	1.0
- Hospitality ⁽⁴⁾		54,190	51,423	5.4	105,913	97,253	8.9
Property operating expenses		(31,900)	(26,551)	20.1	(61,486)	(50,088)	22.8
- Commercial ⁽³⁾		(24,652)	(23,737)	3.9	(48,006)	(44,419)	8.1
- Hospitality ⁽⁴⁾		(7,248)	(2,814)	NM	(13,480)	(5,669)	NM
Net property income	(a)	116,892	119,702	(2.3)	234,035	234,967	(0.4)
- Commercial ⁽³⁾		69,950	71,093	(1.6)	141,602	143,383	(1.2)
- Hospitality ⁽⁴⁾		46,942	48,609	(3.4)	92,433	91,584	0.9
Manager's base fees	(b)	(8,023)	(8,095)	(0.9)	(16,084)	(16,011)	0.5
Manager's performance fees	(c)	–	(1,643)	NM	–	(1,643)	NM
Trustee's fee		(487)	(484)	0.6	(971)	(961)	1.0
Other expenses		(280)	(653)	(57.1)	(1,427)	(611)	NM
Finance income		3,267	2,394	36.5	3,655	3,004	21.7
Finance costs		(59,670)	(58,154)	2.6	(114,360)	(114,805)	(0.4)
Net finance cost	(d)	(56,403)	(55,760)	1.2	(110,705)	(111,801)	(1.0)
Foreign exchange differences	(e)	(2,349)	(6)	NM	(2,351)	(42)	NM
Net income		49,350	53,061	(7.0)	102,497	103,898	(1.3)
Share of results from joint venture	(f)	26,004	12,635	NM	30,484	16,886	80.5
Net change in fair value of investment properties	(g)	(153,570)	87,474	NM	(153,570)	87,474	NM
Loss on disposal of a subsidiary	(h)	(26,427)	–	NM	(26,427)	–	NM
Total (loss)/return for the period/year before tax		(104,643)	153,170	NM	(47,016)	208,258	NM
Tax (expense)/credit		(5,101)	4,440	NM	(11,892)	(2,479)	NM
Total (loss)/return for the period/year	(i)	(109,744)	157,610	NM	(58,908)	205,779	NM

NM: Not meaningful

Footnotes:

- (1) The current period results of OUE REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:5.3788 for 2H 2024 and 1:5.3879 for FY 2024.
- (2) The prior period results of OUE REIT's foreign subsidiaries are translated using the SGD:CNY rate of 1:5.2516 for 2H 2023 and 1:5.2743 for FY 2023.
- (3) Commercial comprised One Raffles Place, OUE Downtown Office, Mandarin Gallery and Lippo Plaza.
- (4) Hospitality comprised Hilton Singapore Orchard and Crowne Plaza Changi Airport.

Review of OUE REIT Group's performance for the six months period from 1 July 2024 to 31 December 2024 ("2H 2024") vs 1 July 2023 to 31 December 2023 ("2H 2023") and FY 2024 vs FY 2023

- (a) 2H 2024 and FY 2024 revenue increased by 1.7% and 3.7% year-on-year to \$148.8 million and \$295.5 million respectively, mainly driven by better performance in the hospitality segment. 2H 2024 and FY 2024 net property income decreased by 2.3% and 0.4% year-on-year to \$116.9 million and \$234.0 million respectively, mainly due to the upward revision of prior years' property tax for Hilton Singapore Orchard and Crowne Plaza Changi Airport.
- (b) Manager's base management fee is calculated as 0.3% p.a. of the value of the deposited properties of the Group. For 4Q 2024, the Manager has elected to receive 50% of the base management fees in cash, with the balance 50% in the form of new Units.
- (c) The performance fee is payable if the DPU in any financial year exceeds the DPU in the preceding financial year. A performance fee of 25% per annum of the difference in DPU in a financial year with the DPU in the preceding full financial year (calculated before accounting for the performance fee but after accounting for the base fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

