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If you are in any doubt as to any aspect of this circular, or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Guoco Group Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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國浩集團有限公司
Guoco Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00053)

MAJOR TRANSACTION

Second Supplemental Circular

Mandatory Conditional Cash Offer

by

CIMB-GK Securities Pte. Ltd.

for and on behalf of

High Glory Investments Limited

for

BIL International Limited

A letter from the Board is set out on pages 2 to 5 of this Second Supplemental Circular.

Hong Kong, 13 January 2006

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DEFINITIONS

Capitalised terms used in this Second Supplemental Circular shall have the same meanings as those defined in the Circular unless the context requires otherwise. Moreover, in this Second Supplemental Circular, the following expressions have the following meanings unless the context requires otherwise:

“Circular”	the circular dated 4 November 2005 issued by Guoco to the Shareholders in respect of the Transaction
“First Supplemental Circular”	the first supplemental circular dated 30 November 2005 issued by Guoco to the Shareholders in respect of certain information concerning the BIL Group and the Enlarged Group
“Latest Practicable Date”	11 January 2006, being the latest practicable date before the printing of this Second Supplemental Circular for ascertaining certain information for the purpose of inclusion in this Second Supplemental Circular
“Second Supplemental Circular”	this second supplemental circular issued by Guoco for the purpose of providing the Shareholders with further information concerning BIL’s properties located in the United Kingdom and Fiji
“UK”	the United Kingdom

LETTER FROM THE BOARD



國浩集團有限公司
Guoco Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00053)

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* *Non-executive Director*

** *Independent Non-executive Directors*

13 January 2006

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION
Second Supplemental Circular
Mandatory Conditional Cash Offer
by
CIMB-GK Securities Pte. Ltd.
for and on behalf of
High Glory Investments Limited
for
BIL International Limited

INTRODUCTION

Reference is made to the Circular and the First Supplemental Circular issued by Guoco on 4 November 2005 and on 30 November 2005 in respect of the Transaction, respectively.

The purpose of this Second Supplemental Circular is to provide the Shareholders with further information concerning BIL's properties located in the United Kingdom and Fiji.

LETTER FROM THE BOARD

SECOND SUPPLEMENTAL CIRCULAR

As stated in the Circular, as the Offers were made by Guoco on an unsolicited basis and BIL is a company listed on the SGX-ST, BIL has been restricted from providing non-public information concerning the BIL Group to Guoco for preparing the Circular under the Singapore law and relevant rules and regulations (including the Takeovers Code).

Guoco had made efforts in collecting and collating information for BIL in order to fulfil the disclosure requirements for inclusion in the Circular under the Listing Rules. However, not all such information was available at the time of despatch of the Circular. As such, Guoco was unable to comply with certain Listing Rules requirements in respect of the disclosure of information (i.e. the “**Further Information**” as set out in the Circular and the First Supplemental Circular) as at the date of the Circular which includes, inter alia, property valuation reports on the BIL Group’s properties (the “**Property Valuation Reports**”) in accordance with Chapter 5 of the Listing Rules (Rule 14.66(3) of the Listing Rules).

Save for the Property Valuation Reports, the Further Information has been set out in the First Supplemental Circular.

As stated in the First Supplemental Circular, BIL had informed Guoco that the management of BIL would provide assistance to Guoco in its preparation of the Property Valuation Reports by providing public and certain non-public information to Guoco (to the extent that such information is not commercially and/or price sensitive) (the “**Available Information**”).

Guoco had applied for, and the Stock Exchange had agreed to, an extension of time for despatch of the Property Valuation Reports. As stated in the First Supplemental Circular, it was expected that Guoco would be in a position to issue this Second Supplemental Circular setting out the property valuation on BIL’s properties located in the United Kingdom and Fiji on or around 15 January 2006. For BIL’s properties located in Hawaii, it was expected that Guoco would be in a position to issue a third supplemental circular with inclusion of property valuation information on such properties by 31 March 2006.

