

## GuocoLand delivers resilient results with strong growth in revenue for 1H FY2023

- Surge in revenue driven by growth in both Property Development and Property Investment
- Guoco Midtown to be fully operational in 2023 and further boost property investment income

| (S\$ million)   | 1H FY23 | 1H FY22 | Variance (%) |
|---|---------|---------|--------------|
| Revenue   | 661.6   | 452.7   | 46           |
| Gross profit  | 165.8   | 140.2   | 18           |
| Profit from continuing operations   | 81.5    | 53.9    | 51           |
| Profit attributable to equity holders   | 59.0    | 67.5    | (13)         |
| Profit attributable to equity holders<br>(excluding disposal gain in 1H FY22 <sup>1</sup> ) | 59.0    | 53.2    | 11           |

**SINGAPORE, 19 January 2023** – GuocoLand Limited (“GuocoLand”) and its subsidiaries (the “Group”) continued to achieve strong growth in revenue from both its Property Development and Property Investment businesses for the half year ended 31 December 2022 (“1H FY23”), proving the real estate group’s resilience amidst a challenging landscape for the sector.

The Group’s profit from continuing operations leapt 51% to S\$81.5 million in this period, while revenue grew 46% year-on-year to S\$661.6 million from the same period a year ago (“1H FY22”). This was driven by the strong performance from both the Group’s Property Development and Property Investment businesses, where revenue grew 45% to S\$550.4 million and 25% to S\$74.8 million, respectively.

The Group’s Property Development business continued to deliver strong revenue, contributing 83% or S\$550.4 million to total revenue for 1H FY23, driven mainly by higher progressive recognition of sales from its residential projects in Singapore.

Meanwhile, the Property Investment business segment contributed 11% or S\$74.8 million to total revenue, as well as 35% of the Group’s gross profits for 1H FY23 – a result of higher rental revenues from Guoco Tower and contribution from Shanghai’s Guoco Changfeng City South Tower, which commenced operations during the period.

The Group’s hotel investments recorded a three-fold increase in revenue to S\$35.3 million in 1H FY23. This was mainly attributable to improvements in hotel operations especially at Sofitel Singapore City Centre as post-pandemic Singapore welcomed more international travellers.

<sup>1</sup> The Group recorded a one-off disposal gain of S\$14.3 million from discontinued operation in 1H FY22, following the disposal of its two subsidiaries in Vietnam in July 2021.

As a result of the strong performance, the Group has reported profit attributable to equity holders of S\$59.0 million for 1H FY23. Excluding a one-off disposal gain of S\$14.3 million recognised in 1H FY22, the Group had grown its overall profit for the period by 11%.

The Group's resilient results reflect the successful execution of its strategy of growing its Property Investment business while consistently delivering on its strong Property Development business.

Mr. Cheng Hsing Yao (郑馨尧), Chief Executive Officer of GuocoLand Group, said, "Globally, the real estate industry has faced a series of challenges, from supply chain issues, labour shortage, to inflation and rising costs. Despite the multiple headwinds, GuocoLand has been able to increase our revenue and profits and deliver a robust set of results to our shareholders. Sales of our residential projects are going strong, while revenue from our premium Grade A offices has grown consistently over the years as we see the trend of "flight to quality" by top global and regional companies continuing to grow, even as they embrace a hybrid work environment."

"We will continue to build our presence as a multi-platform real estate player. With the completion of Guoco Midtown in 2023, we look forward to further grow the value of our portfolio of integrated developments in Singapore, China and Malaysia. This will further build the share of recurring income from our Property Investment business," added Mr. Cheng.

As at 31 December 2022, the Group's financial position remained strong with total assets of S\$11.95 billion, of which investment property assets was S\$6.01 billion. The Group's gearing reduced from 1.0 to 0.9 times as total loans and borrowings were reduced by 8% from 30 June 2022, mainly due to repayments made during the period.

