

GuocoLand achieves 60% growth to record revenue of S\$1.54 billion for FY2023

- Higher revenue on improved operational performance from twin engines of Property Investment and Property Development business segments
- Operating profit¹ increased by 39% in line with revenue growth
- Initial contribution from Guoco Midtown office tower, with significant increase in revenue contribution expected in future
- Resilient portfolio of investment properties delivering consistent recurring income and capital appreciation in spite of market headwinds. Strong leasing demand for premium office spaces amid flight to quality.

| (S\$ million) | FY2023 | FY2022 | Variance (%) |
|---------------------------------------|---------|--------------------|--------------|
| Revenue | 1,544.4 | 965.5 | 60 |
| Gross profit | 384.9 | 365.7 ² | 5 |
| Operating profit ¹ | 195.3 | 141.0 | 39 |
| Profit before tax | 324.9 | 525.5 | (38) |
| Profit attributable to equity holders | 207.1 | 392.7 | (47) |

SINGAPORE, 29 August 2023 – For the full financial year ended 30 June 2023 (“FY2023”), GuocoLand Limited (“GuocoLand”) and its subsidiaries (the “Group”) achieved a record high revenue of S\$1.54 billion, translating to a growth in revenue of 60% year-on-year (“y-o-y”), as a result of the strong operational performance from the Group’s twin engines of Property Investment and Property Development business segments.

The Group’s Property Investment segment continues to contribute stable recurring income and record further capital appreciation for its resilient portfolio of high-quality investment properties such as Guoco Tower and Guoco Midtown, notwithstanding increased market headwinds including heightened business uncertainty and higher interest rates and finance costs.

Meanwhile, the Group’s Property Development segment saw another year of growth, with revenue increasing by 62% to S\$1.30 billion as a result of higher progressive recognition of sales for its high-end residential developments Meyer Mansion, Midtown Modern and Lantor Modern, all of which are substantially sold.

¹ Refers to profit before tax excluding any fair value gains/losses, foreign exchange gains/losses and impairments.

² Includes a fair value gain of S\$79.3 million for the transfer of Guoco Changfeng City’s South Tower from development properties to investment properties.

Robust Operational Performance

In line with the higher revenue, the Group's operating profit for FY2023 increased by 39% y-o-y to \$195.3 million. Profit attributable to equity holders decreased by 47% y-o-y to S\$207.1 million mainly due to lower fair value gains on investment properties, higher other expenses and higher finance costs.

Property Investment

Property Investment revenue grew strongly by 35% y-o-y to S\$169.6 million, supported by higher recurring rental income from Guoco Tower and Shanghai's Guoco Changfeng City South Tower which commenced operations in 2021. In addition, there is also the initial contribution from Guoco Midtown's new 30-storey premium Grade A office tower, which obtained Temporary Occupation Permit ("TOP") in January 2023. At 85% pre-commitment take-up, Guoco Midtown is still undergoing asset stabilisation, with office tenants progressively moving in. As Guoco Midtown becomes fully operational, revenue from investment properties is expected to grow steadily in the coming years.

Fair Value Increase Despite Rising Interest Rates and Market Uncertainty

The Group recorded total fair value gains of S\$156.3 million in FY2023 (FY2022: S\$248.8 million), mainly for its large-scale integrated developments Guoco Tower and Guoco Midtown. The Group's investment properties continue to achieve capital appreciation in spite of increased market headwinds and rising interest rates. 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 trend of flight to quality has contributed to strong leasing demand for the best-in-class assets of the Group. Total value of the Group's investment properties as of 30 June 2023 stood at S\$6.20 billion.

Strong Financial Position; Dividend of 6 Cents Per Share

As at 30 June 2023, the Group's financial position remained strong with total assets and equity attributable to ordinary equity holders of S\$12.01 billion and S\$4.27 billion, respectively. The Group's total loans and borrowings declined by 9% during FY2023 mainly due to repayments made during the year and consequently, the Group's gearing fell from 1.0 to 0.9 times.

The Board of Directors is pleased to recommend a first and final one-tier tax exempt ordinary dividend of 6 cents per share for FY2023, after considering various factors including the Group's financial performance, working capital requirements, future investment plans and the softer economic outlook for its key markets.

