

REPORT OF THE DIRECTORS

The directors of the Company (the “Directors”) present their report together with the audited financial statements of the Group for the year ended 30 June 2024 (the “Financial Statements”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and management. The principal activities of the subsidiaries which materially affected the results or assets of the Group during the year include principal investment, property development and investment, hospitality and leisure business. The principal activities of the associates which materially affected the results of the Group during the year include commercial banking business, Islamic banking services, insurance and takaful business, investment banking, futures and stockbroking and asset management business.

The analysis of the principal activities and locations of operations of the Company and its subsidiaries during the year is set out in note 17 to the Financial Statements.

BUSINESS REVIEW

A fair review of the business of the Group, a discussion and analysis of the Group’s performance during the year, financial key performance indicators, description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year (if any) as well as an indication of likely future development in the business of the Group are provided throughout this annual report, particularly in the sections headed Financial Highlights, Chairman’s Statement, Management Discussion and Analysis as well as the Segment Reporting, and Financial Risk Management and Fair Value in the notes to the Financial Statements. A discussion on the Group’s compliance with relevant laws and regulations that have a significant impact on the Group and an account of the Group’s key relationships with its stakeholders as well as the Group’s environmental policies and performance are provided in the “Corporate Governance Report” in this annual report and the “Environmental, Social and Governance Report” which is available at the Company’s website at www.guoco.com. All such discussions form part of this Report of the Directors.

SUBSIDIARIES

Particulars of the principal subsidiaries of the Company are set out in note 17 to the Financial Statements.

FINANCIAL STATEMENTS

The consolidated net profit of the Group for the year ended 30 June 2024 and the state of the Company’s and the Group’s affairs as at that date are set out in the Financial Statements on pages 69 to 177.

DIVIDENDS

An interim dividend of HK\$0.50 per share (2023: HK\$0.50 per share) totalling HK\$162,289,000 (2023: HK\$162,331,000) was paid on 26 March 2024. The Directors are recommending payment of a final dividend of HK\$2.70 per share (2023: HK\$2.50 per share) in respect of the year ended 30 June 2024 totalling HK\$888,441,000 (2023: HK\$822,631,000) on Tuesday, 3 December 2024 to all persons registered as holders of shares on the register of members of the Company on Thursday, 21 November 2024, being the record date for determining the entitlement of shareholders to the proposed final dividend.

REPORT OF THE DIRECTORS

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for less than 30% of the total turnover of the Group and the five largest suppliers of the Group accounted for less than 30% of the total purchases of the Group.

CHARITABLE DONATIONS

Donations made by the Group during the year amounted to US\$1,790,000 (2023: US\$828,000).

SHARE CAPITAL

The Company did not issue any new shares during the year. Details of the movement in the share capital of the Company are shown in note 36 to the Financial Statements.

RESERVES

Movements in the reserves of the Company and the Group during the year are set out in note 36 to the Financial Statements.

EQUITY-LINKED AGREEMENTS

Other than the Executive Share Scheme 2022 of the Company as disclosed in this Report, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company at any time during the year or subsisted at the end of the year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 30 June 2024.

PROPERTIES

Particulars of the major development properties, properties held for sale and investment properties of the Group are shown on pages 178 to 180.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-Laws of the Company ("Bye-Laws") or the laws in Bermuda.

REPORT OF THE DIRECTORS

DIRECTORS

The Directors during the year and up to the date of this Report are:

KWEK Leng Hai – *Executive Chairman*

Christian K. NOTHHAFT – *Chief Executive Officer*^{Note 1}

CHEW Seong Aun – *Group Chief Financial Officer*^{Note 2}

KWEK Leng San*

David M. NORMAN**

Lester G. HUANG, *SBS, JP***

Paul J. BROUGH**

* Non-executive Director

** Independent non-executive Director

Notes:

1. Mr. Christian K. NOTHHAFT was appointed Executive Director and Chief Executive Officer of the Company with effect from 15 April 2024.

2. Mr. CHEW Seong Aun retired as the Group Chief Financial Officer and relinquished his position as an Executive Director with effect from 15 May 2024.

In accordance with Bye-Law 99 of the Bye-Laws and Code B.2.2 of the Corporate Governance Code of the Company (the “CG Code”), Messrs. David M. NORMAN and Paul J. BROUGH shall retire from office by rotation at the forthcoming annual general meeting of the Company to be held on 13 November 2024 (the “2024 AGM”). Mr. David M. NORMAN has indicated his intention not to seek for re-election while Mr. Paul J. BROUGH, being eligible, will offer himself for re-election at the 2024 AGM.

