

**GuocoLand Limited  
And Its Subsidiaries**

**Condensed Interim Financial Statements  
For the half year ended 31 December 2022**

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**A. Condensed consolidated statement of profit or loss and other comprehensive income**

		<b>Group Half Year Ended</b>		<b>Increase/ (Decrease)</b>
	<b>Note</b>	<b>31/12/2022 \$'000</b>	<b>31/12/2021 \$'000</b>	<b>%</b>
<b>Continuing operations</b>				
<b>Revenue</b>	4.2	661,581	452,745	46
Cost of sales		(495,780)	(312,576)	59
<b>Gross profit</b>		165,801	140,169	18
Other income		47,569	32,873	45
Administrative expenses		(46,518)	(38,003)	22
Other expenses		(705)	(18,729)	(96)
Finance costs		(60,744)	(39,947)	52
Share of loss of associates and joint ventures (net of tax)		(7,704)	(911)	N/M
<b>Profit before tax</b>	6	97,699	75,452	29
Tax expense	7	(16,234)	(21,528)	(25)
<b>Profit from continuing operations</b>		81,465	53,924	51
<b>Discontinued operation</b>				
Profit from discontinued operation (net of tax)	4.3	-	14,301	(100)
<b>Profit for the period</b>		81,465	68,225	19
<b>Profit attributable to:</b>				
<b>Equity holders of the Company</b>		<b>59,042</b>	<b>67,531</b>	(13)
Non-controlling interests		22,423	694	N/M
		81,465	68,225	19
<b>Earnings per share for profit for the period attributable to equity holders of the Company</b>				
Basic / Diluted (cents)	15	4.46	5.22	(15)

N/M : Not meaningful.

**A. Condensed consolidated statement of profit or loss and other comprehensive income (cont'd)**

	<b>Group Half Year Ended</b>		<b>Increase/ (Decrease)</b>
	<b>31/12/2022</b>	<b>31/12/2021</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Profit for the period</b>	81,465	68,225	19
<b>Other comprehensive income</b>			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	(107,862)	38,018	N/M
Translation reserve of subsidiaries reclassified to profit or loss upon disposal	-	(451)	(100)
Effective portion of changes in fair value of cash flow hedges	4	2	100
Effective portion of changes in fair value of net investment hedges	16,655	(5,792)	N/M
Net change in fair value of cash flow hedges reclassified to profit or loss	-	3,671	(100)
<b>Total other comprehensive income for the period, net of tax</b>	<b>(91,203)</b>	<b>35,448</b>	<b>N/M</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>(9,738)</b>	<b>103,673</b>	<b>N/M</b>
<b>Attributable to:</b>			
Equity holders of the Company	(15,847)	97,182	N/M
Non-controlling interests	6,109	6,491	(6)
<b>Total comprehensive income for the period, net of tax</b>	<b>(9,738)</b>	<b>103,673</b>	<b>N/M</b>

N/M : Not meaningful.

# B. Condensed statements of financial position

		Group As at		Company As at	
	Note	31/12/2022 \$'000	30/06/2022 \$'000	31/12/2022 \$'000	30/06/2022 \$'000
<b>Non-current assets</b>					
Property, plant and equipment and right-of-use assets	10	449,064	459,407	-	-
Investment properties	11	6,011,672	5,931,715	-	-
Subsidiaries		-	-	2,157,333	2,136,772
Associates and joint ventures		545,230	554,406	-	-
Deferred tax assets		25,674	27,376	-	-
		7,031,640	6,972,904	2,157,333	2,136,772
<b>Current assets</b>					
Inventories	12	3,743,013	3,881,748	-	-
Contract assets		34,940	233,740	-	-
Trade and other receivables, including derivatives		150,273	155,096	6	2
Cash and cash equivalents		993,523	1,084,925	48	84
		4,921,749	5,355,509	54	86
<b>Total assets</b>		11,953,389	12,328,413	2,157,387	2,136,858
<b>Equity</b>					
Share capital	14	1,926,053	1,926,053	1,926,053	1,926,053
Reserves		2,265,741	2,357,760	229,121	207,661
<b>Equity attributable to ordinary equity holders of the Company</b>					
		4,191,794	4,283,813	2,155,174	2,133,714
Perpetual securities		408,118	407,656	-	-
Non-controlling interests		666,144	620,780	-	-
<b>Total equity</b>		5,266,056	5,312,249	2,155,174	2,133,714
<b>Non-current liabilities</b>					
Other payables, including derivatives		643,776	689,239	1,626	1,996
Loans and borrowings	13	2,350,299	3,889,779	-	-
Deferred tax liabilities		32,269	32,699	-	-
		3,026,344	4,611,717	1,626	1,996
<b>Current liabilities</b>					
Trade and other payables, including derivatives		492,667	451,610	587	1,148
Contract liabilities		296,750	169,619	-	-
Loans and borrowings	13	2,857,449	1,756,992	-	-
Current tax liabilities		14,123	26,226	-	-
		3,660,989	2,404,447	587	1,148
<b>Total liabilities</b>		6,687,333	7,016,164	2,213	3,144
<b>Total equity and liabilities</b>		11,953,389	12,328,413	2,157,387	2,136,858