Since the information contained in the Property Valuation Reports may affect the pro forma financial information contained in Appendix II to the First Supplemental Circular, Guoco will update and reproduce such revised pro forma financial information in the third supplemental circular.

LETTER FROM THE BOARD

EXPERTS AND CONSENTS

The following are the qualification of the experts who have been named in this Second Supplemental Circular or have given opinions or advices which are contained in this Second Supplemental Circular.

Name	Qualification
Christie + Co (“ Christie ”)	qualified property valuer
Jones Lang LaSalle Hotels (“ Jones Lang ”)	qualified property valuer

Each of Christie and Jones Lang has given and has not withdrawn its respective written consent to the issue of this Second Supplemental Circular with the inclusion herein of its letters or reports or references to its name in the form and context in which they respectively appear.

Each of Christie and Jones Lang did not have any shareholding interest in any member of the Enlarged Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Enlarged Group as at the Latest Practicable Date.

Each of Christie and Jones Lang did not have any direct or indirect interests in any assets which had been, since 30 June 2005 (being the date to which the latest published audited accounts of Guoco were made up) up to the Latest Practicable Date: (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Enlarged Group.

Copies of the consent letters from Christie and Jones Lang dated 13 January 2006 are available for inspection at the principal office of Guoco in Hong Kong at 50th Floor, the Center, 99 Queen’s Road Central, Hong Kong during normal business hours on any business day from the date of this Second Supplemental Circular up to and including 26 January 2006.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the following appendices to this Second Supplemental Circular:

- (i) property valuation information on BIL's properties located in the United Kingdom;
- (ii) property valuation information on BIL's properties located in Fiji;
- (iii) reconciliation statement pursuant to Rule 5.07 of the Listing Rules; and
- (iv) further information on BIL's property located in Fiji pursuant to Practice Note 12 of the Listing Rules.

The English text of this Second Supplemental Circular shall prevail over the Chinese text, in the case of inconsistency.

Yours faithfully,
By Order of the Board
Quek Leng Chan
Executive Chairman

The following is the text of a letter, summary of valuations and valuation certificate prepared for the purpose of incorporation in this Second Supplemental Circular received from Christie + Co, an independent valuer, in connection with their valuations as at 21 October 2005 of the property interests acquired by the Group.



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13 January 2006

Dear Sirs,

1.0 INSTRUCTIONS

In accordance with your instructions given to us by a letter dated 12 December 2005, we have undertaken various valuations (hereinafter referred to as the “Valuations” and each a “Valuation”) of the freehold, long and short leasehold interests in 17 (seventeen) hotels (the “Properties” and each a “Property”) owned and/or operated by Thistle Hotels Limited and its subsidiary companies (“Thistle”), as at 21 October 2005. We list the Properties as follows:

Freehold Properties

The Tower — A Guoman Hotel, St Katharine’s Way, London E1W 1LD
Thistle Kensington Gardens, Bayswater Road, London W2 3HL

Long Leasehold Properties

Royal Horseguards and One Whitehall Place, Whitehall Court, London SW1A 2EJ
Thistle Charing Cross, Strand, London WC2N 5HX
Thistle Heathrow, Bath Road, Longford, West Drayton UB7 OEQ
Thistle Marble Arch, Bryanston Street, Marble Arch, London W1H 7EH
Thistle Victoria, Buckingham Palace Road, London SW1W OSJ

