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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 in relation to a Land Parcel at Lentor Central in Singapore

On 18 December 2023, GLS, a wholly-owned subsidiary of GuocoLand, entered into the JV Agreement with Intrepid and CSC Land as well as LCP (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 (50%) and CSC Land (20%).

Pursuant to the JV Agreement, LCP 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\$435,166,426 (approximately HK\$2,546,158,759) accepted by the Urban Redevelopment Authority of Singapore. The total funding contribution of GLS under the JV Agreement is S\$47,279,854 (approximately HK\$276,634,424), comprising share capital of S\$1,200,000 (approximately HK\$7,021,200) and a shareholder's loan of S\$46,079,854 (approximately HK\$269,613,224).

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 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 18 December 2023, GLS, a wholly-owned subsidiary of GuocoLand, entered into the JV Agreement with Intrepid and CSC Land as well as LCP (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, LCP will undertake the Project as the approved developer, for the purpose as more particularly set out under the "Purpose of LCP" below. The Property was won through a tender at a tender price of S\$435,166,426 (approximately HK\$2,546,158,759) accepted by the Urban Redevelopment Authority of Singapore. The Property is situated at Lentor Central, Singapore with a site area of 14,703.2 square metres and will be connected to the Lentor mass rapid transit station by a sheltered walkway and is in close proximity to multiple local schools. A residential development with about 475 units is planned to be built on the Property.

MAJOR TERMS OF THE JV AGREEMENT

Shareholders and Agreed JV Proportion	:	<u>Shareholder</u>	<u>Agreed JV Proportion</u>
		Intrepid	50%
		GLS	30%
		CSC Land	20%

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

Purpose of LCP : 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 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>
		Intrepid	3
		GLS	2
		CSC Land	1

Pre-emptive rights : No Shareholder shall transfer shares held by it in LCP, 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 LCP 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 LCP in the Agreed JV Proportion. Accordingly, the shareholding proportion of Intrepid, GLS and CSC Land in LCP 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 LCP, the Shareholders shall provide the necessary guarantees and securities severally according to the Agreed JV Proportion.

The aggregate funding contribution from the Shareholders to LCP according to the Agreed JV Proportion pursuant to the JV Agreement is S\$157,599,513 (approximately HK\$922,114,748) comprising paid-up share capital of S\$4,000,000 (approximately HK\$23,404,000) and loans of S\$153,599,513 (approximately HK\$898,710,748). The total funding contribution of GLS is S\$47,279,854 (approximately HK\$276,634,424) comprising share capital of S\$1,200,000 (approximately HK\$7,021,200) and a loan of S\$46,079,854 (approximately HK\$269,613,224).

An external banking facility for an aggregate amount of up to S\$416,000,000 (approximately HK\$2,434,016,000) 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 in the ordinary and usual course of business of GuocoLand Group.

HLHL and CSCEC are well-established property development and investment companies. The formation of the joint venture with Intrepid and CSC Land 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. 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 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 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 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 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 CSC LAND

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.

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. HLHL is primarily an investment holding company in Singapore.

CSC Land is a wholly-owned subsidiary of CCDC which is in turn a wholly-owned subsidiary of CSCEC. It is a third party independent of the Company and its connected persons. The core business of CSC Land is real estate development. The scope of business of CSCEC and its subsidiaries includes investment, real estate development, construction (housing and infrastructure) and design.

DEFINITIONS

“Agreed JV Proportion” in relation to Intrepid, GLS and CSC Land, the following agreed shareholding proportion in LCP:

<u>Shareholder</u>	<u>Agreed JV Proportion</u>
Intrepid	50%
GLS	30%
CSC Land	20%

“Board” the board of directors of the Company

“CCDC” China Construction (South Pacific) Development Co. Pte. Ltd., a company incorporated in Singapore with limited liability and a regional wholly-owned subsidiary of CSCEC

“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)

“CSCEC” China State Construction Engineering Corporation Limited, a company established in the People’s Republic of China, the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601668.SH)

“CSC Land” CSC Land Group (Singapore) Pte. Ltd., a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of CCDC

“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 HLIH

“HLIH” 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 18 December 2023 entered into among the Parties relating to the Project

“LCP”	Lentor Central Park 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 HK Stock Exchange
“Party(ies)”	a/the party(ies) to the JV Agreement being Intrepid, GLS, CSC Land and LCP
“Project”	the acquisition, development and dealing of the Property as more particularly set out under the “Purpose of LCP” above
“Property”	all that parcel of land known as Lot 05444T of Mukim 20 and situated at Lentor Central, Singapore
“S\$”	Singapore dollars, the lawful currency of Singapore
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholders”	Intrepid, GLS and CSC Land and any other person holding shares in the capital of LCP, and “Shareholder” means any one of them
“Singapore”	Republic of Singapore
“HK 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:

Sums of S\$ in this announcement have been translated into HK\$ at the exchange rate of S\$1:HK\$5.851 for reference only.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 18 December 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.