### **Key Performance Highlights**

- **Strong Performance In Property Development Business**

The Group's residential developments in Singapore continue to deliver strong sales. To date, GuocoLand's ultra-luxury development Wallich Residence has sold 96% of its 181 units. Its freehold luxury development Meyer Mansion has also sold 96% of its 200 units, ahead of its expected completion date in 2024.

To date, the 558-unit luxury development Midtown Modern has sold 85% of its units. The 219-unit Midtown Bay, with its unique offering as premium business homes, was 44% sold to date. The Avenir, a rare freehold luxury development jointly developed by Hong Leong Holdings Limited, GuocoLand and Hong Realty (Private) Limited, has sold 90% of its 376 units to date.

- **Robust Development Pipeline In Singapore**

Lentor Modern, the Group's latest transit-oriented mixed-use development in the affluent Lentor estate, was met with much positive reception from the market when it launched in September 2022. To date, 521 units of its 605 units have already been sold. Lentor Modern will be the only development in the Lentor estate to be directly connected to the Lentor MRT station on the Thomson-East Coast Line ("TEL"). 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 recurrent income, when operative upon completion.

An upcoming development is the 598-unit Lentor Hills Residences jointly developed by Hong Leong Holdings Limited, GuocoLand and TID Pte. Ltd. The highly-anticipated 99-year leasehold project is located within the Lentor Hills estate, planned to be a sustainable and pedestrian-friendly neighbourhood with nearby parks and amenities. The project is expected to launch in the first half of 2023.

- **Guoco Midtown To Further Boost Property Investment Business**

Guoco Midtown, the Group's latest integrated mixed-use development in Singapore's Central Business District, is expected to be fully operational in 2023 and will add another 709,000 sq ft to the Group's premium Grade A office portfolio in Singapore, further boosting GuocoLand's recurrent income.

With an efficient and flexible floor plate, coupled with a range of business and recreational facilities for its occupants, Guoco Midtown has seen strong interest for its premium Grade A office space from major multinational companies across a highly diversified group of industries, including technology, banking and finance, private equity, life sciences, trading, reinsurance, chemical, energy, maritime, consumer-related companies as well as professional services.

At Guoco Tower in Singapore, the premium Grade A offices and retail units at the Group's flagship development continued to record positive lease reversions. As at 31 December 2022, the occupancy rates (including pre-committed leases) for Guoco Tower's offices and retail units maintained at close to 100%.

Its other commercial development in Singapore, 20 Collyer Quay – which the Group owns and manages – achieved a healthy occupancy rate of 95% as at 31 December 2022.

In Shanghai, Guoco Changfeng City's South Tower has also seen strong interest for its more than 360,000 sq ft of Grade A office space. To date, the office take-up rate based on pre-commitment and under offer stands at 91%, while the retail mall has been fully leased to a master tenant. China's easing of pandemic control policies, alongside support measures introduced by the

government will likely see improvements in business confidence and the real estate sector going forward.

- **Capability-Driven Growth Prospects**

Added Mr. Cheng, "At the core of our business and growth strategy is our end-to-end capabilities, that enable us as a property group to effectively acquire, conceptualise, execute and manage developments that are among the best-in-class. Besides having doubled the total value of our investment property assets from S\$3 billion in 2017 to S\$6 billion at the end of 2022, our key assets are also unique in their concept and quality that gives them an edge. We will leverage our capabilities to seek out new opportunities in property development and investment."

-- END --

### **Media Contacts**

#### **Citigate Dewe Rogerson Singapore**

Yiting Foo / Jass Lim

Tel: (65) 6534 5122

Email: [GuocoLand@citigatedewerogerson.com](mailto:GuocoLand@citigatedewerogerson.com)

#### **GuocoLand Limited**

Joanna Wong

Tel: (65) 6428 7838

Email: [joannawong@guocoland.com](mailto:joannawong@guocoland.com)

### **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, property management and hotel operations.

GuocoLand and its subsidiaries ("the Group") have established property operations in the geographical markets of Singapore, China and Malaysia, comprising residential, commercial, retail and hospitality developments. 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. 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 31 December 2022, the Group has total assets of S\$12.0 billion and total equity attributable to ordinary equity holders of S\$4.2 billion.