GuocoLand
A Member of the Hong Leong Group

FY 2023 Results Presentation

31 August 2023

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Agenda

- Twin-Engine Growth Strategy
- The Year In Review
- Financial Highlights
- Operational Highlights
  - Property Investment
  - Property Development
- Industry Outlook



Guoco Midtown's 30-storey premium Grade A office tower

Twin-Engine Growth Strategy

Twin-Engine Growth Strategy

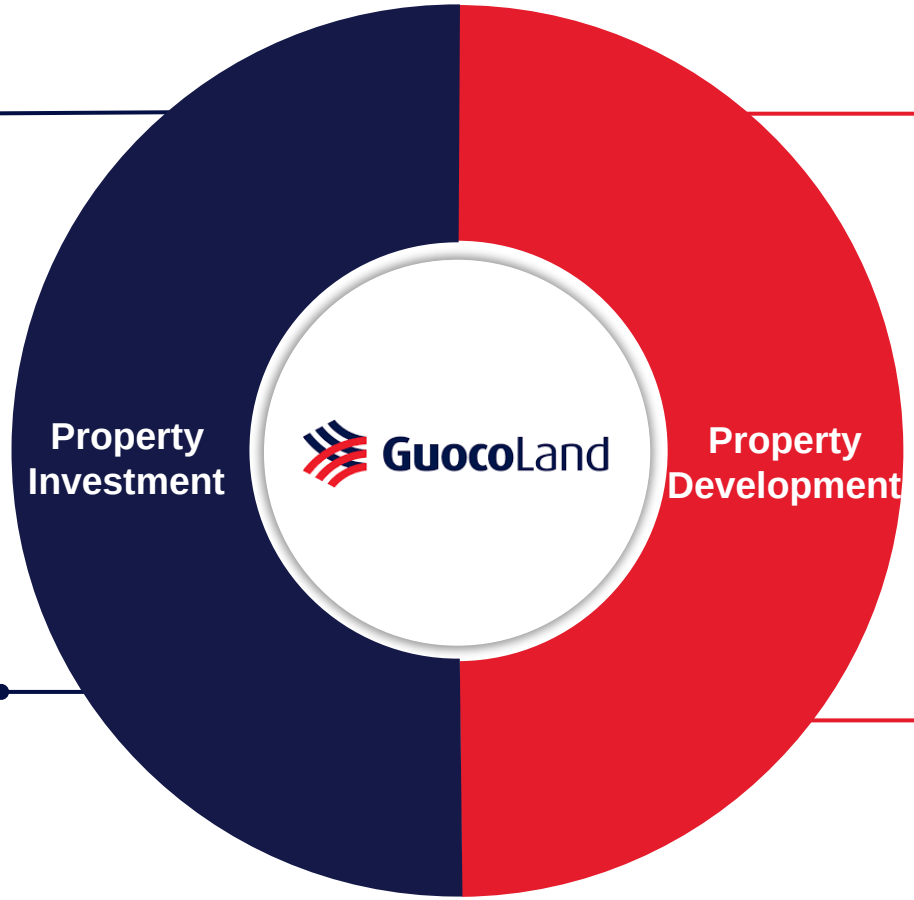
Driving Value Through Our Twin Engines of Growth + End-to-End Capabilities

Portfolio of Best-in-Class Assets

Premium Grade A offices & Integrated mixed-use assets in Singapore & China providing stable recurring income.

Strong Asset Management Capabilities

Resilient occupancy rates with consistent positive reversions. Capital appreciation amidst challenging environment.



Uplift & Transform Neighbourhoods

Ability to identify sites with potential & conceptualise innovative products with strong appeal to market.

Highly Regarded Brand

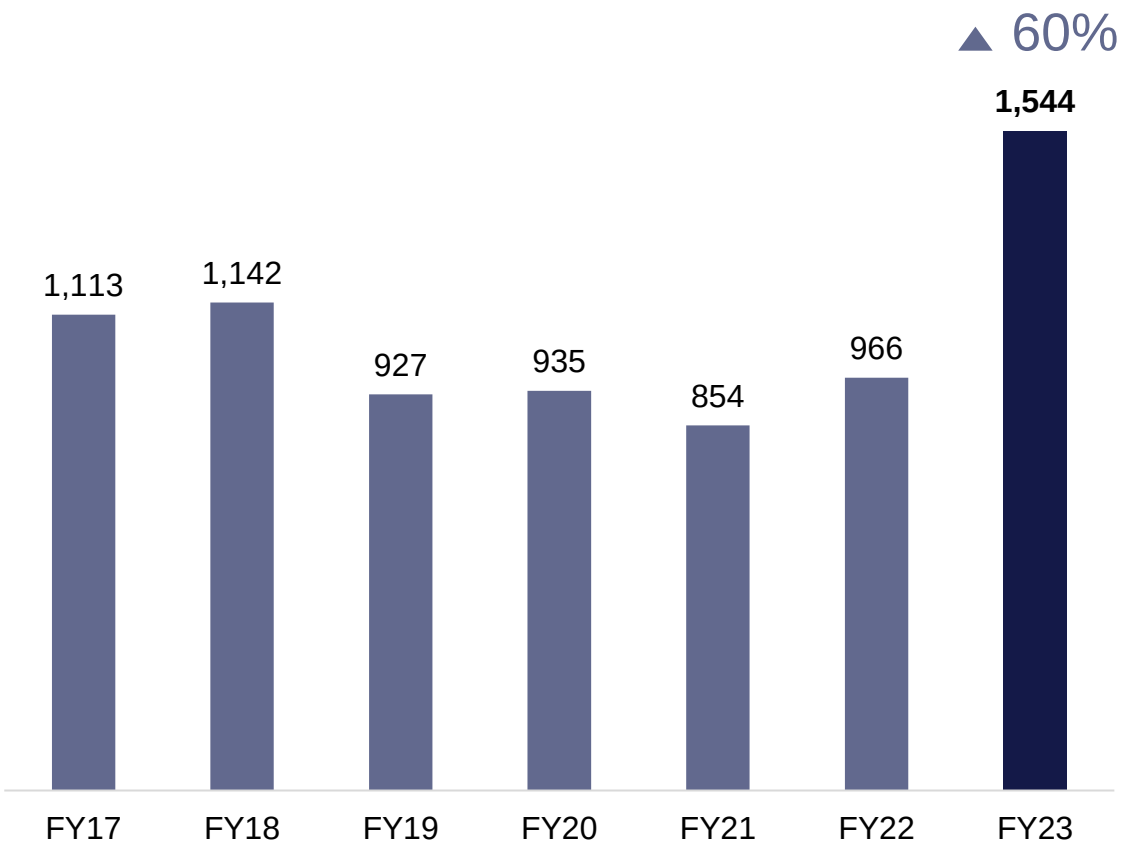
Recognised for portfolio of quality, innovative developments & commitment to business excellence by buyers, tenants, partners.

The Year In Review

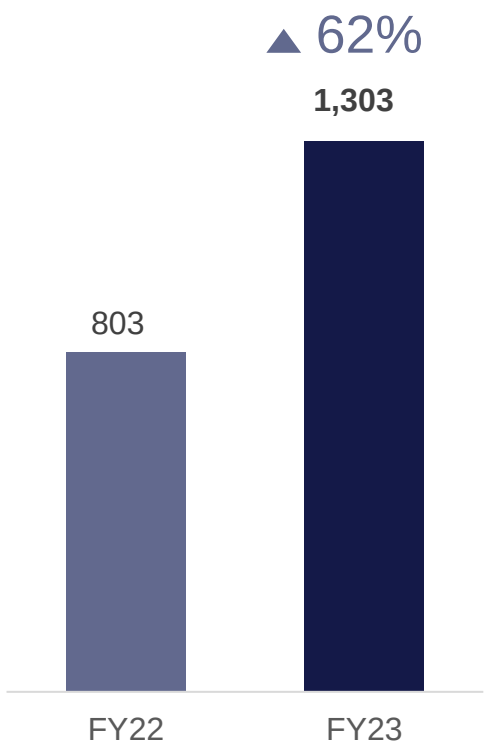
The Year In Review

1. **Record revenue on strong performance from Property Investment and Property Development businesses.**

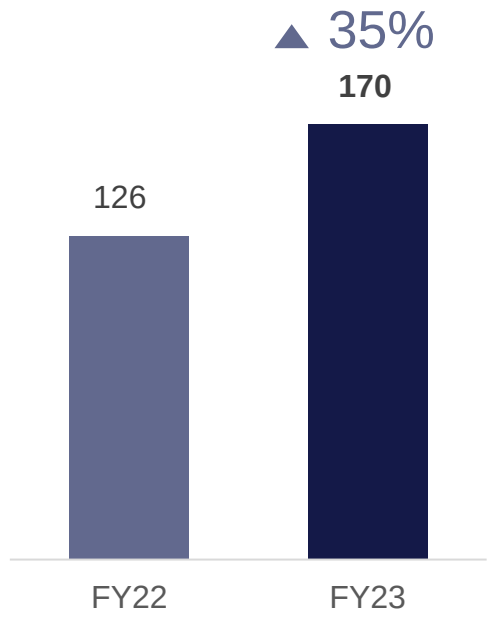
Revenue (S$' Million)