Manager's performance fees were recognised in line with the increase in DPU in FY 2023. No performance fee was recognised in FY 2024.
- (d) 2H 2024 net finance cost increased by \$0.6 million year-on-year mainly attributable to higher interest from higher SORA rate, partially offset by lower change in fair value movement of derivatives. FY 2024 net finance cost decreased by \$1.1 million year-on-year mainly attributable to lower change in fair value movement of derivatives, partially offset by higher interest from higher SORA rate.
- (e) The foreign exchange differences for 2H 2024 and FY 2024 relates to translation of CNY receivables at 31 December 2024.
- (f) Share of joint venture results represents OUE REIT's 50.0% interest in OUE Allianz Bayfront LLP results. Higher share of the results was mainly due to higher fair value gain on investment property.
- (g) Net fair value loss on investment properties for FY 2024 was \$153.6 million as compared to fair value gain of \$87.5 million in the prior year.
- (h) Loss on disposal of a subsidiary for FY 2024 relates to divestment of China subsidiary, Lippo Realty (Shanghai) Limited which held Lippo Plaza in December 2024.
- (i) Total loss recorded for 2H 2024 was \$109.7 million, compared to total return of \$157.6 million in 2H 2023. Total loss for FY 2024 was \$58.9 million compared to total return of \$205.8 million in FY 2023.

9 Variance between Actual and Forecast Results

OUE REIT has not made any forecast.

10 Commentary on the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

According to advanced estimates by the Ministry of Trade and Industry (“MTI”)⁽¹⁾, Singapore's GDP grew by 4.3% year-on-year (“YoY”) in the fourth quarter (“4Q”) of 2024, slower than the 5.4% growth in the previous quarter. On a quarter-on-quarter (“QoQ”) seasonally-adjusted basis, the economy slightly expanded by 0.1% in 4Q 2024, moderating from the 3.2% expansion in the third quarter.

Growth in 4Q 2024 was primarily driven by the construction sector, which grew by 5.9% YoY, accelerating from the 4.7% growth recorded in the previous quarter. The manufacturing sector also expanded by 4.2% YoY in 4Q 2024, supported by increased output in the electronics and transport engineering clusters. However, on a seasonally adjusted quarter-on-quarter basis, the sector contracted by 2.5% YoY, reversing the 12.8% expansion seen in the third quarter.

The services-producing industries recorded a 4.1% QoQ growth in 4Q 2024. All sectors within the services-producing industries, except for the retail trade sector, recorded expansions during the quarter. The wholesale & retail trade and transportation & storage sectors as a whole shrank by 0.2 per cent on a QoQ seasonally-adjusted basis, a pullback from the 0.8 per cent growth in the third quarter.

For the year 2024, the economy grew by 4.0%, compared to 1.1% growth in 2023. MTI projects Singapore’s economy to grow by 1.0% to 3.0% in 2025.

According to CBRE⁽²⁾, high fit-out costs, workplace transformation, the potential delay of interest rate cuts, and continued work-from-home arrangements have weighed on the performance of Singapore's office market. In 4Q 2024, Core Central Business District (CBD) Grade A occupancy improved to 95.1%, up from 92.2% in the previous quarter, with net absorption reaching 0.57 million sq. ft. This was driven by steady take-up in the new supply. Core CBD (Grade A) rents remained unchanged at S\$11.95 per square foot per month. For the full year, Core CBD (Grade A) rents grew by 0.4% year-on-year, a slower pace compared to the 1.7% rental growth recorded in 2023.

Looking ahead to 2025, occupier sentiment is expected to remain weak due to global economic uncertainties, high fit-out costs, and elevated interest rates. However, below-historical-average office supply in the Core CBD (Grade A) over the next four years, combined with anticipated interest rate cuts, is likely to bolster corporate confidence in expansion during 2025. CBRE forecasts that Core CBD (Grade A) rents will grow by 2.0% for the full year 2025, compared to the modest 0.4% growth in 2024, supported by the ongoing flight-to-quality trend.

