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NEWS RELEASE

UOL'S 2Q19 NET ATTRIBUTABLE PROFIT UP 48% TO $195.4 MILLION

- *Increase due mainly to higher fair value gains on investment properties*
- *Group revenue down 20% from lower revenue recognition from development projects*
- *Avenue South Residence targeting to launch end of this month*

Singapore, 8 August 2019 – UOL Group Limited (UOL) today reported a 48% increase in net attributable profit to $195.4 million for its second quarter ended 30 June 2019 (2Q19).

The increase was due mainly to the recognition of higher fair value gains on investment properties, which rose 182% to $181.9 million. Before fair value and other gains, Group pre-tax profit was $141.8 million, down seven per cent, due mainly to lower profit from property development and higher finance expenses. Including fair value gains, Group pre-tax profit was 50% higher than the previous corresponding period at $323.7 million.

Group revenue in the second quarter declined 20% to $512.3 million, in the absence of contribution from Principal Garden which obtained its temporary occupation permit in December 2018, and lower progressive revenue recognition from The Clement Canopy and Botanique at Bartley which were completed in March and April 2019 respectively. Revenue from property development fell 48% to $145.3 million.

Revenue from property investments was three per cent up at $137.8 million mainly on account of contribution from UIC Building and new contribution from 72 Christie Street in Sydney. Revenue from hotel ownership and operations was down three per cent to $151.3 million, mainly from lower occupancies and room rates at Marina Mandarin and

PARKROYAL Darling Harbour and ongoing refurbishment at PARKROYAL on Kitchener Road.

Revenue from management services and technologies rose 13% to $45.2 million while an 18% increase in dividend income to $32.8 million came from higher dividends received from United Overseas Bank Limited and Haw Par Corporation Limited.

Group expenses rose marginally to $116.7 million due mainly to higher finance expenses arising from borrowings for the acquisition of shares in Marina Centre Holdings Private Limited and Aquamarina Hotel Private Limited. Other operating expenses fell 10% from the absence of amortisation of development property backlog on sold units in The Clement Canopy.

Gross profit margin improved from 41% to 49% as a result of lower revenue from property development, which has a higher cost ratio, and higher dividend income.

For the six months ended 30 June 2019, net attributable profit increased 29% from the previous corresponding period to $267.7 million, on the back of higher attributable fair value gains of $103.7 million.

On the outlook for the residential property market, UOL expects prices for new private homes to remain relatively stable despite the economic slowdown in Singapore.

UOL Group Chief Executive Liam Wee Sin said: “In the first half of 2019, the take-up for new projects was 6% higher than the preceding year notwithstanding the cooling measures introduced on 6 July 2018. We see resilience in the market and potentially further upside for selected projects with strong location and product attributes.

“Riding on the strong sales of Amber45 and The Tre Ver, both of which are about 80% sold, we are targeting to launch our Avenue South Residence by the end of this month. The 56-storey project is next to the exciting Greater Southern Waterfront, an extension of our city and a gateway to future live, work and play.”

UOL expects steady demand and tightening vacancy supporting office rents, while retail rents will remain under pressure amidst tepid economic growth.

In the United Kingdom, economic and political uncertainties from Brexit continue to weigh on the London residential property market. Leasing activities remain resilient in Midtown where the Group owns two commercial properties.

Whilst global economic concerns may affect the near-term outlook, UOL expects tourist arrivals to Asia Pacific to grow steadily in the medium term, benefitting the Group's hotels in the region.

As at 30 June 2019, shareholders' funds increased to $9.80 billion from $9.62 billion as at the end of 2018. Net tangible asset per ordinary share rose to $11.56 from $11.27. Group gearing ratio increased to 0.30 from 0.28 due mainly to borrowings for the acquisition of shares in Marina Centre Holdings Private Limited and Aquamarina Hotel Private Limited.

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About UOL Group Limited

UOL Group Limited (UOL) is one of Singapore's leading public-listed property companies with total assets of about $20 billion. The Company has a diversified portfolio of development and investment properties, hotels and serviced suites in Asia, Oceania and North America. With a track record of over 50 years, UOL strongly believes in delivering product excellence and quality service in all its business ventures. UOL, through its hotel subsidiary Pan Pacific Hotels Group Limited, owns two acclaimed brands namely "Pan Pacific" and PARKROYAL. The Company's Singapore-listed property subsidiary, United Industrial Corporation Limited, owns an extensive portfolio of prime commercial assets and hotels in Singapore.

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