## C. Condensed statements of changes in equity

	Attributable to ordinary equity holders of the Company				Perpetual Securities	Non- Controlling Interests	Total Equity
	Share Capital	Other Reserves*	Accumulated Profits	Total Ordinary Equity			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>							
<b>At 1 July 2022</b>	<b>1,926,053</b>	<b>(180,274)</b>	<b>2,538,034</b>	<b>4,283,813</b>	<b>407,656</b>	<b>620,780</b>	<b>5,312,249</b>
<b>Total comprehensive income for the period</b>							
<b>Profit for the period</b>	-	-	59,042	59,042	-	22,423	81,465
<b>Other comprehensive income</b>							
<i>Items that are or may be reclassified subsequently to profit or loss:-</i>							
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	(91,548)	-	(91,548)	-	(16,314)	(107,862)
Effective portion of changes in fair value of cash flow hedges	-	4	-	4	-	-	4
Effective portion of changes in fair value of net investment hedges	-	16,655	-	16,655	-	-	16,655
<b>Total other comprehensive income, net of tax</b>	-	(74,889)	-	(74,889)	-	(16,314)	(91,203)
<b>Total comprehensive income for the period, net of tax</b>	-	(74,889)	59,042	(15,847)	-	6,109	(9,738)
<b>Transactions with equity holders, recorded directly in equity</b>							
<b>Contributions by and distributions to equity holders</b>							
Accrued distribution for perpetual securities	-	-	(9,586)	(9,586)	9,586	-	-
Distribution payment for perpetual securities	-	-	-	-	(9,124)	-	(9,124)
Dividends	-	-	(66,586)	(66,586)	-	(1,315)	(67,901)
Capital reduction of a subsidiary with non-controlling interests	-	-	-	-	-	(930)	(930)
Capitalisation of shareholder's loan from non-controlling interests	-	-	-	-	-	41,500	41,500
<b>Total contributions by and distributions to equity holders</b>	-	-	(76,172)	(76,172)	462	39,255	(36,455)
<b>Total transactions with equity holders</b>	-	-	(76,172)	(76,172)	462	39,255	(36,455)
<b>At 31 December 2022</b>	<b>1,926,053</b>	<b>(255,163)</b>	<b>2,520,904</b>	<b>4,191,794</b>	<b>408,118</b>	<b>666,144</b>	<b>5,266,056</b>

\* Include reserve for own shares, capital reserve, translation reserve, revaluation reserve, merger reserve and hedging reserve.

## C. Condensed statements of changes in equity (cont'd)

	Attributable to ordinary equity holders of the Company				Perpetual Securities	Non- Controlling Interests	Total Equity
	Share Capital	Other Reserves*	Accumulated Profits	Total Ordinary Equity			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>							
<b>At 1 July 2021</b>	<b>1,926,053</b>	<b>(156,717)</b>	<b>2,230,888</b>	<b>4,000,224</b>	<b>407,060</b>	<b>537,176</b>	<b>4,944,460</b>
<b>Total comprehensive income for the period</b>							
<b>Profit for the period</b>	-	-	67,531	67,531	-	694	68,225
<b>Other comprehensive income</b>							
<i>Items that are or may be reclassified subsequently to profit or loss:-</i>							
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	32,154	-	32,154	-	5,864	38,018
Translation differences of subsidiaries reclassified to profit or loss upon disposal	-	(384)	-	(384)	-	(67)	(451)
Effective portion of changes in fair value of cash flow hedges	-	2	-	2	-	-	2
Effective portion of changes in fair value of net investment hedges	-	(5,792)	-	(5,792)	-	-	(5,792)
Net change in fair value of cash flow hedges reclassified to profit or loss	-	3,671	-	3,671	-	-	3,671
<b>Total other comprehensive income, net of tax</b>	-	29,651	-	29,651	-	5,797	35,448
<b>Total comprehensive income for the period, net of tax</b>	-	<b>29,651</b>	<b>67,531</b>	<b>97,182</b>	-	<b>6,491</b>	<b>103,673</b>
<b>Transactions with equity holders, recorded directly in equity</b>							
<b>Contributions by and distributions to equity holders</b>							
Accrued distribution for perpetual securities	-	-	(9,572)	(9,572)	9,572	-	-
Distribution payment for perpetual securities	-	-	-	-	(9,124)	-	(9,124)
Dividends	-	-	(66,586)	(66,586)	-	(1,385)	(67,971)
<b>Total contributions by and distributions to equity holders</b>	-	-	<b>(76,158)</b>	<b>(76,158)</b>	<b>448</b>	<b>(1,385)</b>	<b>(77,095)</b>
<b>Total transactions with equity holders</b>	-	-	<b>(76,158)</b>	<b>(76,158)</b>	<b>448</b>	<b>(1,385)</b>	<b>(77,095)</b>
<b>At 31 December 2021</b>	<b>1,926,053</b>	<b>(127,066)</b>	<b>2,222,261</b>	<b>4,021,248</b>	<b>407,508</b>	<b>542,282</b>	<b>4,971,038</b>

\* Include reserve for own shares, capital reserve, translation reserve, revaluation reserve, merger reserve and hedging reserve.