Pursuant to Bye-Law 102 of the Bye-Laws, Mr. Christian K. NOTHHAFT, who has been appointed Executive Director and Chief Executive Officer of the Company on 15 April 2024 shall hold office until the 2024 AGM and, being eligible, will offer himself for re-election at the 2024 AGM.

DIRECTORS’ SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the 2024 AGM has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

DIRECTORS’ MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Details of the continuing connected transactions and material related party transactions are set out in this Report and note 43 to the Financial Statements respectively. Save as disclosed, no transaction, arrangement or contract of significance in relation to the Group’s business to which the Company or any of its subsidiaries was a party and in which a Director or his connected entity had, directly or indirectly, a material interest subsisted at the end of the year or at any time during the year ended 30 June 2024.

MANAGEMENT CONTRACT

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company’s business was entered into or existed during the year ended 30 June 2024.

REPORT OF THE DIRECTORS

INDEMNITY OF DIRECTORS

Pursuant to the Bye-Laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company maintains a directors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Directors.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2024, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of the Company (the "Model Code") were disclosed as follows in accordance with the Listing Rules.

Long positions in the shares of the Company and associated corporations of the Company

(A) The Company

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	3,800,775	3,800,775	1.16%
KWEK Leng San	Beneficial owner	209,120	209,120	0.06%
David M. NORMAN	Beneficial owner	4,000	4,000	0.00%

(B) Associated Corporations

(a) *GuoLine Capital Assets Limited*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	841,000	841,000	2.62%
KWEK Leng San	Beneficial owner	321,790	321,790	1.00%

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (cont'd)

Long positions in the shares of the Company and associated corporations of the Company (cont'd)

(B) Associated Corporations (cont'd)

(b) *GuocoLand Limited*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	35,290,914	35,290,914	2.98%

(c) *Hong Leong Financial Group Berhad*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	2,526,000	2,526,000	0.22%
KWEK Leng San	Beneficial owner	654,000	654,000	0.06%

(d) *GuocoLand (Malaysia) Berhad*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	226,800	226,800	0.03%

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (cont'd)

Long positions in the shares of the Company and associated corporations of the Company (cont'd)

(B) Associated Corporations (cont'd)

(e) *The Rank Group Plc*

Director	Capacity	Number of ordinary shares		Approx. % of total number of shares in issue
		Personal interests	Total interests	
KWEK Leng Hai	Beneficial owner	1,026,209	1,026,209	0.26%
KWEK Leng San	Beneficial owner	56,461	56,461	0.01%

(f) *Lam Soon (Hong Kong) Limited*

Director	Capacity	Number of ordinary shares			Approx. % of total number of shares in issue
		Personal interests	Family interests	Total interests	
KWEK Leng Hai	Beneficial owner	2,300,000	–	2,300,000	0.95%
Lester G. HUANG, <i>SBS, JP</i>	Interests of spouse	–	150,000	150,000	0.06%

Save as disclosed above, as at 30 June 2024, none of the Directors had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

REPORT OF THE DIRECTORS

SHARE SCHEME

Executive Share Scheme 2022 (the “ESS 2022”)

The ESS 2022 was approved by the Shareholders at the annual general meeting on 8 November 2022 (the “ESS Approval Date”) and took effect on 10 November 2022 (the “ESS Effective Date”) for grant of options and/or free shares over newly issued and/or existing shares of the Company to executives or directors of the Company or any of its subsidiaries (the “ESS Eligible Executives”) from time to time.

The purpose of the ESS 2022 is to (i) align the long term interests of the ESS Eligible Executives with those of the Shareholders and encourage the ESS Eligible Executives to assume greater responsibility for the performance of the businesses that they manage; (ii) motivate the ESS Eligible Executives towards strategic business objectives; (iii) reward the ESS Eligible Executives with an equity stake in the success of the Group; and (iv) make the total compensation package more competitive in order to attract, retain and motivate high calibre executives.

A trust (the “ESS Trust”) is in place for the purpose of acquiring and holding existing shares of the Company from time to time to satisfy the exercise of options and vesting of share grants which may be granted under the ESS 2022. A wholly owned subsidiary of the Company as the trustee is responsible for administering the ESS Trust.