Revenue from Property Development (S$' Million)



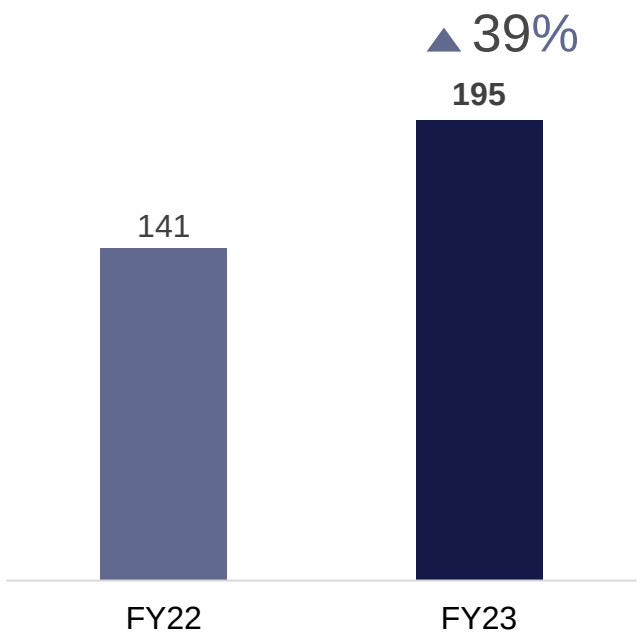
Revenue from Property Investment (S$' Million)



The Year In Review (cont'd)

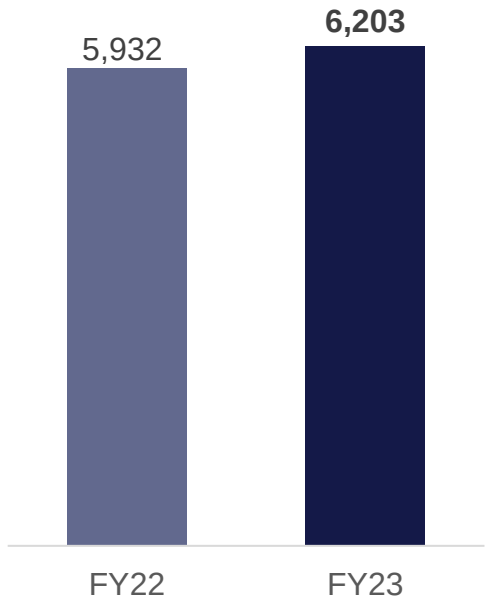
2. **Operating profit (excluding fair value, impairments and movement in foreign exchange) increased in line with revenue growth, with continued stable recurring income from resilient Property Investment business.**

Operating Profit[1]
(S$' Million)



3. **Quality and resilience of Property Investment portfolio underscored by further capital appreciation due to high occupancy and higher rental rates, despite heightened business uncertainty & higher interest rate environment.**

Investment Properties[2]
(S$' Million)



[1] Refers to profit before tax excluding any fair value gains/losses, foreign exchange gains/losses and impairments.
[2] As at 30 June of the respective financial years.

The Year In Review (cont'd)

4. Focused on leveraging capabilities for future growth.

Increasing contribution from Property Investment

Higher recurring rental income from Guoco Tower and Shanghai's Guoco Changfeng City South Tower

Guoco Midtown will **further boost contribution progressively**

Growing value at Guoco Tower and Guoco Midtown

Healthy leasing demand with **positive rental reversions**

Diversified tenant mix strategy reduces risk

Resilient performance from Property Development business

Debts pegged to development properties in Singapore, which have been selling well & steadily

Transformative plans for Lentor with 3 developments including Lentor Modern



Artist Impression of Lentor Modern's retail mall and MRT connection

The Year In Review (cont'd)

5. Committed to key Asian gateway markets.

Singapore to remain as key growth driver and stable base

Contributed more than **80% of revenue** in FY2023

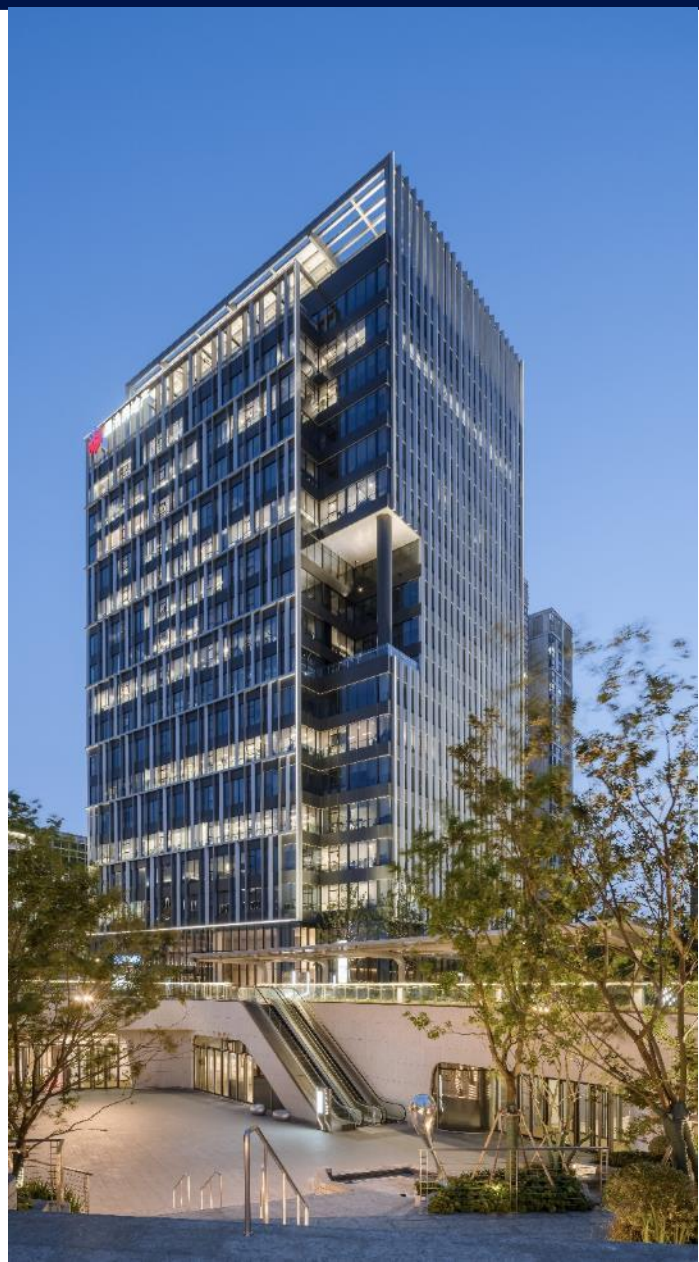
Further capital appreciation of investment properties

Committed to core overseas markets

95% office take-up rate at **Guoco Changfeng City South Tower** in **Shanghai** (based on pre-commitment and under offer)*

Launched **Guoco Central Park** in **Chongqing**, with **98%** of the 200 residential units sold in the first phase

Exploring **new real estate segments** for potential investment



Guoco Changfeng City, Shanghai

* As at 30 June 2023.

FY2023 Financial Highlights

FY23 Financials at a Glance

[S$]

TOTAL REVENUE

1.54b ▲ 60%

FY22: 965.5 m

REVENUE FROM DEVELOPMENT

1.30b ▲ 62%

FY22: 803.4 m

REVENUE FROM INVESTMENT

169.6m ▲ 35%

FY22: 126.1 m

GROSS PROFIT

384.9m ▲ 5%

FY22: 365.7 m[1]

OPERATING PROFIT[2]

195.3m ▲ 39%

FY22: 141.0 m

ATTRIBUTABLE PROFIT TO EQUITY HOLDERS

207.1m ▼ 47%

FY22: 392.7 m

FAIR VALUE GAIN ON INVESTMENT PROPERTIES

156.3m

FY22: 248.8m

[Singapore cents]

EARNINGS PER SHARE

16.97

FY22: 33.68

[Singapore cents]

DIVIDENDS PER SHARE

6.0

FY22 : 6.0

[1] Gross profit for FY22 included a fair value gain of $79.3m for the transfer of Guoco Changfeng City's South Tower from development properties to investment properties.

