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國浩集團有限公司
Guoco Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 53)

Connected Transaction
Joint Venture Agreement for a Project on a Land Parcel
at Lentor Gardens in Singapore

On 22 September 2023, GLS, a wholly-owned subsidiary of GuocoLand, entered into the JV Agreement with Intrepid and LGPL (a joint venture company established to undertake the Project), for the development of the Property.

Pursuant to the JV Agreement, LGPL was established to undertake the Project as the approved developer, including, among other things, for the acquisition of, the development of and dealing with the Property. The Property was acquired through a tender at a tender price of S\$486,800,222 (approximately HK\$2,783,813,802) accepted by the Urban Redevelopment Authority of Singapore. The total funding contribution of GLS under the JV Agreement is S\$105 million (approximately HK\$601 million), comprising share capital of S\$27 million (approximately HK\$154 million) and a loan of S\$78 million (approximately HK\$447 million).

Intrepid is a wholly-owned subsidiary of HLHL which is in turn a subsidiary of HLIL. As HLIL is a deemed substantial shareholder of the Company, Intrepid is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The Transaction therefore constitutes a connected transaction of the Company. The applicable percentage ratios of the total funding commitment of GLS under the JV Agreement exceed 0.1% but are less than 5%. The Transaction is therefore subject only to reporting and announcement requirements but is exempt from independent shareholders' approval under Chapter 14A of the Listing Rules.

INTRODUCTION

On 22 September 2023, GLS, a wholly-owned subsidiary of GuocoLand, entered into the JV Agreement with Intrepid and LGPL (a joint venture company established to undertake the Project), for the development of the Property.

Pursuant to the JV Agreement, LGPL will undertake the Project as the approved developer, for the purpose as more particularly set out under the "Purpose of LGPL" below. The Property was won through a tender at a tender price of S\$486,800,222 (approximately HK\$2,783,813,802) accepted by the Urban Redevelopment Authority of Singapore. The Property is situated at Lentor Hills estate with a site area of 21,866.7 square meters and a maximum permissible gross floor area of 45,921 square meters. A residential development with around 530 units is planned to be built on the Property.

MAJOR TERMS OF THE JV AGREEMENT

| | | | |
|---|---|--|--|
| Shareholders and Agreed JV Proportions | : | <u>Shareholders</u> GLS Intrepid | <u>Agreed JV Proportions</u> 60% 40% |
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The rights and obligations in the joint venture will be borne by the Shareholders in their respective Agreed JV Proportions above

Purpose of LGPL : To undertake, among other things, the completion of the acquisition of the Property, implementation and construction of the Project, management, operation and maintenance of the Property and the Project (including marketing for sale of the residential units and lease of the childcare facilities) and funding for and dealing with the Property and the Project, pursuant to the terms and conditions described in the JV Agreement

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|-------------------|---|--|---|
| Board composition | : | <u>Shareholders</u> GLS Intrepid | <u>No. of directors to be nominated</u> 2 1 |
|-------------------|---|--|---|

Pre-emptive rights : No Shareholder shall transfer shares held by it in LGPL, or otherwise sell, dispose of or deal with such shares except with the prior written approvals or consents of, amongst others, the board of directors of LGPL and unless and until the rights of pre-emption conferred by the terms of the JV Agreement have been exhausted

FUNDING COMMITMENT AND FINANCING OF THE PROJECT

Pursuant to the JV Agreement, the Shareholders undertake to fund the Project by way of subscription to the share capital in and provision of shareholders' loans to LGPL in the Agreed JV Proportions. Accordingly, the shareholding proportion of GLS and Intrepid in LGPL is the same as their Agreed JV Proportions. Further funds and working capital for the Project may be provided by external loans from banks, financial institutions or other third parties. In the event that any guarantees or other securities are required for the purpose of external financing for LGPL, the Shareholders shall provide the necessary guarantees and securities severally according to the Agreed JV Proportions.

The aggregate funding contribution from the Shareholders to LGPL according to the Agreed JV Proportions pursuant to the JV Agreement is S\$175 million (approximately HK\$1,002 million) comprising paid-up share capital of S\$45 million (approximately HK\$257 million) and loans of S\$130 million (approximately HK\$745 million). The total funding contribution of GLS is S\$105 million (approximately HK\$601 million) comprising share capital of S\$27 million (approximately HK\$154 million) and a loan of S\$78 million (approximately HK\$447 million).

An external banking facility for an aggregate amount of up to S\$499 million (approximately HK\$2,851 million) has been arranged to finance part of the acquisition cost of the Property and future construction costs and working capital of the Project. The Shareholders have not given any guarantee in connection with the aforesaid external banking facility.