Short Leasehold Properties

The Cumberland — A Guoman Hotel, Marble Arch, London W1A 4RF

The Selfridge, Orchard Street, London W1H 6JS

Thistle Trafalgar Square, Whitcomb Street, Trafalgar Square, London WC2H 7HG

Thistle Westminster, 49/75 (odd) Buckingham Palace Road, London SW1W 0QT

Bloomsbury Park, 126 Southampton Row, London WC1B 5AD

Thistle City Barbican, 120 Central Street, London EC1V 8DS

Thistle Edinburgh, 107 Leith Street, Edinburgh EH1 3SW

Thistle Euston, Cardington Street, London NW1 2LP

Thistle Hyde Park, Bayswater, London W2 3NR

Thistle Piccadilly, 31/39 Coventry Street, London W1D 6BZ

Brief summaries (the “Summaries” and each a “Summary”) of the Properties are included in the Appendix attaching to this valuation report (the “Valuation Report”). We have ascribed Market Values, refer Basis of the Valuations sub-point 2.0, to the Properties as fully operational individual trading entities as at 21 October 2005 in their condition at that date. The Market Values have been given in Pounds Sterling. The Properties have been valued as individual trading entities, not part of a group or portfolio.

The Valuation Report is for acquisition purposes. The Valuation Report has been prepared in accordance with the Appraisal and Valuation Standards 5th Edition (the “Red Book”) issued by the Royal Institution of Chartered Surveyors and complies with the relevant requirements under the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited (the “Exchange Listing Rules”). The General and Special Terms and Assumptions of the Valuations are set out under sub-points 4.0 and 5.0.

The Properties were inspected between 5 and 12 December 2005 by independent valuers qualified in accordance with Practice Statement 1 of the Red Book and the Exchange Listing Rules. The Valuation Report has been prepared under the supervision of C J Day MRICS, Managing Director of Christie + Co, and I A Martin MA, Director of Christie + Co, who both have experience of valuing similar properties and businesses. Furthermore, we hold extensive records and files (the “Records”) on the Properties from our previous inspections.

2.0 BASIS OF THE VALUATIONS — MARKET VALUE

Market Value is defined in Practice Statement 3.2 of the Red Book as follows: “The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.” Furthermore, we refer you to the Conceptual Framework of Market Value as published in International Valuation Standard 1.

The Market Values ascribed assume an orderly marketing programme over a period of 6 (six) months of individual disposals, not a sale of all the Properties at one time. Commensurate with this assumption we have valued the Properties assuming efficient marketing and management systems in operation.

3.0 VALUATION METHODOLOGY

In accordance with your instructions, we have valued the Properties by the market or comparative method of valuation, one of the recognised methods of hotel valuation. We have benchmarked the Properties against transactions recorded in the UK hotel property market. For this purpose comparisons of sales evidence are given on a “per letting bedroom” basis, which is easily understood by operators and investors alike, and such comparisons are widely quoted in the professional press and local and national media. Sales of comparable hotels have been carefully analysed and weighted against all the respective advantages and disadvantages of the Properties in order to determine the Market Values.

We were advised by Thistle that six (6) of the Properties were the subject of a sale and leaseback transaction in April 2005 with Topland Group Holdings Limited (“Topland”), refer the Appendix the Summaries, Note on page 22. The rents payable under this transaction are, in our opinion, higher than historical open market levels under standard commercial leases. The incidence of such sale and leaseback transactions is increasing in the UK hotel property market but, as yet, there is no market evidence of transactions involving the residual lessees’ interests. We are therefore of the opinion that there is nil or, at best, nominal Market Values attaching to such residual lessees’ interests reflecting this immature market, refer the Valuations sub-point 8.0 and the Summaries.

4.0 GENERAL TERMS AND ASSUMPTIONS OF THE VALUATIONS

4.1 Trade Furnishings, Fixtures, Fittings, Plant Equipment

Properties of the type valued normally change hands in the open market as fully equipped operational business units. The Valuations therefore includes all plant, machinery, furnishings, fixtures, fittings and moveable items as these are usually included in a sale(s). We were advised by Thistle that all plant, machines, furnishings, fixtures, fittings and moveable items are owned outright, save for some minor items, and the Valuations are based on this understanding. Additionally, no additional allowance has been made for individual items of furniture, fine art or articles with antique or rarity values. We have assumed that the plant and machinery are in good working order.

4.2 Services

We were not instructed to arrange for any services or installations to be tested and therefore the Valuation Report does not express any opinion as to their adequacy or condition. We have valued on the basis that the services and installations comply with all statutory requirements, as advised to us by Thistle, are adequate for the businesses being undertaken at the time of our inspections and in good working order.