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

FY23 Financials at a Glance (cont'd)

As at 30 June 2023

[S$]

TOTAL DEVELOPMENT PROPERTIES

3.57b

▼8.0%

30 Jun 2022: 3.88 b

TOTAL INVESTMENT PROPERTIES

6.20b

▲4.6%

30 Jun 2022: 5.93 b

TOTAL EQUITY[1]

4.68b

▼-[2]

30 Jun 2022: 4.69 b

TOTAL ASSETS

12.01b

▼2.6%

30 Jun 2022: 12.33 b

[Singapore dollar]

NET ASSET VALUE PER SHARE

3.85

30 Jun 2022: 3.86

NET GEARING

0.9 x

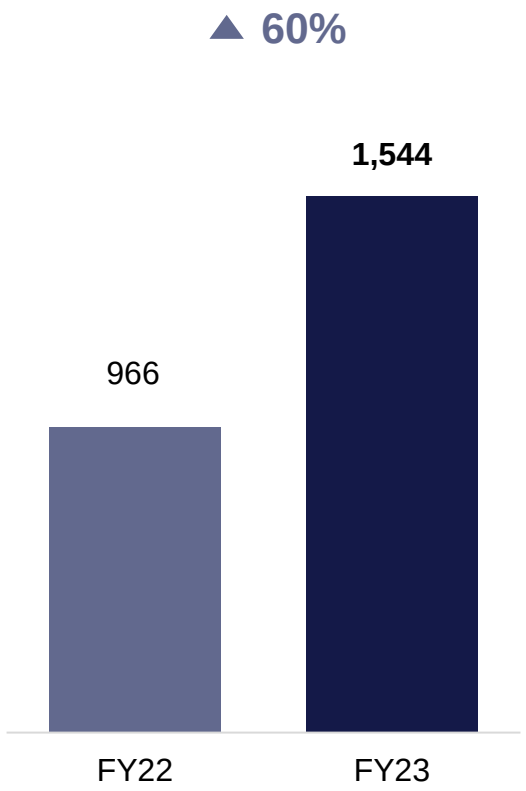
30 Jun 2022: 1 x

[1] Total equity is defined as equity attributable to ordinary equity holders of the Company and perpetual securities.
[2] Year-on-year change is negligible, i.e. less than 0.5%.

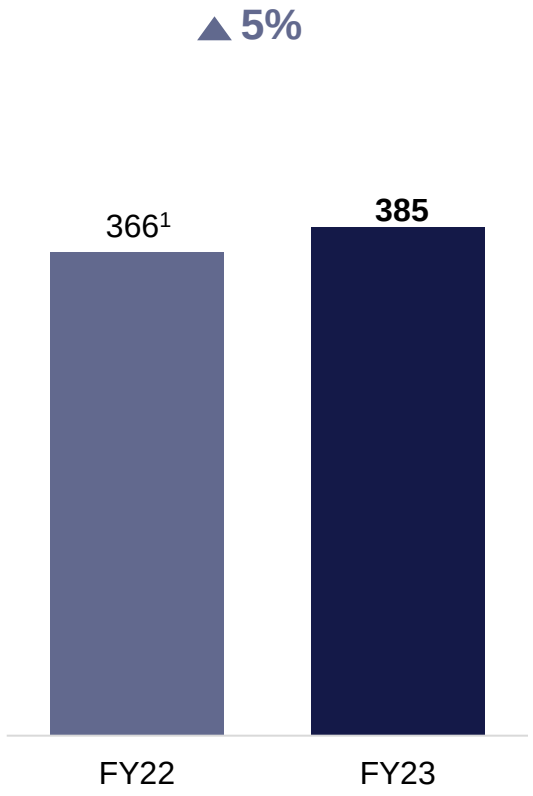
FY23: Revenue and Gross Profit Performance

(S$' Million)
FYE 30 Jun

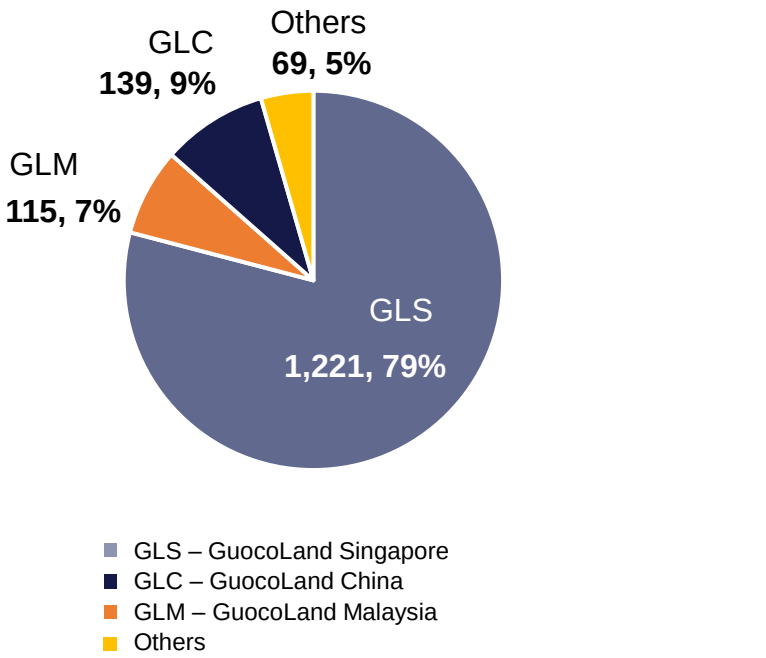
Total Revenue



Gross Profit



Revenue by Strategic Business Units ("SBU")



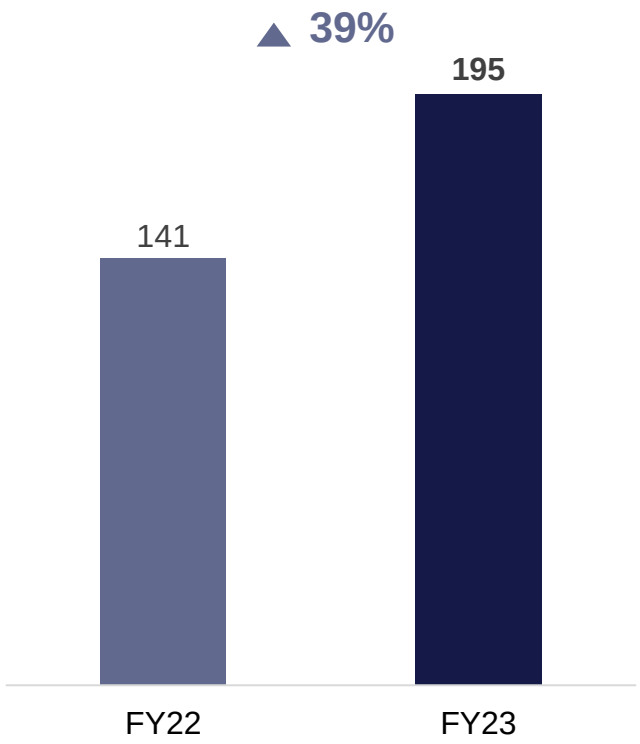
"Others" includes the hotel operations of the Group in Singapore and Malaysia.

[1] Gross profit for FY22 included a fair value gain of $79.3m for the transfer of Guoco Changfeng City's South Tower from development properties to investment properties.

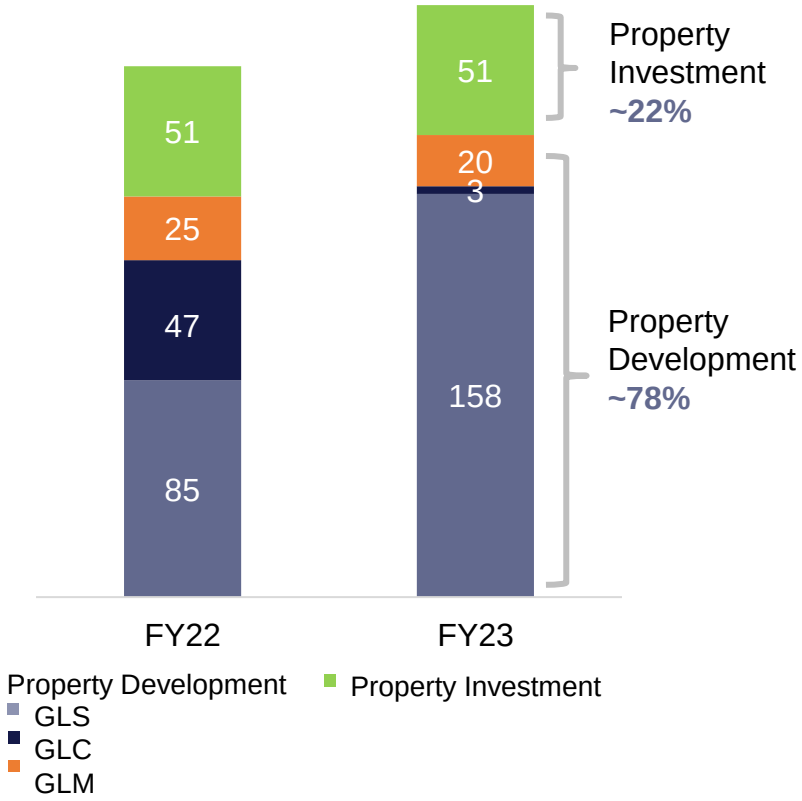
FY23: Segmental Profit Performance

(S$' Million)
FYE 30 Jun

Operating Profit[1]



Operating Profit by Business



- Operating profit increased by 39% in FY23.
- Contribution from the Group's investment properties business continued to contribute stable recurring income, predominantly driven by Guoco Tower.
- Property Investment business expected to grow steadily as Guoco Midtown continues to lease up and be fully operational.
- Higher property development profit for FY23 mainly from higher progressive recognition of sales for Meyer Mansion, Midtown Modern and Lentor Modern, all of which have been substantially sold.