## C. Condensed statements of changes in equity (cont'd)

	Share Capital S\$'000	Other Reserves* S\$'000	Accumulated Profits S\$'000	Total Equity S\$'000
<b>Company</b>				
<b>At 1 July 2022</b>	<b>1,926,053</b>	<b>(162,047)</b>	<b>369,708</b>	<b>2,133,714</b>
Profit for the period	-	-	88,046	88,046
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>88,046</b>	<b>88,046</b>
<b>Transactions with equity holders, recorded directly in equity</b>				
<i>Contributions by and distributions to equity holders</i>				
Dividends	-	-	(66,586)	(66,586)
<b>Total contributions by and distributions to equity holders</b>	<b>-</b>	<b>-</b>	<b>(66,586)</b>	<b>(66,586)</b>
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>(66,586)</b>	<b>(66,586)</b>
<b>At 31 December 2022</b>	<b>1,926,053</b>	<b>(162,047)</b>	<b>391,168</b>	<b>2,155,174</b>
<b>At 1 July 2021</b>	<b>1,926,053</b>	<b>(162,047)</b>	<b>317,576</b>	<b>2,081,582</b>
Profit for the period	-	-	22,065	22,065
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>22,065</b>	<b>22,065</b>
<b>Transactions with equity holders, recorded directly in equity</b>				
<i>Contributions by and distributions to equity holders</i>				
Dividends	-	-	(66,586)	(66,586)
<b>Total contributions by and distributions to equity holders</b>	<b>-</b>	<b>-</b>	<b>(66,586)</b>	<b>(66,586)</b>
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>(66,586)</b>	<b>(66,586)</b>
<b>At 31 December 2021</b>	<b>1,926,053</b>	<b>(162,047)</b>	<b>273,055</b>	<b>2,037,061</b>

\* Include reserve for own shares and capital reserve.

**D. Condensed consolidated statement of cash flows**

	<b>Group</b>	
	<b>Half Year Ended</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Profit for the period	81,465	68,225
Adjustments for:-		
Allowance/(Reversal of allowance) for credit loss on trade and other receivables	50	(332)
Depreciation of property, plant and equipment and right-of-use assets	6,334	7,684
Finance costs	60,744	39,947
Gain on disposal of discontinued operation, net of tax	-	(14,301)
Loss on disposal of interests in a subsidiary	-	876
Write off of property, plant and equipment	2	-
Gain on disposal of property, plant and equipment	(12)	-
Interest income	(12,207)	(8,596)
Net fair value gain on derivative financial instruments	(20,148)	(12,830)
Share of loss of associates and joint ventures, net of tax	7,704	911
Unrealised exchange (gain)/loss	(11,460)	6,463
Tax expense	16,234	21,528
	128,706	109,575
Changes in:-		
Inventories	60,105	(520,648)
Contract assets	202,458	267,452
Trade and other receivables	23,422	(44,594)
Trade and other payables	50,000	(26,826)
Contract liabilities	136,925	41,540
Balances with holding companies and related corporations	286	(9,538)
Cash from/(used in) operating activities	601,902	(183,039)
Tax paid	(15,832)	(12,733)
<b>Net cash from/(used in) operating activities</b>	<b>586,070</b>	<b>(195,772)</b>
<b>Cash flows from investing activities</b>		
Additions to investment properties	(77,456)	(233,587)
Additions to property, plant and equipment	(559)	(1,436)
Advances to associates and joint ventures	(345)	(7,046)
Dividends received from associates and joint ventures	121	10,648
Interest received	7,356	4,614
Proceeds from disposal of property, plant and equipment	88	42
Proceeds from disposal of discontinued operation	-	21,888
Proceeds from disposal of interests in a subsidiary	-	1,226
<b>Net cash used in investing activities</b>	<b>(70,795)</b>	<b>(203,651)</b>



**D. Condensed consolidated statement of cash flows (cont'd)**

	<b>Group</b>	
	<b>Half Year Ended</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(66,586)	(66,586)
Dividends paid to non-controlling interests	(1,315)	(1,385)
Distribution payment for perpetual securities	(9,124)	(9,124)
Increase in fixed deposits pledged	(9,912)	(17,693)
Interest paid	(87,856)	(65,312)
Payment for lease liabilities	(430)	(479)
Proceeds from loan and borrowings	282,908	1,559,622
Repayment of loans and borrowings	(667,983)	(824,345)
Capital reduction of a subsidiary with non-controlling interests	(930)	-
Repayment of loans from non-controlling interests	(17,700)	(8,750)
<b>Net cash (used in)/from financing activities</b>	<b>(578,928)</b>	<b>565,948</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(63,653)</b>	<b>166,525</b>
Cash and cash equivalents at beginning of the year	1,076,406	1,123,177
Exchange differences on translation of balances held in foreign currencies	(37,602)	15,677
<b>Cash and cash equivalents at end of the period</b>	<b>975,151</b>	<b>1,305,379</b>

For the consolidated statement of cash flows, cash and cash equivalents exclude cash collaterals and are presented net of bank overdrafts repayable on demand.

**E. Notes to the condensed interim consolidated financial statements**

**1. Corporate information**

GuocoLand Limited (the “Company”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are those relating to:-

- investment holding;
- property development and investment;
- hotel operations; and
- provision of management, property management, marketing and maintenance services.

**2. Basis of preparation**

The condensed interim financial statements for the six months ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

**2.1 New and amended standards adopted by the Group**

A number of new standards and interpretations and amendments to standards are effective for annual period beginning on 1 July 2022. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

**2.2. Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and 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 30 June 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next interim period are included in the following notes:-

Note 11 – determination of fair value of investment properties

Note 12 – estimation of the percentage of completion relating to revenue and costs recognised on development properties and allowance for foreseeable losses on development properties

**3. Seasonal operations**

The Group's business is not affected significantly by seasonal or cyclical factors during the financial period.

