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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 relating to a Land Parcel at Margaret Drive in Singapore

On 5 November 2024, GLS, a wholly-owned subsidiary of GuocoLand, entered into the JV Agreement with Intrepid and Hong Realty as well as MRD (a joint venture company established to undertake the Project), for the development of the Property according to the agreed joint venture proportion of GLS (30%), Intrepid (35%) and Hong Realty (35%).

Pursuant to the JV Agreement, MRD 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\$497,000,000 (approximately HK\$2,926,336,000) accepted by the Urban Redevelopment Authority of Singapore. The total funding contribution of GLS under the JV Agreement is S\$54,257,880 (approximately HK\$319,470,397), comprising share capital of S\$1,200,000 (approximately HK\$7,065,600) and a shareholder's loan of S\$53,057,880 (approximately HK\$312,404,797).

Intrepid is a wholly-owned subsidiary of HLHL which is in turn a subsidiary of HLIH. Hong Realty is also a subsidiary of HLIH. As HLIH is a deemed substantial shareholder of the Company, Intrepid and Hong Realty are associates 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 under the Listing Rules in respect 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 under Chapter 14A of the Listing Rules but is exempt from independent shareholders' approval requirements therein.

INTRODUCTION

On 5 November 2024, GLS, a wholly-owned subsidiary of GuocoLand, entered into the JV Agreement with Intrepid and Hong Realty as well as MRD (a joint venture company established to undertake the Project), for the development of the Property according to the Agreed JV Proportion.

Pursuant to the JV Agreement, MRD will undertake the Project as the approved developer, for the purpose as more particularly set out under the "Purpose of MRD" below. The Property was won through a tender at a tender price of S\$497,000,000 (approximately HK\$2,926,336,000) accepted by the Urban Redevelopment Authority of Singapore. The Property is situated at Margaret Drive, Singapore, close to the Queenstown MRT Station on the East-West Line and well-served by bus services along Margaret Drive. The Property is of a site area of 9,522.3 square metres and can potentially yield about 460 residential units.

MAJOR TERMS OF THE JV AGREEMENT

Shareholders and Agreed JV Proportion	:	<u>Shareholder</u>	<u>Agreed JV Proportion</u>
		GLS	30%
		Intrepid	35%
		Hong Realty	35%

The rights and obligations in the joint venture will be borne by the Shareholders in their respective Agreed JV Proportion above

Purpose of MRD : 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 early childhood development centre) and funding for and dealing with the Property and the Project, pursuant to the terms and conditions described in the JV Agreement

Board composition	:	<u>Shareholder</u>	<u>No. of directors to be nominated</u>
		GLS	2
		Intrepid	3
		Hong Realty	2

Pre-emptive rights : No Shareholder shall transfer shares held by it in MRD, 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 MRD 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 MRD in the Agreed JV Proportion. Accordingly, the shareholding proportion of GLS, Intrepid and Hong Realty in MRD is the same as the Agreed JV Proportion. Further funds and working capital for the Project are expected to 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 the Project, the Shareholders shall provide the necessary guarantees and securities severally according to the Agreed JV Proportion.

The aggregate funding contribution from the Shareholders to MRD according to the Agreed JV Proportion pursuant to the JV Agreement is S\$180,859,600 (approximately HK\$1,064,901,324) comprising paid-up share capital of S\$4,000,000 (approximately HK\$23,552,000) and loans of S\$176,859,600 (approximately HK\$1,041,349,324). The total funding contribution of GLS is S\$54,257,880 (approximately HK\$319,470,397) comprising share capital of S\$1,200,000 (approximately HK\$7,065,600) and a loan of S\$53,057,880 (approximately HK\$312,404,797).

An external banking facility for an aggregate amount of up to S\$489,133,000 (approximately HK\$2,880,015,104) 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, Mainland China and Malaysia. The Transaction is in the ordinary and usual course of business of GuocoLand Group.