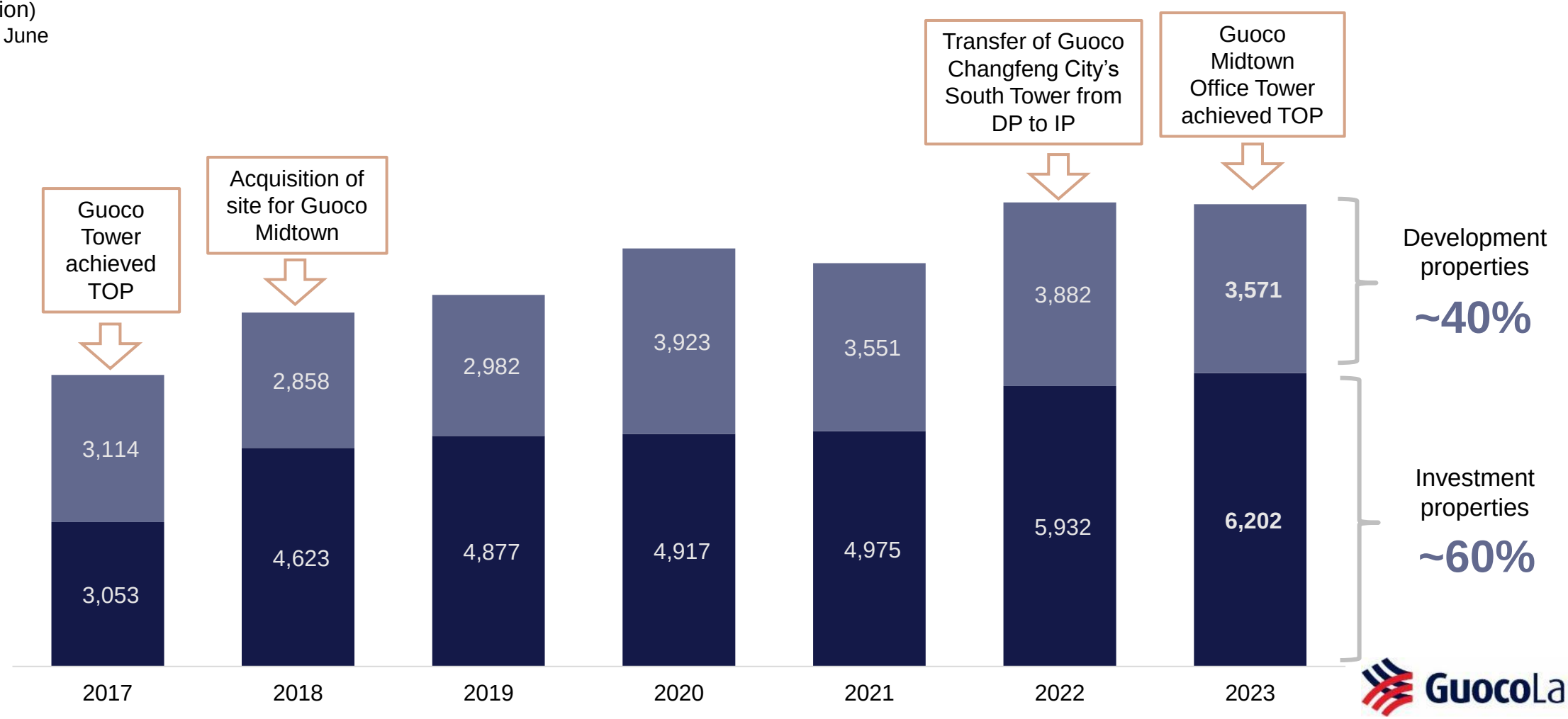
[1] Refers to profit before tax excluding any fair value gains/losses, foreign exchange gains/losses and impairments.

Healthy Asset Growth

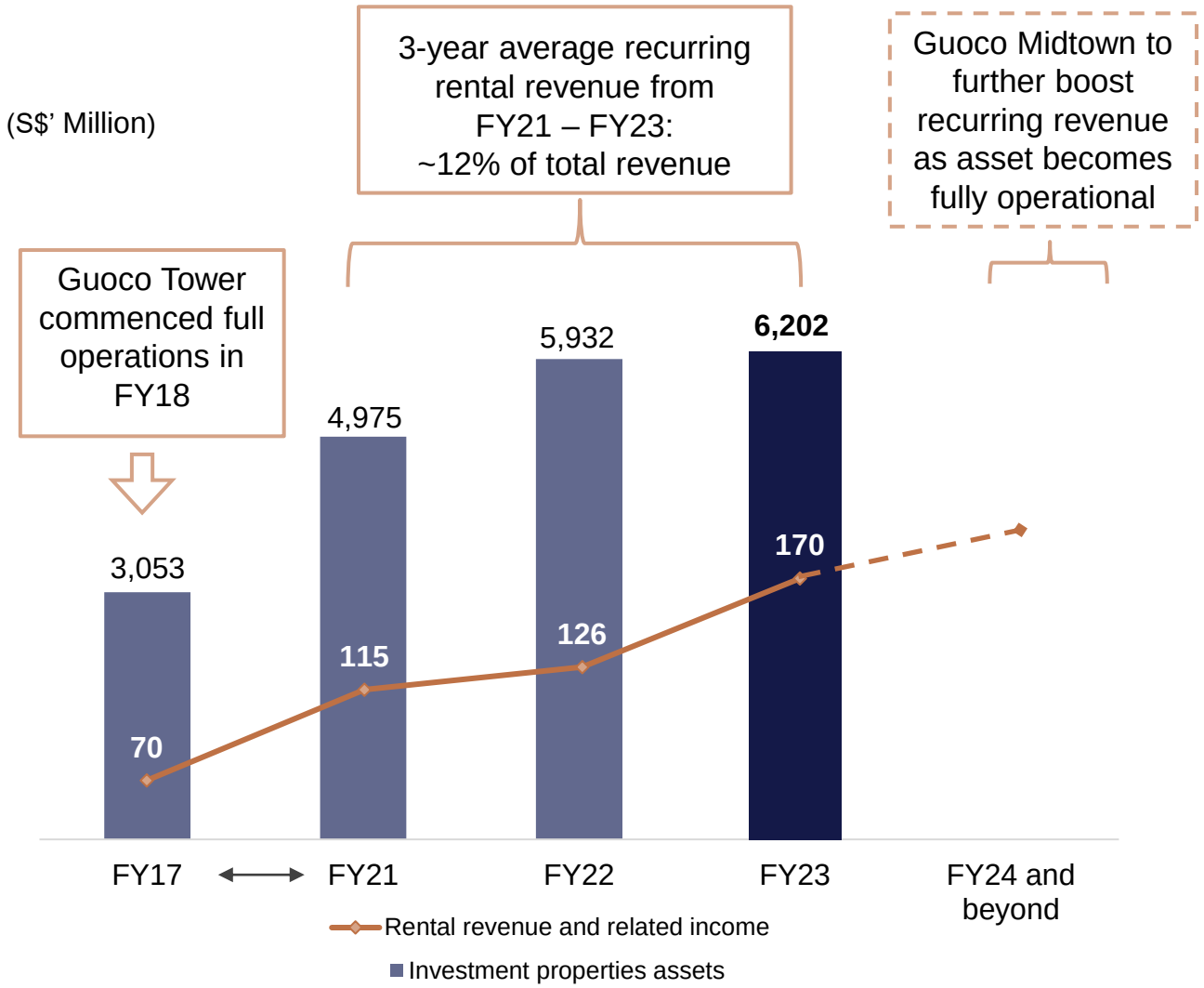
Growing Investment Properties while Maintaining Strong Base of Development Business

Asset Profile – Investment Properties (IP) and Development Properties (DP)