**4. Segment and revenue information**

Management has determined the operating segments based on the reports reviewed by the Group's Chief Executive Officer ("CEO") that are used to make strategic decisions. The Group's reportable operating segments are as follows:-

- a. GuocoLand Singapore – development of residential, commercial and integrated properties, and property investment (holding properties for rental income) in Singapore.
- b. GuocoLand China – development of residential, commercial and integrated properties, and property investment (holding properties for rental income) in China.
- c. GuocoLand Malaysia – development of residential, commercial and integrated properties, and property investment (holding properties for rental income) in Malaysia.
- d. Others – include GuocoLand Hotels which is in the management and operation of hotels in Singapore and Malaysia, and EcoWorld International Berhad, which is in the investment in property development projects in United Kingdom and Australia.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit after income tax, as included in the internal management reports that are reviewed by the CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

## GuocoLand Limited And Its Subsidiaries

### 4.1 Reportable segments

	Continuing Operations						Discontinued Operation	
	GuocoLand Singapore	GuocoLand China	GuocoLand Malaysia	Others	Sub-Total	Unallocated	Sub-Total	GuocoLand Vietnam
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Total							
	\$'000							
<b>1 July to 31 December 2022</b>								
<b>Revenue</b>								
External revenue	534,947	43,545	47,775	35,266	661,533	48	661,581	-
<b>Results</b>								
Segment profit/(loss) before tax	127,692	15,844	7,164	5,891	156,591	(2,651)	153,940	-
Share of profit/(loss) of associates and joint ventures (net of tax)	-	(59)	1,920	(9,565)	(7,704)	-	(7,704)	-
Interest income	2,641	4,904	293	136	7,974	4,233	12,207	-
Finance costs	(46,105)	-	(3,344)	(3,947)	(53,396)	(7,348)	(60,744)	-
Profit/(Loss) before tax	84,228	20,689	6,033	(7,485)	103,465	(5,766)	97,699	-
Tax expense	(5,856)	(8,658)	(1,720)	-	(16,234)	-	(16,234)	-
Profit/(Loss) for the period	78,372	12,031	4,313	(7,485)	87,231	(5,766)	81,465	-
<i>Other segment items:</i>								
Depreciation	(66)	(291)	(924)	(5,023)	(6,304)	(30)	(6,334)	-
Capital expenditure	101,218	4,399	154	123	105,894	25	105,919	-
<b>31 December 2022</b>								
Segment assets	8,395,134	2,236,388	589,313	644,816	11,865,651	87,738	11,953,389	-
Segment liabilities	4,276,101	970,731	207,412	233,063	5,687,307	1,000,026	6,687,333	-
Associates and joint ventures	250,557	4,561	111,606	178,506	545,230	-	545,230	-

## GuocoLand Limited And Its Subsidiaries

### 4.1 Reportable segments (cont'd)

1 July to 31 December 2021	Continuing Operations							Discontinued Operation	Total \$'000
	GuocoLand Singapore	GuocoLand China	GuocoLand Malaysia	Others	Sub-Total	Unallocated	Sub-Total	GuocoLand Vietnam	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Revenue									
External revenue	349,244	51,107	41,636	10,725	452,712	33	452,745	-	452,745
Results									
Segment profit/(loss) before tax	112,262	11,893	5,144	(5,275)	124,024	(16,310)	107,714	17,904	125,618
Share of profit/(loss) of associates and joint ventures (net of tax)	-	176	2,305	(3,392)	(911)	-	(911)	-	(911)
Interest income	138	5,471	152	33	5,794	2,802	8,596	-	8,596
Finance costs	(22,509)	-	(3,050)	(3,930)	(29,489)	(10,458)	(39,947)	-	(39,947)
Profit/(Loss) before tax	89,891	17,540	4,551	(12,564)	99,418	(23,966)	75,452	17,904	93,356
Tax expense	(7,930)	(10,646)	(1,441)	-	(20,017)	(1,511)	(21,528)	(3,603)	(25,131)
Profit/(Loss) for the period	81,961	6,894	3,110	(12,564)	79,401	(25,477)	53,924	14,301	68,225
Other segment items:									
Depreciation	(256)	(350)	(863)	(5,883)	(7,352)	(332)	(7,684)	-	(7,684)
Capital expenditure	265,316	341	670	390	266,717	3	266,720	-	266,720
30 June 2022									
Segment assets	8,551,042	2,401,558	645,107	676,904	12,274,611	53,802	12,328,413	-	12,328,413
Segment liabilities	4,278,740	1,038,987	234,772	271,740	5,824,239	1,191,925	7,016,164	-	7,016,164
Associates and joint ventures	245,224	4,863	113,977	190,342	554,406	-	554,406	-	554,406

## 4.2 Disaggregation of revenue

	<b>Group Half Year Ended</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue recognised at a point in time:-</b>		
Sale of development properties		
Singapore	62,987	164,135
China	37,967	48,369
Malaysia	9,274	4,084
	<u>110,228</u>	<u>216,588</u>
<b>Revenue recognised over time:-</b>		
Sale of development properties		
Singapore	405,252	129,666
Malaysia	34,911	34,519
	<u>440,163</u>	<u>164,185</u>
Hotel operations		
Singapore	21,070	5,372
Malaysia	14,196	5,353
	<u>35,266</u>	<u>10,725</u>
Rental and related income from investment properties		
Singapore	66,645	55,383
China	5,578	2,738
Malaysia	2,563	1,621
	<u>74,786</u>	<u>59,742</u>
Management fee income	1,138	1,505
	<u>661,581</u>	<u>452,745</u>

## 4.3 Discontinued operation

In July 2021, the Group completed the disposal of its two subsidiaries in Vietnam for a consideration of USD 28 million (\$36.8 million) with a gain on disposal of \$14.3 million. Upon completion of this transaction, the Group will not have any business operations in Vietnam. Accordingly, the GuocoLand Vietnam segment operation results have been presented as discontinued operation in 2021.