4.3 Structural Condition

We were not instructed to carry out structural surveys of the Properties and therefore in preparing the Valuations we have assumed the Properties to be of sound design and construction, free from any inherent defect or defects, as advised to us by Thistle, refer Special Terms and Assumptions of the Valuations sub-point 5.1. Furthermore, we did not inspect woodwork or other parts of the Properties

which were covered, unexposed or inaccessible and such parts have been assumed to be in good repair and condition. The Valuations therefore do not express any opinion about or advise upon the condition of un-inspected parts, nor do the Valuations in any way constitute or could the Valuations be constructed as constituting any representation or warranty actual or implied regarding such parts.

We have not arranged for any investigation to be carried out to determine whether or not high alumina cement or concrete chloride additive or any asbestos containing material or any other deleterious or potentially deleterious material has been used in the construction of the Properties or has since been incorporated in the Properties and we are therefore unable to report that the Properties are free from risk in this respect. For the purpose of the Valuations we have assumed that such investigation would not disclose the presence of any such material in an adverse condition. However, should such material be discovered we have made no allowance for the costs of removal and any remedial works required.

4.4 Site Investigations

We did not carry out or commission site investigations or geographical or geophysical surveys, and therefore give no opinion or assurance or guarantee that the ground have sufficient load bearing strength to support the Properties, or any other constructions that may be erected upon them in the future. We also do not give any opinion or assurance or guarantee that there are no underground mineral or other workings beneath the Properties, or in their vicinity, or that there is not any fault or disability underground which could or might affect the Properties or any construction thereon.

4.5 Environmental Issues

The Records show that we have previously been supplied with copies of Environmental Reports and Reviews in respect of some of the Properties which we have taken into account in arriving at some of the Valuations. We have not been supplied with any further environmental audits or other environmental investigations or soil surveys which have been carried out on the Properties and which draw attention to any contamination or the possibility of any such contamination which might adversely affect the Valuations. In undertaking the Valuations, we have assumed that no contaminated or potentially contaminative uses have ever been carried out on the Properties, save as noted in the Environmental Reports and Reviews previously supplied. We have not carried out any investigations into the past or present uses either of the Properties or any neighbouring land to establish whether there is any potential for contamination from these uses or sites to the Properties.

However, should it be established subsequently that contamination exists at the Properties or on any neighbouring land or that the Properties have been or are being put to a contaminative use this might reduce the Valuations. We have not been provided with any information on any of the Properties which historically have suffered from flooding, or lie in a flood plain, and the Valuations do not reflect any diminution in Market Values which might result from such circumstances.

4.6 Statutory Requirements

We have been advised by Thistle that the Properties comply in all material respects with all statutory and other requirements including, but not limited to, the Fire Precautions Act 1971, the Food Safety Act 1990, the Health and Safety at Work Act 1974, where applicable as amended by the Scotland Act 1998, the Licensing Act 2003 and Disability Discrimination Act 1995, and have valued on this understanding, refer Special Terms and Assumptions of the Valuations, sub-point 5.2.

We have assumed that all consents, licences and permissions have been obtained, the Properties are operated in accordance with those consents, licences and permissions, and that they will continue to hold them. We also assumed that they can be transferred to suitable purchasers. We have assumed that there are no outstanding conditions or works required by the appropriate authorities and therefore there are no proposals likely to detrimentally affect the Properties.

We have valued the Properties on the basis of existing use, hotel and ancillary purposes, on the assumption that it is the lawful or permitted use, there are no onerous proposals affecting the Properties and the Valuations will be unaffected by matters which would be revealed by local authority searches and replies to legal enquiries. Where known, extant planning permissions were taken into account in the Valuations.