(S$' Million)
As at 30 June



Boosting Recurring Income and Capital Value

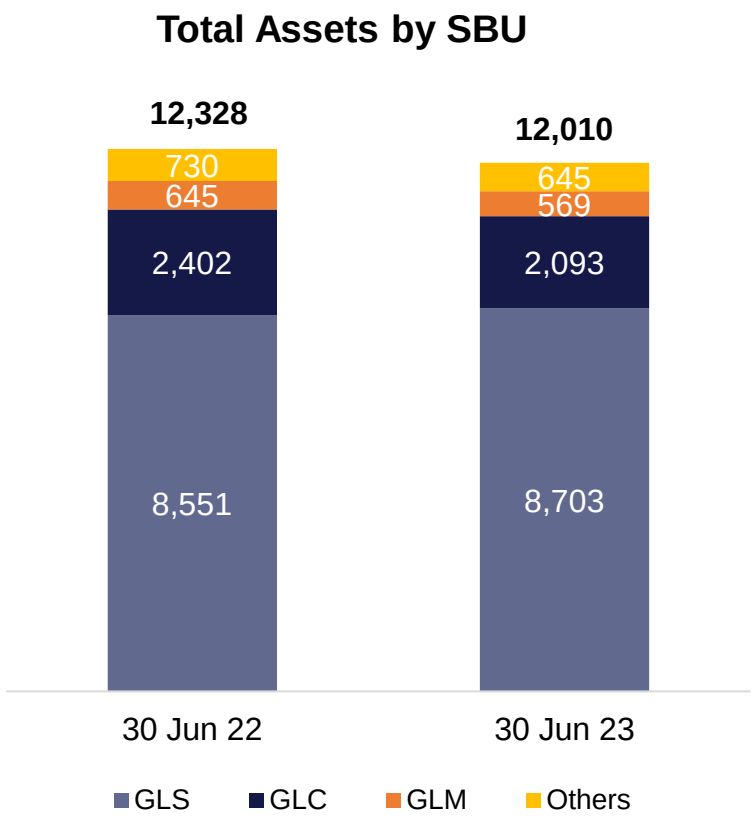


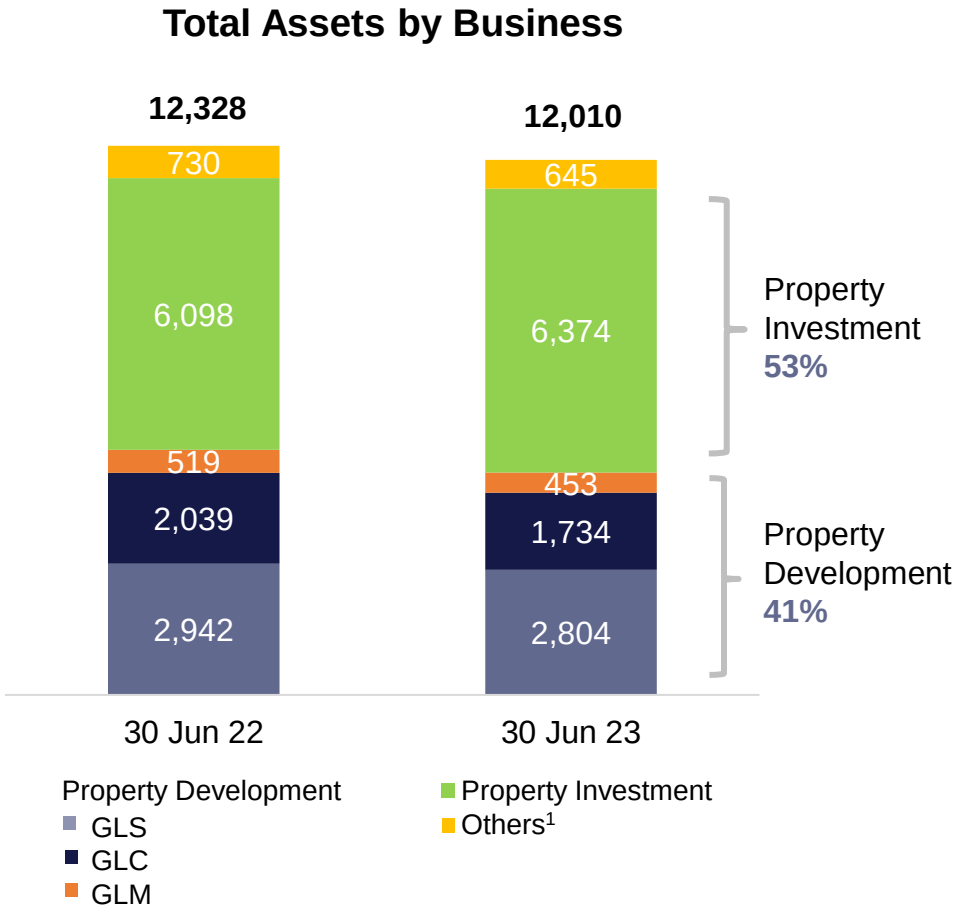
- Revenue from investment properties continues to grow, from $126m in FY22 to $170m in FY23, an increase of 35%. As Guoco Midtown becomes fully operational, revenue from investment properties is expected to grow steadily in the coming years.
- The Group recorded further capital appreciation for investment properties in FY23, with net fair value gain of $156.3m, mainly from Guoco Tower and Guoco Midtown.

Investment properties assets as at 30 Jun 2023	
Completed ▪ Guoco Tower ▪ 20 Collyer Quay ▪ DC Mall ▪ Guoco Changfeng City South Tower	S$3.8 Billion
Under Development ▪ Guoco Midtown ▪ Guoco Midtown II ▪ Lentor Modern	S$2.4 Billion
Total	**$6.2 Billion**

Asset Profile

(S$' Million)





- >70% of total assets in Singapore.
- >50% of total assets in Property Investment business.
- Total assets reduced slightly due to strong sales of Property Development units whilst Investment Properties increased by 4.5% due to capital appreciation and further completion of Investment Assets.

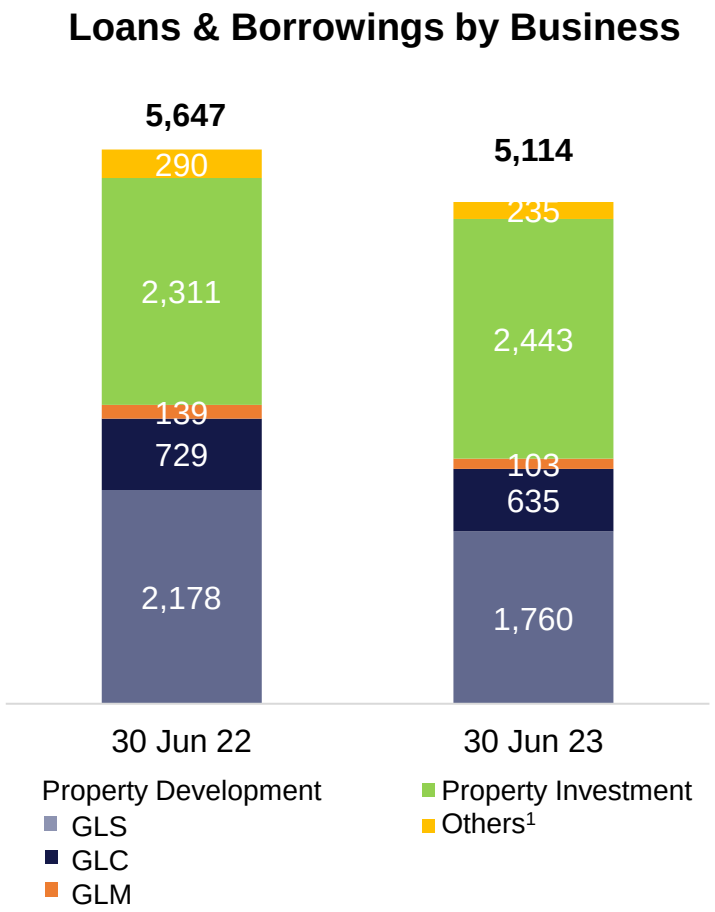
Healthy sales across key Asian gateway cities

- Sold approximately 1,600 residential units in Singapore, China and Malaysia, with a total value of approximately S$1.7 billion in FY2023.

[1] "Others" includes the hotel operations of the Group located in Singapore and Malaysia, and its investment in EcoWorld International Berhad.

Debt Profile Supported by Assets in Singapore

(S$' Million)



Predominantly operating in Singapore market, more resilient

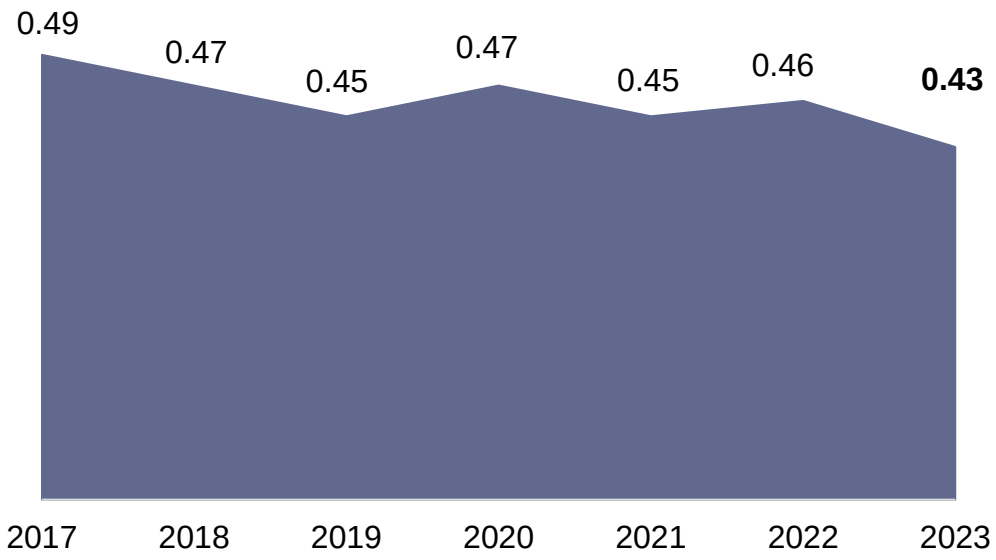
- Steady base of revenue from Singapore property development business, whilst growing property investment business.
- Loan concentration mostly in Singapore assets, and loans for property development segment will be pared down alongside ongoing sales.
- Strong uptake for residential units in Singapore.