Key Operational Highlights

i) Guoco Midtown to Further Boost Performance of Property Investment Segment

- As at 30 June 2023, **Guoco Midtown** has achieved 85% pre-commitment take-up for its 709,000 sq ft of net lettable area (NLA). The highly diversified tenant mix includes BASF, NetEase Interactive Entertainment, Pacific International Lines, Suntory, VP Bank and other multi-national companies. Following the earlier phases of completion – office tower in January 2023 and retail components in August 2023 – the next phase of completion will involve Midtown House (the former Beach Road Police Station) and the Midtown Bay condominium which are expected to achieve TOP by end 2023.
- **Guoco Tower** continued to record positive lease reversions. As at 30 June 2023, the occupancy rate of Guoco Tower's Grade A office and retail spaces (including pre-committed leases) was 98%.
- **20 Collyer Quay**, the Group's other commercial development in Singapore, also achieved a healthy occupancy rate of 98% (including pre-committed leases) and delivered strong rental income.
- **Guoco Changfeng City** in Shanghai commands higher than average market rents in the Changfeng market due to its superior Grade A office product and services. The take-up rate of Guoco Changfeng City's South Tower is 95% (based on pre-commitment and under offer) as at 30 June 2023. The basement retail mall directly linked to the Changfeng Park metro station has been fully leased to a master tenant.

ii) Spearheading Transformation of the Lentor Hills Estate

- **Lentor Modern**, GuocoLand's transit-oriented mixed-use development in the affluent Lentor Hills estate. Lentor Modern's 96,000 sq ft retail mall, which will include F&B and retail outlets, a supermarket and a childcare centre, is expected to be accretive to the Group's investment portfolio and provide recurring income when operational after expected completion in 2026.

- **Lentor Hills Residences**, jointly developed by Hong Leong Holdings Limited (“Hong Leong Holdings”), GuocoLand and TID Residential Pte. Ltd, was the second project to be launched in the estate. The 598-unit development achieved 50% of units sold over its launch weekend on 8 July 2023.
- GuocoLand’s upcoming project in the Lentor Hills estate is a high-end residential development with 533 units, inspired by modern concepts of living amidst nature and greenery. To be developed in partnership with Hong Leong Holdings, the development is targeted to be launched in the first half of 2024.

iii) Strong Performance in Property Development Business

- GuocoLand’s collection of high-end residential developments and mixed-use developments, has become well-known for their modern design, efficient layouts, innovative features and facilities and how they add value to their locations. Recent launches such as Midtown Modern, Lentor Modern and Lentor Hills Residences have all seen strong sales figures during launch.

| Name of Development | Number of Units | Sales as at 30 June 2023 |
|---------------------|-----------------|--------------------------|
| Lentor Modern | 605 | 89% |
| Midtown Modern* | 558 | 91% |
| Midtown Bay* | 219 | 51% |
| Meyer Mansion | 200 | 99% |
| Wallich Residence* | 181 | 94% |
| The Avenir* | 376 | 99% |

**Jointly developed with partners.*

- In Chongqing, GuocoLand launched **Guoco Central Park**, a new residential development with over 1,000 mid-rise apartments in one of the city’s most sought-after residential areas. The project was met with positive response, with 98% of the first 200 units launched during the initial phase of sales sold within a short period. More units are targeted to be launched for sales towards the end of the year.

Twin Engine Strategy and Growth Based on Capabilities

Mr. Cheng Hsing Yao (郑馨尧), Group Chief Executive Officer of GuocoLand, said, “For more than a decade, the Group has consistently implemented the strategy to build a twin-engine real estate company. The twin engines of Property Investment and Property Development will continue to underpin the Group’s profits and future growth. GuocoLand is now a highly regarded brand in premium residential developments as well as integrated mixed developments anchored by

premium Grade A offices. Our projects have also been known to uplift and transform the neighbourhoods they are in.”

“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. These end-to-end capabilities will be critical for us to remain resilient and outperform in the face of uncertainty, as well as seek out new opportunities in our core markets,” added Mr Cheng.

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About GuocoLand Limited

GuocoLand Limited (“GuocoLand”) and its subsidiaries (“the Group”) is a leading real estate group that is focused on its twin engines of growth in Property Investment and Property Development. It owns, invests in and manages a portfolio of quality commercial and mixed-use assets providing stabilised, recurring rental income with potential for capital appreciation. The Group has a strong track record in creating distinctive integrated mixed-use developments and premium residential properties that uplift and transform their local neighbourhoods.

The Group’s investment properties – the total value of which stood at \$6.20 billion as at 30 June 2023 – are located across its key markets of Singapore, China and Malaysia, such as Guoco Tower and Guoco Midtown in Singapore, Guoco Changfeng City in Shanghai, and Damansara City in Kuala Lumpur. Iconic residential projects of the Group include Wallich Residence, Martin Modern, Midtown Modern and Lentor Modern.

The Group's end-to-end capabilities span across the real estate value chain, from planning and design, property investment, property development, and property management to asset management.

GuocoLand is listed on the Mainboard of the Singapore Exchange. The parent company of GuocoLand is Guoco Group Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited. The ultimate holding company of GuocoLand is GuoLine Capital Assets Limited. Both Guoco Group Limited and GuoLine Capital Assets Limited are members of the Hong Leong group of companies.

As of 30 June 2023, the Group has total assets of S\$12.01 billion and total equity attributable to ordinary equity holders of S\$4.27 billion.