From January to November 2024, international visitor arrivals reached 15.1 million and have already achieved the Singapore Tourism Board’s full-year forecast of 15 to 16 million arrivals⁽³⁾. Singapore’s tourism recovery is expected to maintain its upward trajectory, bolstered by improved continued tourism recovery and the launch of new tourism offerings. However, the outlook for FY 2025 remains cautious, with challenges posed by competition from more affordable regional destinations, and the absence of high-profile concerts and MICE events.

Singapore’s retail leasing demand remained robust in 4Q 2024, driven by active expansion from F&B operators. According to CBRE⁽²⁾, Orchard Road retail rents outperformed other submarkets, rising by 0.8% quarter-on-quarter to S\$37.75 per square foot per month. This growth was underpinned by retailers' confidence in the ongoing recovery of the tourism sector.

In the near term, challenges such as manpower shortages, competition from e-commerce, and higher operating costs are expected to persist. Nevertheless, overall rents are projected to recover to pre-pandemic levels by 2025, supported by below-historical-average new supply.

Overall

Despite global macroeconomic uncertainties, Singapore's strong economic fundamentals and status as a global business hub reinforce the advantages of a Singapore-focused portfolio, allowing OUE REIT to deliver long-term stable performance while maintaining growth potential.

In the commercial sector, OUE REIT's green-certified, CORE CBD (Grade A) office assets are strategically located to capitalise on their prime locations, a wide range of leasing options and a well-diversified tenant mix. These attributes enable the portfolio to benefit from the "flight-to-quality" trend and sustained demand for environmentally certified buildings.

In the hospitality sector, OUE REIT's assets are well-positioned to take advantage of the limited new hotel supply in the Orchard Road area and the anticipated rise in tourist and business traveller arrivals in 2025 and beyond.

Underpinned by a robust capital structure, the Manager remains committed to prudent balance sheet management and enhancing financial flexibility, ensuring support for OUE REIT's long-term growth ambitions.

⁽¹⁾ Singapore Ministry of Trade and Industry Press Release, 2 January 2025

⁽²⁾ CBRE, Singapore Figures Q4 2024

⁽³⁾ Singapore Tourism Board Visitor Arrivals Statistics

11 Distribution

(a) Current financial period

Any distribution declared for the current financial period? Yes.

Unitholders

Name of distribution: Distribution for the financial period from 1 July 2024 to 31 December 2024

Distribution type: (i) Taxable income distribution
(ii) Tax exempt income distribution
(iii) Capital distribution

Distribution rate: 1.13 cents per Unit comprises:-
(i) Taxable income distribution: 0.82 cents per Unit
(ii) Tax exempt income distribution: 0.11 cents per Unit
(iii) Capital distribution: 0.20 cents per Unit

CPPU Holder

Name of distribution: Distribution for the financial period from 1 July 2024 to 31 December 2024

Distribution rate/ type: \$1,106,010.93 which represents 1% p.a. of CPPU based on the issue price of \$1.00 per CPPU comprising taxable income distribution, tax exempt income distribution and capital distribution

Tax rate: Taxable income distribution
Individuals who receive such distribution as investment income (excluding income received through partnership in Singapore or from the carrying on of a trade, business or profession) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their respective tax rates unless otherwise exempt.

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to their respective CPF and SRS accounts.

Qualifying foreign non-individual investors and foreign funds will receive their distribution after deduction of tax at the rate of 10%.

All other investors will receive their distribution after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from tax in the hands of all Unitholders, regardless of their nationality, corporate identity or tax residence status.

Capital distribution

The capital distribution is treated as return of capital to Unitholders for Singapore income tax purpose and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sales of Units, the amount of capital distribution will be applied to reduce the cost base of their Units for Singapore income tax purposes.

Book closure date: 4 February 2025

Date payable: 5 March 2025

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the corresponding period of the immediate preceding financial period? Yes.