The profit from the discontinued operation of \$14.3 million is attributable entirely to the equity holders of the Company. Of the profit from continuing operations of \$53.9 million for the half year ended 31 December 2021, an amount of \$53.2 million is attributable to the equity holders of the Company.

	<b>Group Half Year Ended 31/12/2021</b>
	<b>\$'000</b>
Net gain on disposal of discontinued operation	17,904
Tax on gain on disposal of discontinued operation	(3,603)
<b>Profit from discontinued operation, net of tax</b>	<u><b>14,301</b></u>
<b>Earnings per share (cents)</b>	
Basic / Diluted	<u>1.29</u>

**Group  
Half Year  
Ended  
31/12/2021  
\$'000**

**Cash flows from discontinued operation**

Net cash from investing activities	21,888
Net cash flows for the period	<b>21,888</b>

**Effect of disposal of the financial position of the Group**

Property, plant and equipment	3
Inventories	6,930
Trade and other receivables	2,877
Cash and cash equivalents	11,046
Trade and other payables	(2,530)
Net assets disposed	18,326
Realisation of translation reserve	307
Disposal costs	223
Gain on disposal of discontinued operation	17,904
Sale consideration	36,760
Cash balances of discontinued operation	(11,046)
Disposal costs paid	(223)
Tax paid	(3,603)
Net sales consideration	<b>21,888</b>

**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 31 December 2022 and 30 June 2022:

	<b>Group As at</b>		<b>Company As at</b>	
	<b>31/12/2022</b>	<b>30/06/2022</b>	<b>31/12/2022</b>	<b>30/06/2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial Assets</b>				
Cash and bank balances and trade and other receivables# (Amortised cost)	1,094,931	1,208,176	48	84
<b>Financial Liabilities</b>				
Trade and other payables and borrowings* (Amortised cost)	6,344,130	6,787,594	2,213	3,144

# Excludes prepayments and derivatives

\* Excludes derivatives

**6. Profit before taxation****6.1 Significant items**

	<b>Group Half Year Ended</b>		<b>Increase/ (Decrease)</b>
	<b>31/12/2022</b>	<b>31/12/2021</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Income / (Expenses)</b>			
Interest income from fixed deposits with banks	8,223	6,047	36
Interest income from joint ventures	3,984	2,549	56
Depreciation of property, plant and equipment and right-of-use assets	(6,334)	(7,684)	(18)
Net fair value gain on derivative financial instruments	20,148	12,830	57
Net foreign exchange gain / (loss)	11,884	(17,179)	N/M
Income from forfeiture of deposit	449	5,603	(92)
Management fees paid and payable to related corporations	(4,371)	(4,366)	-
Loss on disposal of interest in a subsidiary	-	(876)	(100)
(Allowance) / Reversal of allowance for credit loss on trade and other receivables	(50)	332	N/M

N/M: Not meaningful

**6.2 Related party transactions**

There is no material related party transactions apart from those disclosed elsewhere in the financial statements.

**7. Tax expense**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	<b>Group Half Year Ended</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Current tax		
Current year	14,116	21,870
Under / (Over) provision in respect of prior periods	8	(241)
	14,124	21,629
Foreign withholding tax	1,000	126
	15,124	21,755
Deferred tax		
Movements in temporary differences	1,110	(227)
	16,234	21,528



## 8. Dividends

	<b>Group Half Year Ended</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Ordinary dividends paid:		
Final one-tier tax exempt dividend of 6 cents (2021: 6 cents) per ordinary share in respect of the previous financial year	66,586	66,586

## 9. Net asset value

	<b>Group As at</b>		<b>Company As at</b>	
	<b>31/12/2022</b>	<b>30/06/2022</b>	<b>31/12/2022</b>	<b>30/06/2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net asset value per ordinary share based on existing share capital after adjusting for the shares held by the Trust for the GuocoLand Limited Executive Share Scheme 2018	3.78	3.86	1.94	1.92

## 10. Property, plant and equipment

During the six months ended 31 December 2022, the Group acquired assets amounting to \$0.6 million (31 December 2021: \$1.4 million) and there was disposed of assets of \$88,000 during the period (31 December 2021: \$42,000).

## 11. Investment properties

The Group's Investment properties comprise commercial properties, and reversionary interests in freehold land and commercial properties.

