

MEDIA RELEASE**GuocoLand Grows Profit Attributable to Equity Holders
to \$67.5 million for 1H FY21/22**

Revenue rose 42% to \$452.7 million, supported by broad-based growth from all business segments

SINGAPORE, 27 January 2022 – GuocoLand Limited (“GuocoLand”) and its subsidiaries (the “Group”) grew the Group’s profit attributable to equity holders almost threefold to \$67.5 million for the half year ended 31 December 2021 (“1H FY21/22”), from \$22.9 million a year ago. This was on the back of revenue of \$452.7 million for the period, representing a 42% increase from \$319.6 million in the corresponding period a year ago (“1H FY20/21”).

Revenue growth in 1H FY21/22 was driven mainly by the higher progressive recognition of sales from the Group’s residential developments in Singapore, including Meyer Mansion, Midtown Bay and Midtown Modern, which achieved very strong sales results when it was launched in March 2021. Martin Modern, one of the Group’s luxury developments in Prime District 9 which achieved Temporary Occupation Permit (TOP) in May 2021, was fully sold with a majority of the 450 units handed over to buyers. The Group also saw higher sales contribution from China.

The Group’s investment properties continued to contribute a stable base of recurring income. The growth in revenue was predominantly from Guoco Tower, the Group’s flagship integrated mixed-use development. Rental rates from lease reversions at Guoco Tower, which is 100% leased, increased by more than 10% over previous rents.

The Group’s ancillary hotel business in Malaysia benefitted from the gradual relaxation of travel restrictions. There was also a one-off profit of \$14.3 million arising from the disposal of the Vietnam subsidiaries recorded during the period.

The Group’s total assets rose to \$12.1 billion, mainly due to the acquisition of a 17,279.9 square metre Government Land Sales site at Lentor Central in July 2021. The Group’s gearing remained at approximately 1.0 time due to ongoing repayment of debts from the monetisation of its projects. Equity attributable to ordinary equity holders as at 31 December 2021 improved slightly to \$4.02 billion.

Mr. Cheng Hsing Yao (郑馨尧), Chief Executive Officer of GuocoLand Group, said, “Our long-term goal of transforming into a multi-faceted real estate company is progressing steadily. In addition to a strong pipeline of residential homes for sale in all three core markets of Singapore, China and Malaysia, we have also built up a strong portfolio of investment assets providing growing recurring income. These set the stage for future strategies to unlock the value of our assets, as well as to pursue growth.”

Operations Highlights

Performance of the Group’s commercial properties in Singapore as well as sales of residential developments in all geographies remained strong in 1H FY21/22.

At Guoco Tower, the premium Grade A offices and retail units continued to record positive lease reversions on the back of a steady flow of new leases and expansions. The occupancy rates for Guoco Tower’s offices and retail units (including pre-committed leases) stood at a strong rate of 100% and 99%, respectively, while the occupancy of 20 Collyer Quay also remained healthy at 92%.

Guoco Midtown, the Group’s upcoming large-scale integrated development in Singapore’s Central Business District, will add another 710,000 sq ft of premium Grade A office space to the Group’s investment portfolio and further boost GuocoLand’s recurrent income upon its completion in phases from the 4th quarter of 2022.

Both Guoco Tower and Guoco Midtown received strong leasing interest from companies from a diversity of sectors including technology, finance, private equity, life sciences and trading as well as consumer related companies looking to set up their regional headquarters in Singapore. Demand for Grade A office space in the CBD is expected to remain resilient as the economy recovers and companies prepare for their growth.

The Group’s residential developments in Singapore delivered strong sales. As at 31 December 2021, Wallich Residence, located at the top of Guoco Tower, was 77% sold. Midtown Modern has sold 402 units representing 72% of its 558 units; while Meyer Mansion was 41% sold and Midtown Bay was 32% sold.

The Group’s projects in Singapore are currently progressing well and are expected to meet their revised targets for completion despite the challenges in the construction sector such as labour shortages.

In China, sales were modest as buyers turned more cautious and selective in home purchases. Of the 715 units at the Group's mixed-use development Chongqing GuocoLand 18T that were launched earlier, 38% have been sold.

Guoco Changfeng City is a mixed-use office and retail development in Shanghai with direct access to the Changfeng Park metro station. It comprises two Grade A office towers, a basement retail, a cultural office building, and two low-rise office buildings, one of which has been sold. It has commenced partial operations in September 2021, and will be fully operational by the second half of 2022, including the basement retail. One of the towers which has commenced operations has achieved more than 40% lease commitment to date.

Malaysia had been impacted by multiple Movement Control Orders (MCO) since the start of the COVID-19 pandemic and a Full Movement Control Order (FMCO) was implemented in June 2021. The peninsula has since entered different phases of the National Recovery Plan (NRP). On 18 October 2021, Kuala Lumpur and Selangor moved into Phase 4 of the NRP, which resulted in the reopening of all economic sectors.

Notwithstanding the challenges in the Malaysian real estate market, sales of our residential projects in Malaysia were resilient. As at 31 December 2021, Emerald Hills sold 74% of its 727 condominium units launched to date. Out of 816 units launched to date at Emerald 9, an integrated mixed-use development, 723 units representing 89% of launched units have been sold. In Selangor, the sales momentum of our township development, Emerald Rawang, was notably strong, with about 200 transactions completed during the period. To date, a total of 93% of the 748 units launched have been sold. Similarly, the landed development, Emerald Sepang, continued to attract strong interest from buyers, with 231 out of 350 units or 66% sold.

New Pipeline

The upcoming Lentor Central mixed-use development will add 600 residential units to our pipeline. The transit-oriented development, which also comprises 96,000 sq ft of commercial and retail spaces, will be directly connected with Lentor MRT station on the Thomson-East Coast Line (TEL). When fully operational, the commercial and retail components of the development will be accretive to our investment portfolio and recurrent income.

In addition, in January 2022, a consortium comprising GuocoLand, Intrepid Investments Pte. Ltd and TID Residential Pte. Ltd bought the neighbouring 17,136.9 square metre Lentor Hills Road site (Parcel A) for \$586.6 million.

Mr. Cheng added: “GuocoLand remains steadfast to our strategy to achieve diversified income streams while growing our assets through quality developments in key gateway cities. 2022 will see the completion of two key integrated mixed-use developments, namely Guoco Midtown in Singapore and Guoco Changfeng City in Shanghai.”

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About GuocoLand Limited

GuocoLand Limited (“GuocoLand”) is a public company listed on the Singapore Exchange Securities Trading Limited since 1978. The principal business activities of its subsidiaries are property development, property investment, hotel operations and property management.

GuocoLand and its subsidiaries (“the Group”) have established property operations in their geographical markets of Singapore, China and Malaysia, comprising residential, hospitality, commercial and retail developments. In 2017, GuocoLand marked its expansion beyond Asia into the new markets of the United Kingdom and Australia through a strategic partnership with Eco World Development Group Berhad in Eco World International Berhad. As a premier property company, GuocoLand is focused on achieving scalability, sustainability and growth in its core markets through its property development, investment and management businesses.

The parent company of GuocoLand is Guoco Group Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited. Guoco Group Limited is a member of the Hong Leong Group.

As at 31 December 2021, the Group has total assets of S\$12.1 billion and total equity attributable to ordinary equity holders of S\$4.02 billion.

For media enquiries, please contact:

Khoo Li Ching

Assistant Manager, Corporate Communications & Investor Relations

GuocoLand Limited

DID: 6428 7865

Email: khooliching@guocoland.com