The maximum number of new shares of the Company that may be issued upon exercise of share options and vesting of share grants pursuant to the ESS 2022 shall not in aggregate exceed 10% of the shares of the Company in issue as at the ESS Approval Date, i.e. 32,905,137 which represents 10% of the shares in issue of the Company as at 30 June 2024 and the date of this Report. The maximum entitlement for an ESS Eligible Executive in respect of the total number of shares issued and to be issued upon exercise of options granted and to be granted as well as share grants vested and to be vested in any 12 months period up to the date of the latest grant shall not exceed 1% of the shares of the Company in issue as at any date of grant.

Except where it is otherwise specifically allowed under the ESS 2022, the share options and/or share grants offered to the ESS Eligible Executives is exercisable/will be vested only during his/her employment or directorship with the Group and the vesting period of the share options and/or share grants shall not be less than 12 months from the date of offer.

The Board Remuneration Committee of the Company (“BRC”) may at its discretion determine the exercise price of the options provided that the exercise price so fixed must be at least the higher of (a) the closing price of a share of the Company as stated in the Stock Exchange’s daily quotations sheet on the date of offer of such option, which must be a business day; (b) the average closing price of a share of the Company as stated in daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of such option; and (c) the nominal value of a share of the Company.

Share options and/or share grants offered under the ESS 2022 to an ESS Eligible Executive must be accepted by the offeree within thirty (30) days from the date of offer (or such longer period of time as may be permitted by the BRC at its absolute discretion) by way of a written notice of acceptance and in such manner as may be prescribed by the BRC and accompanied by a payment of HK\$1 as consideration. The exercise period of the share options offered shall not be more than ten (10) years from the date of offer.

The life of the ESS 2022 is 10 years from the ESS Effective Date. The ESS 2022 shall remain valid and effective till 9 November 2032.

No share option or free share had ever been granted to any ESS Eligible Executives pursuant to the ESS 2022 since its adoption and up to 30 June 2024.

REPORT OF THE DIRECTORS

SHARE SCHEME (cont'd)

Others

Certain other subsidiaries of GuoLine Capital Assets Limited, the ultimate holding company of the Company, maintain share schemes or plans or arrangements which subsisted at the end of the year or at any time during the year, under which eligible Directors of the Company may be granted free shares or share options for acquisition of shares of respective companies concerned.

Save for above, at no time during the year was the Company, any of its parent companies, its subsidiary undertakings or subsidiary undertakings of its parent companies a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2024, the persons who had interests or short positions in the shares and underlying shares of 5% or more in the Company's issued share capital as recorded in the register maintained by the Company under Section 336 of the SFO are as follows:

Long positions in the shares and underlying shares of the Company

Shareholder	Capacity	Number of shares/underlying shares			Approx. % of total number of shares in issue
		Interests in shares	Interests under equity derivatives	Total	
QUEK Leng Chan ("QLC")	Interest of controlled corporations	242,008,117	40,272,716	282,280,833 (Note 1)	85.79%
GuoLine Capital Assets Limited ("GCAL")	Interest of controlled corporations	240,351,792	40,272,716	280,624,508 (Notes 2 & 3)	85.28%
Hong Leong Investment Holdings Pte. Ltd. ("HLInv")	Interest of controlled corporations	240,351,792	40,272,716	280,624,508 (Notes 3 & 4)	85.28%
Davos Investment Holdings Private Limited ("Davos")	Interest of controlled corporations	240,351,792	40,272,716	280,624,508 (Notes 3 & 5)	85.28%
KWEK Leng Kee ("KLK")	Interest of controlled corporations	240,351,792	40,272,716	280,624,508 (Notes 3 & 6)	85.28%
First Eagle Investment Management, LLC ("FEIM")	Investment manager	26,238,046	–	26,238,046 (Note 7)	7.97%

REPORT OF THE DIRECTORS

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS (cont'd)

Long positions in the shares and underlying shares of the Company (cont'd)

Notes:

- The interest of controlled corporation of QLC comprised 242,008,117 ordinary shares of the Company and 40,272,716 underlying shares of other unlisted cash settled derivatives, and were directly held by:

	Number of shares/ underlying shares
GuoLine Overseas Limited ("GOL")	236,524,930
GuoLine (Singapore) Pte Ltd ("GLS")	40,272,716
Asian Financial Common Wealth (PTC) Limited ("AFCW")	3,826,862
Robusto Ltd ("RL")	1,656,325

AFCW was wholly owned by Guoco Management Company Limited which in turn was wholly owned by the Company. The Company was 71.88% owned by GOL. GOL and GLS were wholly owned by GCAL. GCAL was 49.11% owned by QLC while RL was wholly owned by QLC.