	<b>Group \$'000</b>
<b>At 1 July 2021</b>	4,974,546
Additions	356,125
Reclassification from development properties	361,899
Changes in fair values recognised in other income	248,833
Translation differences recognised in other comprehensive income	(9,688)
<b>At 30 June 2022 and 1 July 2022</b>	5,931,715
Additions	105,352
Translation differences recognised in other comprehensive income	(25,395)
<b>At 31 December 2022</b>	6,011,672

  

	<b>As At</b>	
	<b>31/12/2022</b>	<b>30/06/2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Comprising:-		
Completed investment properties	3,608,296	3,630,793
Investment properties under development	2,403,376	2,300,922
	6,011,672	5,931,715

## 11.1 Valuation

Investment properties are stated at fair value based on independent valuations. The fair value of investment properties is determined by external independent property valuers, which have appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The independent valuers provide the fair values of the Group's investment property portfolio annually. The fair values are based on market values being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

The fair value measurement for the investment properties have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

The valuers have considered valuation techniques including the direct comparison method, income capitalisation method and residual land method in determining the open market values. The specific risks inherent in each of the properties are taken into consideration in arriving at the valuations.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties, taking into consideration the location, tenure, age of development, trade mix, lettable area, condition, facilities within the development, standard of finishes and fittings as well as date of transaction.

The income capitalisation approach is an investment approach whereby the gross passing income has been adjusted to reflect anticipated operating costs and an ongoing vacancy to produce a net income on a fully leased basis. The adopted fully leased net income is capitalised over the remaining term of the lease from the date of valuation at an appropriate investment yield which reflects the nature, location and tenancy profile of the property together with current market investment criteria.

The residual land method involves the deduction of the estimated total development and related costs, together with developer's profit margin, from the gross development value assuming it was completed as at the date of valuation. In estimating the gross development value, the valuer has considered the sale of comparable properties and adjustments are made to reflect the differences in location, tenure, size, standard of finishes and fittings as well as the dates of transactions.

The valuation reports for 30 June 2022 have highlighted estimation uncertainty arising from the COVID-19 pandemic, Russia/Ukraine conflict and rising interest rate and that a higher degree of caution is to be exercised when relying on valuation. The valuations were based on information available and market conditions as at 30 June 2022. Values may change significantly and unexpectedly over a short period of time.

The following table shows the Group's valuation techniques used in measuring the fair value of investment properties and the key unobservable inputs used:-

Type of investment properties	Valuation Method	Key unobservable inputs			Inter-relationship between key unobservable inputs and fair value measurement
		Singapore	China	Malaysia	
Commercial properties	• Direct comparison method	• Sales prices of \$2,850 to \$3,151 (2021: \$2,700 to \$2,999) per square feet (psf)	• Sales prices of \$898 psf (2021: Not applicable)	• Sales prices of \$337 (2021: \$345) psf	The estimated fair value increases when sales price and gross development value increases and capitalisation rate decreases
	• Income capitalisation method	• Capitalisation rate of 3.3% to 4.5% (2021: 3.4% to 4.5%)	• Capitalisation rate of 3.8% (2021: Not applicable)	• Capitalisation rate of 5.5% to 6.0% (2021: 5.5% to 6.0%)	

Type of investment properties	Valuation Method	Key unobservable inputs			Inter-relationship between key unobservable inputs and fair value measurement
		Singapore	China	Malaysia	
Commercial properties under development	• Residual land method	• Gross development value of \$3,000 to \$3,800 (2021: \$2,975 to \$3,800) psf	• Gross development value of \$122 psf (2021: Not applicable)		The estimated fair value increases when sales price and gross development value increases and capitalisation rate decreases
Reversionary interest in freehold land and commercial properties	• Direct comparison method	• Sales prices of \$201 to \$857 (2021: \$182 to \$768) psf			
	• Residual land method	• Gross development value of \$3,220 (2021: \$3,060) psf			

## 12. Inventories

	Group As at	
	31/12/2022	30/06/2022
	\$'000	\$'000
Development properties	3,742,118	3,880,728
Consumable stocks	895	1,020
	<u>3,743,013</u>	<u>3,881,748</u>

The Group adopts the percentage of completion method of revenue recognition for residential projects under the progressive payment scheme in Singapore. The Group relies on the experience and work of specialists.

The Group recognises an allowance for foreseeable losses on development properties taking into consideration the selling prices of comparable properties, timing of sale launches, location of property, expected net selling prices and development expenditure. Market conditions may, however, change which may affect the future selling prices of the remaining unsold residential units of the development properties and accordingly, the carrying value of development properties for sale may have to be written down in future periods. During the periods, no allowance for foreseeable losses have been made in respect of the Group's development properties.

### 13. Loans and Borrowings

	Group As at	
	31/12/2022	30/06/2022
	\$'000	\$'000
Amount repayable within one year or on demand		
Secured	2,550,476	1,292,324
Unsecured	306,973	464,668
	<u>2,857,449</u>	<u>1,756,992</u>
Amount repayable after one year		
Secured	1,608,251	3,131,312
Unsecured	742,048	758,467
	<u>2,350,299</u>	<u>3,889,779</u>

The secured loans and borrowings are secured on the following assets:

	Group As at	
	31/12/2022	30/06/2022
	\$'000	\$'000
At carrying amounts:-		
Property, plant and equipment	439,823	447,926
Investment properties	5,455,035	5,375,038
Development properties	2,702,449	2,808,544

### 14. Share Capital

(a)	Company			
	2022		2021	
	No. of shares	Amount	No. of shares	Amount
	'000	\$'000	'000	\$'000
Issued and fully paid ordinary shares, with no par value				
At 1 July and 31 December	1,183,373	1,926,053	1,183,373	1,926,053
	Company As at			
	2022		2021	
	'000		'000	
(b) GuocoLand Limited Executive Share Scheme 2018 ("ESS")				
No. of share options				
At 1 July and 31 December	-		-	
(c) At 1 July and 31 December				
No. of issued ordinary shares	1,183,373		1,183,373	
Less: No. of shares acquired by the Trust for ESS	(73,605)		(73,605)	
	<u>1,109,768</u>		<u>1,109,768</u>	
(d) No. of shares acquired by the Trust for ESS				
At 1 July and 31 December	73,605		73,605	

As at 31 December 2022, the Trust for the ESS held an aggregate of 73,604,933 (30 June 2022: 73,604,933) shares in the Company which had been acquired from the market for the purpose of satisfying outstanding share options granted or to be granted to participants under the ESS.