[1] "Others" includes the hotel operations of the Group located in Singapore and Malaysia.

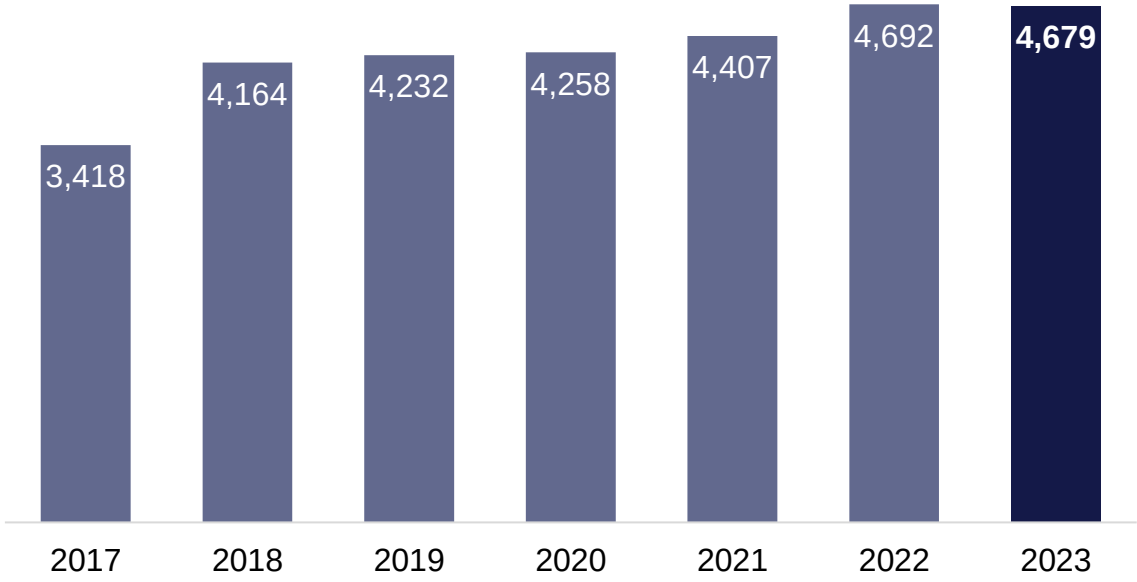
Prudent Capital Management

As at 30 June

Debt[1] / Asset



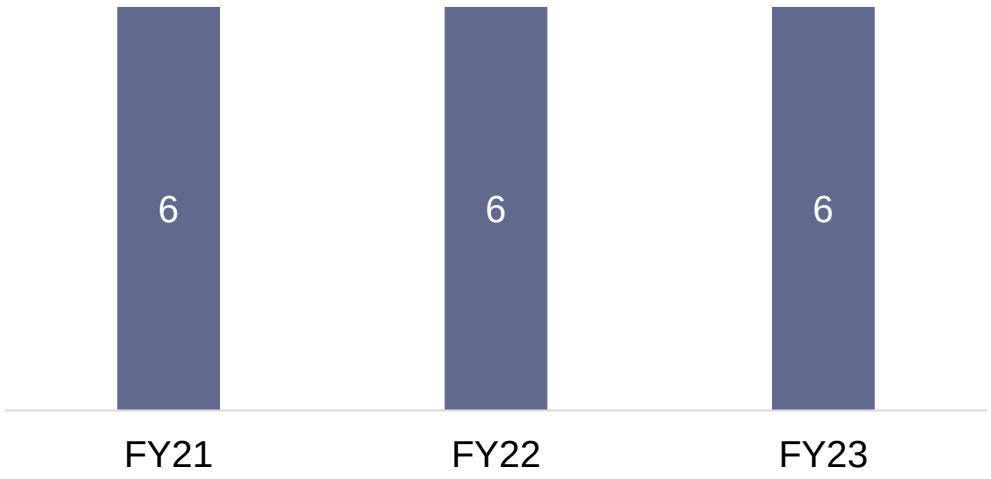
Total Equity[2]
(S$' Million)



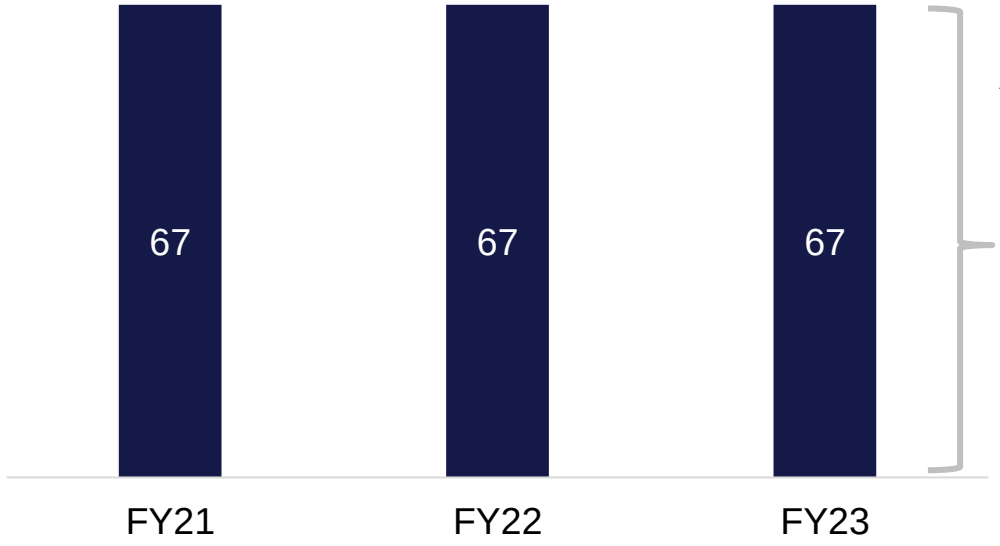
[1] Debt is defined as total loans and borrowings.
[2] Total equity is defined as equity attributable to ordinary equity holders of the Company and perpetual securities.

Dividend Payout Track Record

Dividend per ordinary share (Singapore cents)



Dividends paid out (S$' million)



Average payout ratio for the past 3 years:

- ~30% based on net profit[1]
- ~60% based on operating profit[2]

[1] Net profit refers to profit attributable to ordinary equity holders.
[2] Operating profit refers to profit attributable to ordinary equity holders excluding the net impact of any fair value gains/losses, foreign exchange gains/losses and impairments.

Property Investment

Operational Highlights

Growing Value from Investment Properties







Strong occupancy rates and positive rental reversions

- Guoco Tower recorded positive lease reversions for its premium Grade A offices and retail units including renewals and new leases.
- Guoco Midtown achieved strong leasing commitments from companies from a diversity of sectors including many regional HQs.
- Shanghai's Guoco Changfeng City South Tower also received strong interest from a diversified tenant base and achieved better than market average rents.
- Further capital appreciation for its core investment properties (S$156.3 million of fair value gains in FY2023 mainly for Guoco Tower and Guoco Midtown)

As at 30 Jun 2023	NLA (sq ft)	Committed Occupancy (including Pre-Commitment)
Guoco Tower (office + retail), Singapore	~990,000	98%
Guoco Midtown (office), Singapore	~709,000	85%
20 Collyer Quay (office), Singapore	~134,000	98%
Guoco Changfeng City South Tower (office), China	~364,530	95%

From top: Guoco Tower, Guoco Changfeng City, Guoco Midtown

Guoco Tower: Flagship Integrated Mixed-Development



- Premium Grade A office: 890,000 sq. ft.
- Retail: 100,000 sq. ft.
- Wallich Residence: 181 residential units and penthouses.
- Sofitel Singapore City Centre: 5-star luxury hotel with 223 rooms and suites and more than 12,000 sq. ft. of MICE facilities.
- Urban park: 150,000 sq. ft. of community park with curated events.
- Directly connected to Tanjong Pagar MRT.
- Tenant engagement through community building programmes (Sweet Treats).