- The interests of GCAL comprised 240,351,792 ordinary shares of the Company and 40,272,716 underlying shares of other unlisted cash settled derivatives, and were directly held by GOL, GLS and AFCW as set out in Note 1 above.
- The interests of GCAL, HLIInv, Davos and KLK are duplicated.
- HLIInv was deemed to be interested in these interests through its controlling interests of 34.49% in GCAL.
- Davos was deemed to be interested in these interests through its controlling interests of 33.59% in HLIInv.
- KLK was deemed to be interested in these interests through his controlling interests of 41.92% in Davos.
- FEIM was deemed to be interested in these interests held by various management accounts and funds controlled by it.

Save as disclosed above, as at 30 June 2024, the Company had not been notified by any person who had interests or short positions in the shares or underlying shares of the Company of 5% or more which should be disclosed pursuant to Part XV of the SFO or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS

Continuing Connected Transactions

Master Services Agreement

A master services agreement dated 30 June 2023 (the “Master Services Agreement”) was entered into by the Company (together with its subsidiaries, the “Group”) with GuoLine Group Management Company Pte. Ltd. (“GGMC”) for the provision of management services as listed in the Master Services Agreement (the “Services”) to the Group (referred to as “Service Recipient(s)”).

GGMC or other Hong Leong Group company(ies) (comprising GuoLine Capital Assets Limited (“GCAL”) and Hong Leong Company (Malaysia) Berhad (“HLCM”) and their subsidiaries) as may be agreed by the parties from time to time are referred to as “Service Provider(s)”.

The Master Services Agreement is for a term of three financial years from 1 July 2023 to 30 June 2026. The fees payable under the Master Services Agreement comprise:

1. a monthly fee (the “Monthly Fee”) as agreed from time to time between such Service Recipient(s) and the Service Provider(s) and is currently agreed to be approximately HK\$1,928,000 per month in total; and
2. an annual fee (the “Annual Fee”) equivalent to 3% of the annual profit before tax of such Service Recipient(s) as shown in its audited profit and loss account for the relevant financial year, subject to appropriate adjustment (for example, to avoid double counting of profit), if any.

The yearly total fees (the “Total Services Fees”), being the sum of the Monthly Fee, the Annual Fee and the total amounts of any fees paid or payable by the Group to any Hong Leong Group company for services of a similar nature as the Services, are subject to an annual cap of HK\$410 million for each of the three financial years ending 30 June 2026.

GGMC is a wholly-owned subsidiary of GCAL, the ultimate holding company and a substantial shareholder of the Company, and thus GGMC is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. Mr. Quek Leng Chan, being a controlling shareholder of GCAL and HLCM, is regarded as a substantial shareholder of the Company. Subsidiaries under GCAL and HLCM which may become Service Provider(s) under the Master Services Agreement are regarded as associates of connected persons of the Company as defined under Chapter 14A of the Listing Rules. The transactions contemplated under the Master Services Agreement constitute continuing connected transactions for the Company under the Listing Rules and the relevant disclosure requirements have been complied with.

The Independent Non-executive Directors of the Company had reviewed the transactions under the Master Services Agreement during the year and confirmed that:

- a. the transactions under the Master Services Agreement for the year were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- b. the Total Services Fees paid and payable by the Group under the Master Services Agreement for the year amounted to approximately HK\$132 million which did not exceed the annual cap of HK\$410 million as disclosed in the announcement of the Company dated 30 June 2023.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Continuing Connected Transactions (cont'd)

Banking Transactions

The Group has from time to time entered into, and may in future enter into, among others, the following transactions with the licensed banks and regulated financial services companies within Hong Leong Financial Group (comprising Hong Leong Financial Group Berhad and its subsidiaries from time to time), including Hong Leong Asset Management Bhd, Hong Leong Bank Berhad, Hong Leong Islamic Bank Berhad, Hong Leong Bank Vietnam Limited, Hong Leong Bank (Cambodia) PLC and Hong Leong Investment Bank Berhad (each and collectively, “Hong Leong Financial Institution(s)”):

1. placing of deposits by the Group with Hong Leong Financial Institutions; and
2. purchase of and/or subscription for debt securities and investment products issued by Hong Leong Financial Institutions by the Group.

