

# GuocoLand posts 54.5% fall in H2 profit

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REAL estate group GuocoLand posted a 54.5 per cent decline in net profit to S\$148 million for the half-year ended Jun 30, down from S\$325.2 million in the corresponding year-ago period.

This comes despite the group posting a 72.2 per cent increase in revenue to S\$882.9 million for the half-year, from S\$512.8 million a year ago.

In its earnings release, the group said on Tuesday (Aug 29) that the absence of fair-value gains on interest rate hedges in FY2023 resulted in other income falling by 50.9 per cent to S\$161 million in the same period year on year (yoy).

In addition, finance costs rose

## GuocoLand

	H2 FY23	H2 FY22	Y-O-Y % CHANGE
	(S\$ MILLION)		
Revenue	882.9	512.8	72.2
Net profit	148	325.2	(54.5)
EPS (¢)	12.51	28.45	
DPS (¢)	6	6	

64.7 per cent yoy to S\$89 million, putting further pressure on the group's net profit margin.

Earnings per share for the half-year stood at S\$0.1251, from S\$0.2845 in the year before.

The group's board declared a final dividend of S\$0.06 per share for FY2023, equal to what was paid out last year. The dividend is sub-

ject to shareholder approval at the company's annual general meeting.

For the full-year ended Jun 30, 2023, the group's net profit declined 47.3 per cent to S\$207.1 million, and revenue grew 60 per cent to S\$1.5 billion.

The group said that its property-investment segment continues to contribute stable recurring income and see further capital appreciation from its portfolio of investment properties, such as Guoco Tower and Guoco Midtown.

"This is largely due to rents at its premium Grade-A offices remaining firm and recording positive reversions, as well as the continued overall high occupancy rates," the group said.

In total, the group recorded to-

tal fair-value gains of S\$156.3 million in FY2023, compared to S\$248.8 million in FY2022.

The company also reported that Guoco Midtown has achieved 85 per cent pre-commitment take-up for its 709,000 square feet of net lettable area.

The next phase of development will involve Midtown House, the conserved former Beach Road Police Station, and Midtown Bay condominium, both of which are expected to achieve a temporary occupation permit by year's end.

The group also announced that its property-development segment continued to record another year of growth, with revenue rising 62 per cent to S\$1.3 billion on higher progressive recognition of sales from its high-end residential devel-

opments.

These developments include Meyer Mansion, Midtown Modern and Lentor Modern, all of which have been substantially sold, GuocoLand said.

GuocoLand group chief executive Cheng Hsing Yao said that the twin engines of property investment and property development will continue to underpin the group's profits and future growth.

"In order to achieve such results amid the evolving real-estate landscape, we need to excel in a whole spectrum of capabilities – from the design and sales of residential properties to the investment and management of our investment assets," he said.

Shares of GuocoLand ended Tuesday unchanged at S\$1.50.

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