Guoco Tower

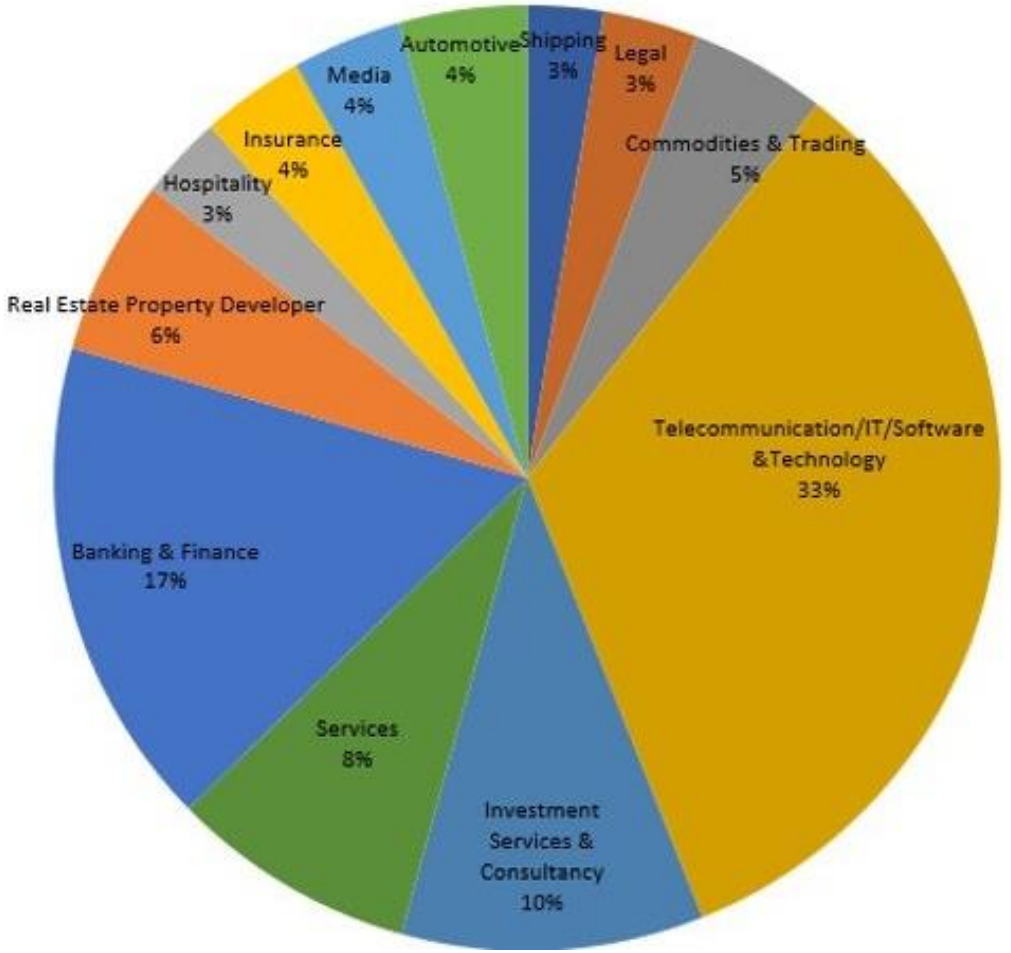
Diversified Tenant Mix at Guoco Tower

- Diversity reduces concentration risk in tenants/sectors/industries ---> greater resilience.
- Revenue from our premium Grade A offices has grown consistently over the years.
- Trend of hybrid working drives stronger demand for offices of top quality and with unique value proposition: e.g. transit-oriented integrated mixed-development.



Guoco Tower connection to Tanjong Pagar MRT

TENANT MIX BY NLA



Boost in Revenue with Guoco Midtown









- Second large-scale integrated mixed-development with direct connection to Bugis MRT interchange station.
- 30-storey office tower with 709,000 sq. ft. of new premium Grade A office space.
- Achieved 85% pre-commitment take-up.
- Retail: approx. 50,000 sq. ft. (including GMT II at Tan Quee Lan Street)
- Will make significant contribution to recurring income as the asset stabilises.

Milestones:

- January 2023 : Office tower achieved TOP
- August 2023 : Network Hub and 2 retail clusters components achieved TOP
- Upcoming: Midtown House (conservation house) and Midtown Bay (condominium) targeted to TOP by end-2023. Midtown Modern and Guoco Midtown II targeted to TOP in 2024.

Boost in Revenue with Guoco Midtown







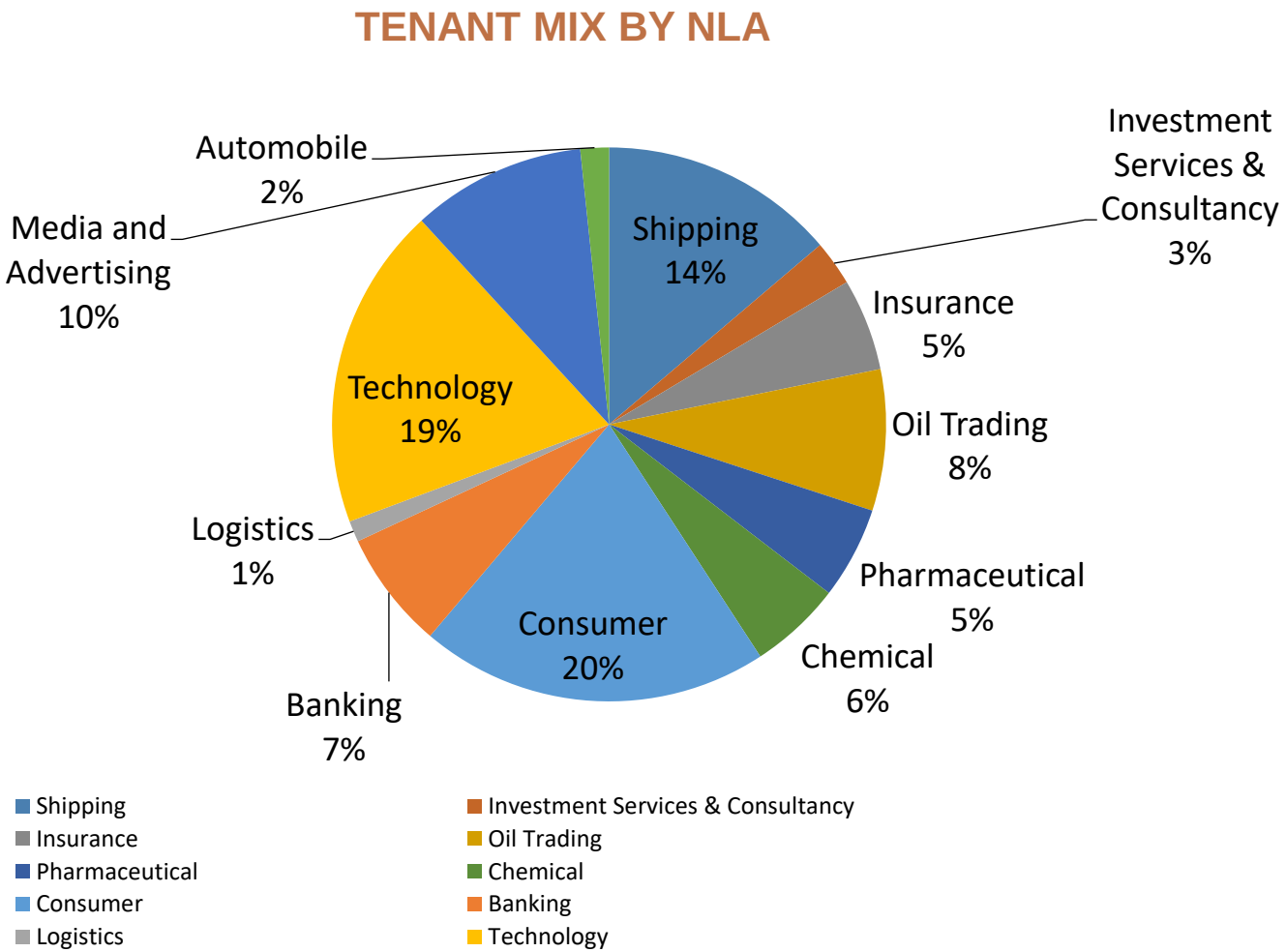


Diversified Tenant Mix at Guoco Midtown

- Similar approach to Guoco Tower with diversified tenant mix across industries and sectors.
- Tenants include BASF, NetEase Interactive Entertainment, Pacific International Lines, Suntory, VP Bank and other MNCs.
- Anchor retail tenant Porsche Asia Pacific will introduce a new immersive retail experience where buyers can do test drives, vehicle personalisation and attend curated events.