(collectively, the “Banking Transactions”).

As part of its principal investment and treasury operations, the Group from time to time places deposits with various financial institutions worldwide and purchases and/or subscribes for fixed income, debt securities and investment products issued by financial institutions and other corporations. The Banking Transactions are conducted in the ordinary and usual course of its business. The treasury functions involve the management of cashflows and cash resources, which the Group conducts with various financial institutions.

The outstanding balance of the Banking Transactions shall be subject to a maximum cap amount of US\$181 million or its equivalent in other currencies at any time during the three financial years ended 30 June 2024.

Hong Leong Financial Institutions are associates of a connected person of the Company by virtue of the fact that they are indirect subsidiaries of HLCM of which Mr. Quek Leng Chan, a deemed controlling shareholder of the Company, is also a deemed controlling shareholder. The Banking Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules and the relevant disclosure requirements have been complied with.

From time to time during the year, the Group entered into deposit transactions which involved placing of deposits (including savings, current and other deposits in various currencies) with Hong Leong Financial Institutions as the deposit accepting banks (the “Deposit Transactions”). The Deposit Transactions were based on the relevant market rates at the time of each transaction and are broadly the same as those engaged by the Group with other unconnected financial institutions. During the year, the interest rate for the savings and time deposits for various currencies placed by the Group with Hong Leong Financial Institutions ranged from 0% to 5.88% per annum, and the tenor of the time deposits ranged from overnight to 3 months.

As at 30 June 2024, the balance of deposits placed by the Group with Hong Leong Financial Institutions was approximately US\$13.8 million.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Continuing Connected Transactions (cont'd)

Banking Transactions (cont'd)

The Independent Non-executive Directors of the Company had reviewed the Banking Transactions during the year and confirmed that:

- a. during the year, there was no subscription for or purchase of debt securities and investment products issued by Hong Leong Financial Institutions by the Group;
- b. during the year, the maximum relevant aggregate amount of (i) the outstanding balance of deposits placed by the Group with Hong Leong Financial Institutions; and (ii) debt securities and investment products issued by Hong Leong Financial Institutions purchased and/or subscribed by the Group, was approximately US\$49.2 million which did not exceed the cap amount of US\$181 million or its equivalent as disclosed in the announcement of the Company dated 2 July 2021; and
- c. the Deposit Transactions were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Investment Management and Advisory Agreements

Investment Management Agreement

An investment management agreement dated 1 November 2022 (the “Investment Management Agreement”) was entered into between Asia Fountain Assets Limited (“AFAL”, an indirect wholly-owned subsidiary of the Company) and GuoLine Advisory Pte. Ltd. (“GAPL”) for provision of discretionary fund management services by GAPL to AFAL in relation to all the investment assets (including monies and other investment products) of AFAL, proceeds therefrom and dividend income, other than those which may be designated by AFAL as not forming part of the mandate of GAPL under the Investment Management Agreement (the “IMA Portfolio”) for a term commenced from 1 November 2022 and ending on 31 October 2025 (both dates inclusive).

The fees payable under the Investment Management Agreement comprise:

1. a management fee (the “Management Fee”) payable monthly in arrears at the rate of 0.5% per annum of the net asset value of the IMA Portfolio managed by GAPL on the last day of a calendar month; and
2. a performance fee (the “Performance Fee”) payable annually in arrears of up to 10% per annum on the excess return. Excess return is the return on the IMA Portfolio for the relevant period/year over a reference return calculated based on the 1-year outlook of 3 Month United States Treasury Bill risk-free rate plus 4%.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Continuing Connected Transactions (cont'd)

Investment Management and Advisory Agreements (cont'd)

Investment Advisory and Management Agreement

An investment advisory and management agreement dated 1 November 2022 (the “Investment Advisory and Management Agreement”) was entered into between Guoco Management Company Limited (“GMC”, a direct wholly-owned subsidiary of the Company) and GAPL for provision of investment advisory, management and related services to GMC, Asia Fountain Investment Company Limited (an indirect wholly-owned subsidiary of the Company) and other relevant wholly-owned subsidiaries of the Company (collectively the “Service Recipients”) in relation to all their investment assets at any time other than those which may be designated by the Service Recipients as not forming part of the mandate of GAPL for a term commenced from 1 November 2022 and ending on 31 October 2025 (both dates inclusive).