Unitholders

Name of distribution: Distribution for the financial period from 1 July 2023 to 31 December 2023

Distribution type: (i) Taxable income distribution
(ii) Tax exempt income distribution
(iii) Capital distribution

Distribution rate: 1.04 cents per Unit comprises:-
(i) Taxable income distribution: 0.92 cents per Unit
(ii) Tax exempt income distribution: 0.09 cents per Unit
(iii) Capital distribution: 0.03 cents per Unit

CPPU Holder

Name of distribution: Distribution for the financial period from 1 July 2023 to 31 December 2023

Distribution rate/ type: \$1,109,041.10 which represents 1% p.a. of CPPU based on the issue price of \$1.00 per CPPU comprising taxable income distribution, tax exempt income distribution and capital distribution

Tax rate: Taxable income distribution
Individuals who receive such distribution as investment income (excluding income received through partnership in Singapore or from the carrying on of a trade, business or profession) will be exempted from tax.

Qualifying corporate investors will receive pre-tax distributions and pay tax on the distributions at their respective tax rates unless otherwise exempt.

Investors using CPF funds and SRS funds will also receive pre-tax distributions. These distributions are tax exempt where the distributions received are returned to their respective CPF and SRS accounts.

Qualifying foreign non-individual investors and foreign funds will receive their distribution after deduction of tax at the rate of 10%.

All other investors will receive their distribution after deduction of tax at the rate of 17%.

Tax-exempt income distribution
Tax-exempt income distribution is exempt from tax in the hands of all Unitholders, regardless of their nationality, corporate identity or tax residence status.

Capital distribution
The capital distribution is treated as return of capital to Unitholders for Singapore income tax purpose and is therefore not subject to Singapore income tax. For Unitholders who are liable to Singapore income tax on profits from sales of Units, the amount of capital distribution will be applied to reduce the cost base of their Units for Singapore income tax purposes.

Book closure date: 6 February 2024

Date payable: 28 February 2024

12 If no distribution has been declared / recommended, a statement to that effect

Not applicable.

13 If OUE REIT has obtained a general mandate from Unitholders for interested person transactions, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no interested person transactions mandate has been obtained, a statement to that effect.

OUE REIT did not obtain a general mandate from Unitholders for interested person transactions.

14 Segment Information by Geographical Segment

Please refer to pages 41-42.

15 In the review of the performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments

Please refer to Section 8 for the review of the actual performance.

16 Breakdown of Revenue

	FY 2024 (\$'000)	FY 2023 (\$'000)	Change (%)
Revenue for first half year	146,729	138,802	5.7
Total return for first half year	50,836	48,169	5.5
Revenue for second half year	148,792	146,253	1.7
Total return for second half year	(109,744)	157,610	NM

NM: Not meaningful

17 Breakdown of Total Annual Distribution

	FY 2024 (\$'000)	FY 2023 (\$'000)
1 July 2022 to 31 December 2022	–	56,897
1 January 2023 to 30 June 2023	–	57,535
1 July 2023 to 31 December 2023 ⁽¹⁾	57,126	–
1 January 2024 to 30 June 2024	51,085	–

Footnote:

⁽¹⁾ Refer to Section 11 for details of the distribution.

18 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirm that there is no person occupying a managerial position in Manager, who is related to a director or the chief executive officer or a substantial shareholder of the Manager or a substantial of unitholder of OUE REIT.

19 Confirmation pursuant to Appendix 7.7 under Rule 720(1) of the Listing Manual

We, on behalf of the Directors of OUE REIT Management Pte. Ltd. (as Manager of OUE REIT), hereby confirm that the undertakings from all its directors and executive officer as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

On behalf of the Board of the Manager

Lee Yi Shyan
Chairman and Non-Executive Director

Han Khim Siew
Chief Executive Officer and Executive Director

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

The value of units in OUE REIT ("Units") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, DBS Trustee Limited (as trustee of OUE REIT) or any of their respective affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of OUE REIT is not necessarily indicative of the future performance of OUE REIT.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

By Order of the Board

Kelvin Chua
Company Secretary

OUE REIT Management Pte. Ltd.
(as Manager of OUE Real Estate Investment Trust)
(Company registration no. 201327018E)

23 January 2025