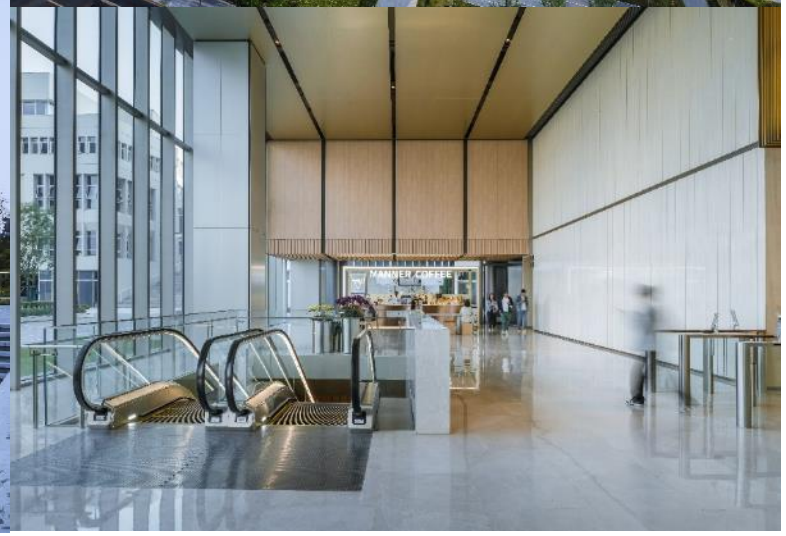
Guoco Midtown City Room, Artist Impression



Guoco Changfeng City







- Guoco Changfeng City's South Tower with approx. 364,530 sq. ft of NLA commenced operations in Sep 2021.
- Take-up rate of 95% (based on pre-commitment and under offer) with higher than average market rents.
- Tenants include public-listed Chinese companies and MNCs from Europe, Japan and United States, e.g. Vanderland, Okamura, Steris & Cantel.
- Retail mall fully leased to a master tenant.
- Directly linked to Changfeng Park metro station.

Property Development

Operational Highlights

Transforming Lentor into a New Distinctive Private Estate



Source: URA

LENTOR MODERN
- Launched Sep 2022
- 99-year leasehold
- Land size: 185,899 sq ft
- Max. permissible GFA: 651,001 sq ft

LENTOR HILLS RESIDENCES
- Launched Jul 203
- 99-year leasehold
- Land size: 184,460 sq. ft.
- Max. permissible GFA: 553,383 sq. ft.

LENTOR GARDENS SITE
- Launch: 1H 2024
- 99-year leasehold
- Land size: 235,371 sq. ft.
- Max. permissible GFA: 494,289 sq. ft.

Acquired in July 2021 at $784.1m
- 89% sold as at 30 June 2023
- 100% stake by GuocoLand
- Integrated mixed-use development of three 25-storey towers with 605 residential units
- More than 96,000 sq ft of commercial, F&B and retail spaces, including a supermarket and a childcare facility
- Planned community spaces such as a public plaza
- Directly integrated with Lentor MRT station, Thomson-East Coast Line
- When fully operational, the commercial and retail components of the development will be accretive to investment portfolio and recurrent income

Acquired in January 2022 at $586.6m
- 50% sold over launch weekend on 8 July 2023
- Hong Leong Holdings, GuocoLand and TID Residential
- 598 residential units and an Early Childhood Development Centre

Acquired in April 2023 at $486.8m
- GuocoLand with Hong Leong Holdings
- 533 residential units and an Early Childhood Development Centre
- Combination of 8-storey blocks and 16-storey towers with sky terraces
- Targeted for launch in 1H 2024

Transforming Lentor into a New Distinctive Private Estate

- Lentor Modern and Lentor Hills Residences both received positive response from buyers at launch
- Positioned Lentor estate as an upcoming private residential estate that will continue to gain interest



Lentor Modern: 89%



Lentor Hills Residences: 50%

Sales percentage of Lentor Modern as at 30 June 2023.
Sales percentage of Lentor Hills Residences after launch weekend.
Artist Impressions.

Prime, Top-Tier, Iconic Residential and Mixed-Developments

- High-end residential developments known for modern design, efficient layouts, innovative features and facilities, adding value to their locations.
- Recent launches such as Midtown Modern, Lentor Modern and Lentor Hills Residences have all seen strong sales figures during launch.



Meyer Mansion: 99%



Midtown Modern: 91%



The Avenir: 99%



Midtown Bay: 51%



Martin Modern: 100%

All sales percentage figures as at 30 June 2023.
Artist Impressions (except Martin Modern).

Changing the Chongqing Residential Landscape



Guoco Central Park

- Located near Chongqing Central Park, Lujiagou Station and Central Park commercial and lifestyle district.
- Comprises mid- and low-rise condominium blocks.
- Upcoming pipeline of 22 mid-rise condo blocks with more than 1,000 units.
- 98% of first 200 three-bedroom units ranging from 968 sq. ft. to 1,237 sq. ft. sold in first phase of sales.



Chongqing Guoco 18T

- Located at one of Chongqing's most iconic neighbourhoods next to the Jiefangbei CBD.
- First two of four plots being developed.
- Five high-rise residential towers with more than 1,000 luxury units on top of a lifestyle mall.
- First residential development in Asia to receive WELL Platinum
- Expected completion in phases till 2025.

All sales percentages as at 30 June 2023.

Iconic Mixed-use Development in Damansara Heights



Damansara City

- 8.5-acre freehold mixed-use development in the Damansara Heights area – one of the most prime districts in Kuala Lumpur.
- Two Grade A office towers (Menara Guoco and Menara Hong Leong).
- DC Mall with 200,000 sq. ft. retail space.
- DC Residensi with 370 luxury apartments.
- Five-star Sofitel Kuala Lumpur Damansara with 312 rooms, five F&B outlets and over 15,000 sq. ft. of MICE facilities.

Continued Efforts to Reduce Carbon Footprint





Committed to ESG

- Fine-tuning roadmap to reduce Scope 2 greenhouse gas emissions and overall carbon footprint.
- Guoco Midtown is a Green Mark Platinum development with 2.3 hectares of greenery and landscape area to reduce urban heat island effect; high performance glass allows for 24% reduction in cooling requirement.
- Upcoming development at Lentor Gardens sit will be first GuocoLand development to achieve BCA's Green Mark Platinum (Super Low Energy) with Maintainability Badge certification.
- Newly established Green Finance Framework provides access to green financing option.
- 1 of 4 selected developers in BCA's Growth and Transformation Scheme (GTS) that supports initiatives that build best-in-class capabilities and enable holistic transformation for value chains in the Built Environment sector.
- Utilising the latest technologies in facilities management.

Recognised for Business and Operational Excellence

- GuocoLand has won multiple awards and accolades for its quality developments, design and innovation, sustainability and ESG, technology and overall excellence

- GuocoLand has won a total of 4 awards at the FIABCI World Prix D'Excellence Awards
  - World Gold Award Winner: Guoco Tower, Mixed-use Development Category
  - World Silver Award Winner: Guoco Tower, Office Category
  - World Gold Award Winner: Leedon Residence, Residential (Mid Rise) Category
  - World Silver Award Winner: Wallich Residence, Residential (High Rise) Category

- Other awards include:
  - Asia Property Awards
  - BCI Asia Awards
  - EdgeProp Excellence Awards
  - International Property Awards (Asia Pacific)
  - Real Estate Asia Awards
  - SBR Technology Excellence Awards (Proptech – Real Estate Award)
  - BCA Quality Excellence Awards – Quality Champion (GoldPLus), Developer
  - BCA Green Mark Awards – Green Mark Champion award

FIABCI-SINGAPORE
INTERNATIONAL REAL ESTATE FEDERATION



This is a non-exhaustive sample list of awards won by GuocoLand.

Industry Outlook

Industry Outlook: Looking Ahead

SINGAPORE

- As at end of second quarter 2023, **17,484 non-landed private homes remained unsold** (First quarter 2023: 16,252 units). **Supply will be further increased** with planned project launches in second half of 2023 and the Confirmed List supply under the Government Land Sales programme.
- Demand-side, **latest property cooling measures** and **higher interest rate environment** are expected to moderate demand and overall price appreciation.
- **Office rental growth moderated in the second quarter of 2023**. Strong leasing activities have mainly focused on prime Grade A offices, but **rental growth is likely to be impacted by the uncertain economic outlook and high interest rates**.

CHINA

- China's economy **grew at 0.8% in the second quarter** of 2023, **slowing from the 2.2% expansion in the first quarter**. The official full year growth target of around 5% remains unchanged but **private sector economists have lowered their own forecasts**.
- The property market **contracted in the second quarter** after expanding in the first quarter. To improve market sentiments, **policymakers have introduced various measures to support developers and homebuyers**.

MALAYSIA

- Malaysia's economic growth **moderated to 2.9% in the second quarter** of 2023 and is **expected to continue to grow at a slower pace for the whole year**, amid the challenging global environment.
- The **domestic property sector remains challenging** amid the **higher interest rates, persistent inflation** and an **overhang of excess property inventory** in the residential and commercial markets as well as other traditional property classes.

Twin-Engine Strategy and Growth Based on Capabilities



- Revenue, profit and growth based on its twin engines of Property Investment and Property Development.
- Owns, invests in and manages a portfolio of quality commercial and mixed-use assets.
- Provides stabilised, recurring rental income with potential for capital appreciation through investment properties.
- Strong track record in creating distinctive integrated mixed-use developments and premium residential properties that uplift and transform neighbourhoods.
- End-to-end capabilities from design and sales of residential properties to investment and management of investment assets to drive results and identify opportunities.
- Anchored by strong Singapore operations while remaining committed to key Asian cities.
- Part of a larger diversified group with deep capital, entrepreneurial spirit and discipline.


GuocoLand