The terms of the JV Agreement and the funding commitment were determined after arm's length negotiations among the Shareholders based on normal commercial terms.

RATIONALE FOR THE TRANSACTION

GuocoLand Group engages in property development and investment business with embedded operations in Singapore, China and Malaysia. The Transaction is carried out in the ordinary and usual course of business of GuocoLand Group.

HLHL is a well-established property development and investment company in Singapore. The formation of the joint venture with Intrepid allows GLS to participate in the Project with a lower capital commitment and enables GuocoLand Group to reserve working capital for other investment opportunities.

The Board (including the independent non-executive directors) considers that the terms of the JV Agreement are on normal commercial terms, and not less favourable than the terms of other joint ventures with independent property developers, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Intrepid is a wholly-owned subsidiary of HLHL which is in turn a subsidiary of HLIL. As HLIL is a deemed substantial shareholder of the Company, Intrepid is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The Transaction therefore constitutes a connected transaction of the Company. The Transaction is entered into on a separate basis from and is independent of other joint venture projects between GuocoLand Group and the HLIL group of companies. The applicable percentage ratios of the total funding commitment of GLS under the JV Agreement exceed 0.1% but are less than 5%. The Transaction is therefore subject only to reporting and announcement requirements but is exempt from independent shareholders' approval under Chapter 14A of the Listing Rules.

Mr. KWEK Leng Hai and Mr. KWEK Leng San, directors of the Company, are also shareholders of HLHL. While they are not considered as having a material interest in the Transaction, they have voluntarily elected to abstain from voting on the relevant board resolutions in relation to the approval of the Transaction.

INFORMATION ON THE COMPANY AND INTREPID

The Company is an investment holding and management company. Its subsidiaries and associated companies are primarily involved in principal investment, property development and investment, hospitality and leisure operations and financial services, located in Hong Kong, China, Singapore, Malaysia, the United Kingdom and Australasia.

Intrepid is a wholly-owned subsidiary of HLHL which is in turn a subsidiary of HLIL. HLHL is a property development and investment company in Singapore.

DEFINITIONS

"Agreed JV Proportions" in relation to GLS and Intrepid, the following agreed shareholding proportions in LGPL:

| <u>Shareholders</u> | <u>Agreed JV Proportions</u> |
|---------------------|------------------------------|
| GLS | 60% |
| Intrepid | 40% |

"Board" the board of directors of the Company

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| “Company” | Guoco Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 53) |
| “GLS” | GuocoLand (Singapore) Pte. Ltd., a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of GuocoLand |
| “GuocoLand” | GuocoLand Limited, a company incorporated in Singapore with limited liability and a subsidiary of the Company listed on SGX-ST in which the Company owns 66.8% of the issued share capital |
| “GuocoLand Group” | GuocoLand and its subsidiaries from time to time |
| “HK\$” | Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region |
| “HLHL” | Hong Leong Holdings Limited, a company incorporated in Singapore with limited liability and a subsidiary of HLIL |
| “HLIL” | Hong Leong Investment Holdings Pte. Ltd., a company incorporated in Singapore with limited liability and a deemed substantial shareholder of the Company |
| “Intrepid” | Intrepid Investments Pte. Ltd., a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of HLHL |
| “JV Agreement” | the joint venture agreement dated 22 September 2023 entered into among the Parties relating to the Project |
| “LGPL” | Lentor Gardens Pte. Ltd., a company incorporated in Singapore with limited liability, the joint venture project company under the JV Agreement |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Party(ies)” | Party(ies) to the JV Agreement being GLS, Intrepid and LGPL |
| “Project” | the acquisition, development and dealing of the Property as more particularly set out under the “Purpose of LGPL” above |
| “Property” | all that parcel of land known as Lot 05424W of Mukim 20 and situated at Lentor Gardens, Singapore |
| “S\$” | Singapore dollars, the lawful currency of Singapore |
| “SGX-ST” | Singapore Exchange Securities Trading Limited |
| “Shareholders” | GLS and Intrepid and any other person holding shares in the capital of LGPL, and “Shareholder” means any one of them |
| “Singapore” | Republic of Singapore |

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| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Transaction” | the entering into of the JV Agreement by the Parties and the transactions contemplated thereunder |
| “%” | per cent |

Note:

The exchange rate of S\$:HK\$ as referred to in this announcement is S\$1:HK\$5.718596 as at 22 September 2023 and is for reference only.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 22 September 2023

As at the date of this announcement, the Board comprises Mr. KWEK Leng Hai as Executive Chairman; Mr. CHEW Seong Aun as Executive Director; Mr. KWEK Leng San as Non-executive Director; Mr. David M. NORMAN, Mr. Lester G. HUANG, SBS, JP and Mr. Paul J. BROUGH as Independent Non-executive Directors.