GAPL will charge a monthly advisory fee (the “Advisory Fee”) calculated based on the agreed allocation of the staff costs of the investment teams of GAPL and any other related costs as mutually agreed by the parties plus a 10% markup.

The total fees (the “Total Fees”), being the sum of the Management Fee, the Performance Fee and the Advisory Fee payable to GAPL under the Investment Management Agreement and the Investment Advisory and Management Agreement (collectively the “Investment Management and Advisory Agreements”) for each of the relevant period/financial year shall be subject to the respective annual cap (the “Annual Cap”) as stated below:

	Annual Caps HK\$ million
From 1 November 2022 to 30 June 2023	69
For the year ended 30 June 2024	122
For the year ending 30 June 2025	154
From 1 July 2025 to 31 October 2025	55

GAPL is a 50:50 joint venture company owned by GuocoEquity Assets Limited (“GEAL”) and GGMC. GEAL is a direct wholly-owned subsidiary of the Company. GGMC is a direct wholly-owned subsidiary of GCAL, the ultimate holding company and a substantial shareholder of the Company. Thus, GAPL is an associate of a connected person of the Company as defined under Chapter 14A of the Listing Rules. The transactions contemplated under the Investment Management and Advisory Agreements constitute continuing connected transactions for the Company under the Listing Rules and the relevant disclosure requirements have been complied with.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Continuing Connected Transactions (cont'd)

Investment Management and Advisory Agreements (cont'd)

The Independent Non-executive Directors of the Company had reviewed the aforesaid transactions during the year and confirmed that:

- a. the transactions under the Investment Management and Advisory Agreements for the year were entered into:
 - in the ordinary and usual course of business of the Group;
 - on normal commercial terms or better; and
 - in accordance with the relevant documents governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- b. the Total Fees paid and payable by the Group to GAPL under the respective agreements for the year were as follows:

	Services fees paid and payable to GAPL HK\$'000
Investment Management Agreement	27,068
Investment Advisory and Management Agreement	3,185
Total:	30,253

(<HK\$122 million)

The Total Fees paid and payable by the Group to GAPL under the Investment Management Agreement and the Investment Advisory and Management Agreement for the year amounted to approximately HK\$30 million which did not exceed the Annual Cap of HK\$122 million as disclosed in the announcement of the Company dated 1 November 2022.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Continuing Connected Transactions (cont'd)

Auditor's Review

Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor was engaged to report on the Group's continuing connected transactions as mentioned above in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed by the Group on pages 55 to 59 of this annual report in accordance with Rule 14A.56 of the Listing Rules.

Connected Transactions

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

On 22 September 2023, a joint venture agreement (the "LG Agreement") was entered into by GuocoLand (Singapore) Pte. Ltd. ("GLS"), a wholly-owned subsidiary of GuocoLand Limited ("GuocoLand", the Company's 66.8% owned subsidiary listed on Singapore Exchange Securities Trading Limited ("SGX")), Intrepid Investments Pte. Ltd. ("Intrepid") (collectively the "LG Shareholders") and Lentor Gardens Pte. Ltd. ("LGPL", now known as Lentor Mansion Pte. Ltd.), whereby the LG Shareholders agreed to jointly participate in development of all that parcel of land known as Lot 05424W of Mukim 20 and situated at Lentor Gardens, Singapore with a site area of 21,866.7 square meters (the "LG Property"). The agreed shareholding proportions in LGPL held by GLS and Intrepid are 60% and 40% respectively.

Pursuant to the LG Agreement, LGPL is the joint venture project company to undertake the acquisition, development and dealing of the LG Property (the "LG Project"), including, among other things, the acquisition of the LG Property, implementation and construction of the LG Project, management, operation and maintenance of the LG Property and LG Project (including marketing for sale of the residential units and lease of the childcare facilities) and funding for and dealing with the LG Property and the LG Project. The LG Property was won through a tender accepted by the Urban Redevelopment Authority of Singapore.

The total funding contribution of GLS is S\$105 million, comprising share capital of S\$27 million and a loan of S\$78 million.