15. Earnings per share

	Group Half Year Ended	
	31/12/2022	31/12/2021
Earnings per ordinary share for the period based on the Group's profit attributable to equity holders of the Company*:-		
(a) Based on weighted average number of ordinary shares in issue after adjusting for the shares held by the Trust for ESS (cents)	4.46	5.22
Weighted average number of ordinary shares ('000)	1,109,768	1,109,768
(b) On a fully diluted basis (cents)	4.46	5.22
Weighted average number of ordinary shares ('000)	1,109,768	1,109,768

\* After deducting accrued distribution for perpetual securities for the half year ended 31 December 2022 of \$9.6 million (31 December 2021: \$9.6 million).

For the half year ended 31 December 2022 and 31 December 2021, the diluted earnings per share was the same as the basic earnings per share as there were no dilutive potential ordinary shares in issue.

**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

**16. Review**

The condensed consolidated statement of financial position of GuocoLand Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month then ended and certain explanatory notes have not been audited or reviewed.

**17. Review of performance of the Group**

**(i) Statement of profit or loss**

***Half Year Ended 31 December 2022***

For the half year ended 31 December 2022, revenue for the Group increased by 46% to \$661.6 million and gross profit increased 18% to \$165.8 million, as compared to the previous corresponding period. This was driven mainly by higher progressive recognition of sales from the Group's residential projects in Singapore, especially Meyer Mansion and Midtown Modern. Revenue from the Group's property development business grew by 45% to \$550.4 million as compared to the previous corresponding period.

Revenue from the Group's investment properties increased by 25% to \$74.8 million. The growth in recurrent income was mainly driven by higher rental revenues from Guoco Tower and contribution from Shanghai's Guoco Changfeng City South Tower, which has commenced operations during the period. Meanwhile, the Group's hotels investments continued to improve, especially at Sofitel Singapore City Centre. The hotels investments recorded a revenue of \$35.3 million in the current period, a three-fold increase as compared to the previous corresponding period.

Other income increased by 45% to \$47.6 million mainly due to higher fair value gain on interest rate hedges and the foreign exchange gain recognised in the current period. Fair value gain on the interest rate hedges mitigated the effect of the rising interest rates during the period, which resulted in the increase in the Group's finance cost from \$39.9 million to \$60.7 million.

The lower Chinese Renminbi (RMB) against Singapore dollars (SGD) during the period resulted in a foreign exchange gain in other income in current period, as compared to a loss recognised in other expenses in the previous corresponding period. Hence, there was a 96% drop in other expenses in the current period.

Meanwhile, administrative expenses increased by 22% to \$46.5 million mainly due to the increase in selling and marketing expenses for the Singapore's residential projects, in line with higher sales activities during the period. Share of loss of associates and joint ventures increased by \$6.8 million mainly due to higher share of losses from EcoWorld International Berhad (EWI).

Excluding a disposal gain from the discontinued operation recognised in the previous corresponding period, the Group's overall profit for the current period increased by 11% to \$59.0 million. Including this one off disposal gain, profit attributable to equity holders of the Company for the half year decreased by 13% as compared to the previous corresponding period.

**(ii) Segments**

GuocoLand Singapore segment, the strong base of the Group's results, contributed approximately 80% of the Group's revenue for the half year ended 31 December 2022. Comparing to the previous corresponding period, revenue from this segment increased by 53% to \$534.9 million. As sales and construction of the Singapore's residential projects progressed, its revenue from the property development business grew by 59% to \$468.2 million. In addition, revenue from its investment properties continues to improve, increasing 20% to \$66.6 million.

Correspondingly, segment profit of GuocoLand Singapore increased by 14% to \$127.7 million. However, the better operational result was offset by higher finance cost during the period, mainly due to the sharp rise in interest rates. Fair value gains from the interest rate hedges mitigated the higher finance cost for the period. Overall, net profit for the segment decreased slightly by 4% to \$78.4 million.

GuocoLand China segment recorded revenue of \$43.5 million for the half year ended 31 December 2022. This was a decrease of 15% as compared to the previous corresponding period due to lower sales from Guoco Changfeng City. Included in the segment profit for the current period was a foreign exchange gain arising from the lower RMB against SGD, as compared to an exchange loss recorded in the previous corresponding period. Consequently, overall net profit for the segment increased from \$6.9 million to \$12.0 million.

GuocoLand Malaysia segment's revenue increased by 15% to \$47.8 million for the half year ended 31 December 2022 as sales and construction for Emerald Hills and other projects progressed. Overall net profit for the segment improved from \$3.1 million to \$4.3 million.

Included in the Others segment is the performance of the hotels and EWI. Losses from EWI was partially offset by profits from the hotels business, with hotels' revenue improving three-fold to \$35.3 million. Overall net loss for the segment was consequentially reduced by 40% to \$7.5 million.