Intrepid and Hong Realty are well-established real estate developers in Singapore. The formation of the joint venture allows GLS to participate in the Project with a lower capital commitment and enables GuocoLand Group to reserve 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 HLIH. Hong Realty is also a subsidiary of HLIH. As HLIH is a deemed substantial shareholder of the Company, Intrepid and Hong Realty are associates 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 HLIH group of companies. The applicable percentage ratios under the Listing Rules in respect of the total funding commitment of GLS under the JV Agreement exceed 0.1% but are less than 5%. The Transaction is therefore only subject to reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from independent shareholders' approval requirements therein.

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

INFORMATION ON THE COMPANY, GLS, INTREPID AND HONG REALTY

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, Mainland China, Singapore, Malaysia, the United Kingdom, Continental Europe and Australasia.

GLS is a wholly-owned subsidiary of GuocoLand which is in turn a subsidiary of the Company. GLS is a property development and investment holding company in Singapore.

Intrepid is a wholly-owned subsidiary of HLHL which is in turn a subsidiary of HLIH. Hong Realty is also a subsidiary of HLIH. Each of Intrepid and Hong Realty are real estate development and investment holding companies. The principal activity of HLIH is investment holding.

HLHL is a real estate development and investment holding company in Singapore. Apart from HLIH which is the majority shareholder, HLHL is held by 57 minority shareholders, of which only CDL and GEPL hold more than 5% shareholding interest each. The principal activities of CDL are those of a property developer and owner, and investment holding. HLIH is the immediate and ultimate holding company of CDL. GEPL is a subsidiary of Hong Realty which is in turn a subsidiary of HLIH. The principal activities of GEPL are those relating to development and sale of properties, and holding of investments. Other than HLIH, CDL and GEPL, the remaining 55 minority shareholders of HLHL are primarily members of the Quek/Kwek family and persons and/or companies connected to them with each of them hold less than 5% therein.

DEFINITIONS

“Agreed JV Proportion” in relation to GLS, Intrepid and Hong Realty, the following agreed shareholding proportion in MRD:

<u>Shareholder</u>	<u>Agreed JV Proportion</u>
GLS	30%
Intrepid	35%
Hong Realty	35%

“Board” the board of directors of the Company

“CDL” City Developments Limited, a company incorporated in Singapore with limited liability, the shares of which are listed on SGX-ST

“Company” Guoco Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the HK Stock Exchange (Stock Code: 53)

“GEPL” Garden Estates (Pte.) Limited, a company incorporated in Singapore with limited liability and a subsidiary of Hong Realty

“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 Hong Kong

“HK Stock Exchange” The Stock Exchange of Hong Kong Limited

“HLHL” Hong Leong Holdings Limited, a company incorporated in Singapore with limited liability and a subsidiary of HLIH

“HLIH” Hong Leong Investment Holdings Pte. Ltd., a company incorporated in Singapore with limited liability and a deemed substantial shareholder of the Company

“Hong Kong” the Hong Kong Special Administrative Region of the People's Republic of China

“Hong Realty” Hong Realty (Private) Limited, a company incorporated in Singapore with limited liability and a subsidiary of HLIH

“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 5 November 2024 entered into among the Parties relating to the Project

“Listing Rules”	the Rules Governing the Listing of Securities on the HK Stock Exchange
“MRD”	Margaret Rise Development Pte. Ltd., a company incorporated in Singapore with limited liability, the joint venture project company under the JV Agreement
“Party(ies)”	a/the party(ies) to the JV Agreement being GLS, Intrepid, Hong Realty and MRD
“Project”	the acquisition, development and dealing of the Property as more particularly set out under the “Purpose of MRD” above
“Property”	all that parcel of land known as Lot 5803T of Mukim 3 and situated at Margaret Drive, Singapore
“S\$”	Singapore dollars, the lawful currency of Singapore
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholders”	GLS, Intrepid and Hong Realty and any other person holding shares in the capital of MRD, and “Shareholder” means any one of them
“Singapore”	Republic of Singapore
“Transaction”	the entering into of the JV Agreement by the Parties and the transactions contemplated thereunder
“%”	per cent.

Note:

Sums of S\$ in this announcement have been translated into HK\$ at the exchange rate of S\$1:HK\$5.888 for reference only.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 5 November 2024

As at the date of this announcement, the Board comprises Mr. KWEK Leng Hai as Executive Chairman; Mr. Christian K. NOTHHAFT as CEO & 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.