Intrepid is a wholly-owned subsidiary of Hong Leong Holdings Limited ("HLHL") which is in turn a subsidiary of Hong Leong Investment Holdings Pte. Ltd. ("HLIH"). As HLIH 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 LG Agreement therefore constitutes a connected transaction of the Company and the relevant disclosure requirements have been complied with.

Details of the transaction are set out in the announcement of the Company dated 22 September 2023.

REPORT OF THE DIRECTORS

INTERESTS IN CONTRACTS AND CONNECTED TRANSACTIONS (cont'd)

Connected Transactions (cont'd)

Joint Venture Agreement for a Project in relation to a Land Parcel at Lentor Central in Singapore

On 18 December 2023, a joint venture agreement (the "LCP Agreement") was entered into by GLS, Intrepid and CSC Land Group (Singapore) Pte. Ltd. ("CSC Land") (collectively the "LCP Shareholders") as well as Lentor Central Park Pte. Ltd. ("LCP"), whereby the LCP Shareholders agreed to jointly participate in development of all that parcel of land known as Lot 05444T of Mukim 20 and situated at Lentor Central, Singapore with a site area of 14,703.2 square meters (the "LCP Property"). The agreed shareholding proportions in LCP held by Intrepid, GLS and CSC Land are 50%, 30% and 20% respectively.

Pursuant to the LCP Agreement, LCP is the joint venture project company to undertake the acquisition, development and dealing of the LCP Property (the "LCP Project"), including, among other things, the acquisition of the LCP Property, implementation and construction of the LCP Project, management, operation and maintenance of the LCP Property and LCP Project (including marketing for sale of the residential units and lease of the childhood development centre) and funding for and dealing with the LCP Property and the LCP Project. The LCP Property was won through a tender accepted by the Urban Redevelopment Authority of Singapore.

The total funding contribution of GLS is S\$47,279,854, comprising share capital of S\$1,200,000 and a loan of S\$46,079,854.

Intrepid is a wholly-owned subsidiary of HLHL which is in turn a subsidiary of HLIH. As HLIH 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 LCP Agreement therefore constitutes a connected transaction of the Company and the relevant disclosure requirements have been complied with.

Details of the transaction are set out in the announcement of the Company dated 18 December 2023.

Information of Hong Leong Holdings Limited

Intrepid, being a party to each of the LG Agreement and LCP Agreement, is a wholly-owned subsidiary of HLHL which is in turn a subsidiary of HLIH. Save for HLIH, HLHL is held by 57 minority shareholders, of which each of City Developments Limited ("CDL") and Garden Estates (Pte.) Limited ("GEPL") hold more than 5% shareholding interest. CDL is a company listed on the SGX and its principal activities are those of a property developer and owner, and investment holding. HLIH is the immediate and ultimate holding company of CDL. GEPL is a private company incorporated in Singapore and a subsidiary of HLIH. Its principal activities include development and sale of properties, and holding investments and investment properties.

Other than HLIH, CDL and GEPL, the remaining shareholding interests in HLHL are held by 55 minority shareholders who are primarily members of the Quek/Kwek extended family and companies connected to them with each of them hold less than 5% therein.

REPORT OF THE DIRECTORS

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Mr. KWEK Leng Hai and Mr. KWEK Leng San are directors and shareholders of HLCCM which is an investment holding company with subsidiaries engaging in, amongst others, financial services as well as manufacturing and distribution business.

Mr. KWEK Leng Hai and Mr. KWEK Leng San are shareholders of GCAL. Mr. KWEK Leng Hai is also a director of GCAL. GCAL is an investment holding company with subsidiaries engaging in, amongst others, principal investments as well as production and distribution of consumer goods.

The above Directors are considered as having interests in business apart from the Group's business, which may be likely to compete, directly or indirectly, with the Group's business during the year ended 30 June 2024 under Rule 8.10 of the Listing Rules.

CHANGE IN INFORMATION OF DIRECTORS

Saved as disclosed in this annual report, there was no change to any of the information required to be disclosed in relation to any Director pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules for the year ended 30 June 2024.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Directors, the Company maintained sufficient public float as at the date of this Report.

AUDITOR

A resolution for the re-appointment of KPMG as auditor of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

Christian K. NOTHHAFT

Executive Director and Chief Executive Officer

Hong Kong, 26 September 2024