**(iii) Statement of financial position**

The Group's equity attributable to ordinary equity holders was \$4.19 billion as at 31 December 2022, decreased marginally as compared to 30 June 2022. This was because profit recorded for the period was offset by dividends payment of \$66.6 million in November 2022 and the translation loss arising from the lower RMB against SGD during the period.

Investment properties increased by \$80.0 million to \$6.01 billion as at 31 December 2022. The additions arose mainly from the ongoing construction progress recognition of Guoco Midtown.

Inventories decreased by 4% to \$3.74 billion mainly due to sales recognised from Singapore residential projects. Contract assets fell by 85% from \$233.7 million as at 30 June 2022 as sales proceeds mainly for Martin Modern was collected during the period. Contract liabilities increased by 75% to \$296.8 million mainly due to instalments received for Lentor Modern.

Total loans and borrowings reduced by 8% from 30 June 2022 mainly due to repayments made during the period. The Group's current loans and borrowings of \$2.86 billion as at 31 December 2022 will be progressively repaid with proceeds from the Group's development property sales and the remaining will be re-financed. As at 31 December 2022, the Group's gearing reduced from 1.0 to 0.9 times.

**(iv) Statement of cash flows**

For the half year ended 31 December 2022, net cash generated from operating activities was \$586.1 million, mainly from sales and collections from Singapore residential projects. Meanwhile, cash used in investing activities was mainly for the ongoing construction of the Group's investment properties. For financing activities, net cash of \$578.9 million was used mainly for repayment of loans, interests and dividends during the period. As compared to the previous corresponding period, net cash used in operating and investing activities was \$195.8 million and \$203.7 million respectively, mainly due to the acquisition of the Lentor Central site. Financing activities generated net cash of \$565.9 million, mainly from loan and borrowings for the financing of the land acquisition.

**18. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast has been previously disclosed to shareholders.

**19. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months**

**Singapore**

In Singapore's residential housing market, there were 15,777 unsold units as at 3<sup>rd</sup> quarter 2022, about 12,000 units below the 10-year average of 27,767 units. Prices are expected to stabilise and grow moderately, by up to 3% according to Cushman & Wakefield.

Rents for CBD Grade A offices continued their upward trajectory in 4<sup>th</sup> quarter 2022, bringing the full-year rental growth to 5.9% for 2022. In 2023, the CBD Grade A office net demand is likely to remain at positive levels, while supply pipeline is still limited over the near and mid-term.

Whilst the Singapore property market is supported by sound economic fundamentals, macroeconomic uncertainties, including higher costs and interest rate hikes remain a concern.

**China**

China has begun the easing of its pandemic control policies, including allowing free travel within the country and the lifting of all quarantine requirements for international visitors from January 2023. Goldman Sachs has predicted China's GDP growth to rise from 3% in 2022 to 4.5% in 2023. In general, analysts expect business confidence in China to improve. The Chinese government also introduced a series of support measures to assist the recovery of the real estate sector.

**Malaysia**

According to Malaysia's Ministry of Finance, Malaysia's GDP is expected to grow moderately between 4% and 5% in 2023, backed by strong fundamentals and diversified economic structure, coupled with policy support to cushion the impact of the rising cost of living. Nevertheless, the real estate market remains challenging due to the high supply of conventional real estate assets in Malaysia and the inflationary environment.



**20. Dividend information**

**20.1 Current Financial Period Reported on**

Any dividend recommended for the current financial period reported on? No

**20.2 Corresponding Period of the Immediate Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**20.3 Date Payable**

Not applicable

**20.4 Books Closure Date**

Not applicable

**21. Interested person transactions**

The Company does not have a shareholders' mandate for interested person transactions.

**22. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

GuocoLand Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

**23. Confirmation Pursuant to Rule 705(5) of the Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited condensed interim consolidated financial statements of GuocoLand Limited for the half year ended 31 December 2022, to be false or misleading in any material aspect.

Signed by Tan Sri Quek Leng Chan and Mr Cheng Hsing Yao on behalf of the Board of Directors.

**24. Disclosure on acquisitions and realisations pursuant to Rule 706A**

During the half year ended 31 December 2022:

24.1 The following company was dissolved in Malaysia:

Date	Details	Announcement Reference No.
27 Dec 2022	Astute Modernization Sdn Bhd, a wholly-owned subsidiary of GuocoLand (Malaysia) Berhad (" <b>GLM</b> "), was dissolved under member's voluntary liquidation. GLM is a subsidiary of the Company.	SG190215OTHR17VW dated 15 Feb 2019

24.2 The following acquisition of shares resulting in a company becoming a wholly-owned subsidiary of the Company:

Date	Details	Announcement Reference No.
28 Dec 2022	GuocoLand Hotels Pte. Ltd. (" <b>GLH</b> "), a wholly-owned subsidiary of the Company, which held 70% of the issued share capital in JB Parade Sdn Bhd (" <b>JBP</b> "), acquired the remaining 30% of the issued share capital comprising 12,000,000 ordinary shares in JBP held by its joint venture partner, YPJ Corporation Sdn Bhd, at a consideration of RM10,250,000. Following the said acquisition which completion took place on 28 December 2022, JBP had become a wholly-owned subsidiary of GLH and the Company.	-

**BY ORDER OF THE BOARD**

Mary Goh Swon Ping  
Group Company Secretary  
19 January 2023