

COMPANIES

GuocoLand H2 net profit down 70% at S\$9.8m

The board has proposed a dividend of S\$0.08 a share, to be paid out on Nov 18

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PROPERTY developer GuocoLand on Friday (Aug 28) posted a 70 per cent drop in net profit to S\$9.8 million for the second half ended Jun 30, from S\$32.4 million for the year-ago period.

Earnings per share declined to S\$0.0028 from S\$0.0256 a year earlier. Revenue fell 29 per cent to S\$642 million from S\$900.3 million.

The board has proposed a first and final dividend of S\$0.08 a share for the period, up from S\$0.07 a share the year before. This will be paid out on Nov 18, after books closure on Nov 5.

For the full year, net profit fell 11 per cent to S\$95.2 million, from S\$107.1 million for the year-ago period. Earnings per share dropped to S\$0.0736, compared with S\$0.0843 previously.

The decline in GuocoLand's bottom line was mainly due to the allowance for projected losses recognised for the group's China development properties.

But the group said that this was partially offset by higher fair-value gains from investment properties, a higher share of profits from associates and joint ventures, and gains from the disposal of the Thistle Johor Bahru hotel in Malaysia.



Earnings per share for GuocoLand's second half ended Jun 30 are down at S\$0.0028, from S\$0.0256 a year earlier.
PHOTO: BT FILE

"We have taken a prudent reassessment of our China residential portfolio to reflect our views of the market conditions in China," said Cheng Hsing Yao, group CEO of GuocoLand.

"With most of the financial risk in China addressed, we are well-positioned to pursue future growth opportunities across all markets that can create long-term value for our shareholders."

Revenue for FY2026 was down 25 per cent at S\$1.4 billion, from S\$1.9 billion in the previous year.

Despite strong sales from new pro-

jects launched in FY2026, the group said most of the revenue from its residential developments, including joint venture projects, had yet to be recognised as the projects were still in the early stages of construction.

Several of GuocoLand's developments, including Springleaf Residence, Penrith and River Modern, are expected to be completed between 2029 and 2030.

Its property development segment raked in S\$1.1 billion in revenue for FY2026, compared with S\$1.6 billion a year earlier. This was mainly due to the

timing of progressive revenue recognition from the group's residential developments in Singapore.

Revenue from joint venture residential projects in Singapore, including Springleaf Residence and Faber Residence, was also excluded from the segment's top line as these projects were equity-accounted.

GuocoLand's proportionate revenue from its equity-accounted projects in Singapore rose to about S\$391 million, from S\$211 million in FY2025. The group also recorded a S\$32.4 million share of profit from associates and joint ventures, reversing the share of loss reported a year earlier.

The improvement was mainly driven by contributions from Springleaf Residence and Lentor Hills Residences, as construction of the projects advanced.

Revenue from the group's property investment portfolio grew on the back of higher recurring rental revenue from Guoco Tower, Guoco Midtown and 20 Collyer Quay. Lentor Modern mall, which opened in January this year, achieved a 95 per cent commitment rate as at end-June.

Cheng said the group would remain focused on investing in and growing its two core businesses in Singapore in the near term, while pursuing opportunities in its key markets to support longer-term growth.

Shares of GuocoLand were trading 1.8 per cent or S\$0.04 lower at S\$2.21 as at 10.39 am on Friday, after the release of its results.