4.7 Tenure

The Records show that we have previously been supplied with Certificates of Title in respect of some of the Properties which we have taken into account in arriving at some of the Valuations. The Properties are all owner occupied by the Company and we have assumed that the Properties are free from any unusual or especially onerous restrictions, encumbrances or outgoing, and that good titles can be shown and that all covenants (including leasehold covenants), restrictions and stipulations affecting the Properties have been strictly complied with. In the cases of Properties subject to rent review, we have assumed that all appropriate procedures are/will be followed to ensure timely review. Furthermore, we have assumed the areas and boundaries of the Properties are correct as indicated to us on our inspections. Where tenancies have been created, we have assumed that rentals received are included in the individual Properties' profit and loss accounts.

5.0 SPECIAL TERMS AND ASSUMPTIONS OF THE VALUATIONS

5.1 Structural Condition — Thistle Charing Cross and Thistle Heathrow

Our inspections revealed two (2) Properties with structural faults: the footbridge connecting the hotel building and the annex at the Thistle Charing Cross; and another footbridge between two bedroom blocks at Thistle Heathrow. We have assumed that works are undertaken to make good these faults and we have made no allowance in the Valuations of the two Properties for the costs of such works.

5.2 Statutory Requirements — Thistle Hyde Park

Under the terms of the lease Thistle is required within five (5) years from the date of the commencement of the lease to "... formalise and record by deed or deeds... all rights of escape and over the Adjoining Building ...". The Valuation assumes this will be done and makes no allowance for the costs of any works required.

5.3 Trading Conditions

A proportion of many hotels' trade is drawn from international business travellers and tourists. Such trade is particularly sensitive to the world events and should there be further developments following the hostilities in Iraq, or further terrorist attacks, similar to those experienced in July 2005 in London, these could adversely affect hotels and their values. The Properties are reliant on international business travellers and tourists, and we caution that unforeseen events can have a detrimental impact upon the hospitality industry and we have made no allowance for such events.

6.0 EXCLUSIONS

The Properties have been valued in their existing use and therefore we have not taken into account any development value or value attaching to a higher alternative use. The Valuations do not take into consideration the values of any ancillary properties not within the curtilage of the Properties, stock in trade, motor vehicles, trade debtors or creditors, other assets or liabilities or contingent liabilities.

We have not allowed for the costs of realising the Properties on the open market including professional fees, possible tax liabilities, any premiums liable on the conversion of sterling into other currencies and redundancy or other compensation payments that could be incurred in the event of sales. We have valued the Properties as being clear and free of all debentures, mortgages or other forms of secured lending and any other charges which may be secure thereon.

Furthermore, we have not taken into consideration changes in legislation both general and specific to the UK property market, nor the effect of wholly unforeseen and catastrophic events upon the hotel property market.

7.0 INFORMATION

We have relied upon the information and comments on the Properties together with the trading accounts (the "Accounts") provided to us by Thistle. We have assumed that the Accounts are correct and complete and can be substantiated by independent audit. We stress that in the event of a future change in trading potential or actual levels of trade from that indicated by the Information and assumptions, the Valuations could also vary, refer Special Terms and Assumptions of the Valuation sub-point 5.3. We take no responsibility for any mis-statement, omission, or misrepresentation made to us. Furthermore, we have referred to the Records when necessary.

APPENDIX I PROPERTY VALUATION INFORMATION ON BIL'S UK PROPERTIES

8.0 THE VALUATIONS

We are of the opinion that the Market Values on the bases previously described of the freehold, long and short leasehold interests in the Properties, Summaries of which are provided in the Appendix as at 21 October 2005 were as follows:

	Market Value <i>GB£</i>
Freehold Properties Owner-Occupied for the Purpose of the Business	
The Tower — A Guoman Hotel, St Katharine's Way, London E1W 1LD	240,000,000
Thistle Kensington Gardens, Bayswater Road, London W2 3HL	24,000,000
Long Leasehold Properties Owner-Occupied for the Purpose of the Business	
Royal Horseguards and One Whitehall Place, Whitehall Court, London SW1A 2EJ	105,000,000
Thistle Charing Cross, Strand, London WC2N 5HX	80,000,000
Thistle Heathrow, Bath Road, Longford, West Drayton UB7 OEQ	22,500,000
Thistle Marble Arch, Bryanston Street, Marble Arch, London W1H 7EH	170,000,000
Thistle Victoria, Buckingham Palace Road, London SW1W OSJ	75,000,000
Short Leasehold Properties Owner-Occupied for the Purpose of the Business	
The Cumberland — A Guoman Hotel, Marble Arch, London W1A 4RF	Nil
The Selfridge, Orchard Street, London W1H 6JS	Nil
Thistle Trafalgar Square, Whitcomb Street, Trafalgar Square, London WC2H 7HG	5,000,000
Thistle Westminster, 49/75 (odd) Buckingham Palace Road, London SW1W 0QT	1,500,000
Bloomsbury Park, 126 Southampton Row, London WC1B 5AD	450,000
Thistle City Barbican, 120 Central Street, London EC1V 8DS	1,400,000
Thistle Edinburgh, 107 Leith Street, Edinburgh EH1 3SW	Nil
Thistle Euston, Cardington Street, London NW1 2LP	1,200,000
Thistle Hyde Park, Bayswater, London W2 3NR	Nil
Thistle Piccadilly, 31/39 Coventry Street, London W1D 6BZ	<u>600,000</u>
Aggregate Total	<u><u>726,650,000</u></u>

APPENDIX I PROPERTY VALUATION INFORMATION ON BIL'S UK PROPERTIES

The above Aggregate Total represents the sum of the Market Values ascribed to the individual Properties but should not necessarily be regarded as a Valuation of the Properties as a whole or a portfolio in the context of a sale as a single lot.

9.0 CONFIDENTIALITY AND JURISDICTION

The Valuation Report and the Appendix attaching are for the sole and exclusive use of the Directors of Guoco Group Limited. The Valuation Report and the Appendix are not to be published or reproduced in any way without our consent, save as required for any announcement(s) or Circular(s) addressed to the shareholders of Guoco Group Limited and announcement(s) or circular(s) to the shareholders of BIL International Limited. The Valuation Report and the Appendix are governed by English Law and any dispute thereon will be adjudicated upon only in the courts of England and Wales.

Yours sincerely
C J Day MRICS
Managing Director
For and on behalf of
Christie + Co

Note: Mr Day is a Member of the Royal Institution of Chartered Surveyors. He has 30 years experience of valuing hotels in the United Kingdom.

Appendix
Summaries of the Properties

FREEHOLD PROPERTIES OWNER-OCCUPIED FOR THE PURPOSE OF THE BUSINESS**The Tower — A Guoman Hotel**

St Katharine's Way
London E1W 1LD

Market Value

GB£240,000,000

Description

The Property is situated adjacent to Tower Bridge and the Tower of London overlooking the River Thames and St Katharine's Dock. It is a substantial 1970s purpose built hotel, mainly of concrete faced design in a basic crucifix form with an irregular roof line. A service road circles the Property and passes beneath it at several points. The Property was branded a Guoman Hotel on 1 November 2005 and has 801 guest rooms and suites, 4 restaurants (1 currently closed), bar, 19 function/meeting rooms and an exercise gymnasium. There is the full range of administration, kitchens, service, storage and staff areas including 42 staff bedrooms. Underground parking for up to 100 cars is available.

Tenure & Under Lettings

The Property is freehold. A retail shop is under let. A desk in the reception together with 18 parking spaces is under let to a car hire company. There are three telecommunications masts on the roof.

Thistle Kensington Gardens

Bayswater Road
London W2 3HL

Market Value

GB£24,000,000

Description

The Property stands on the eastbound side of Bayswater Road, which runs along the northern boundary of Hyde Park and Kensington Gardens, approximately one mile from Marble Arch. It comprises a purpose built 10 storey hotel of concrete box construction dating from the 1960s. The main ground floor frontage to Bayswater Road is occupied by a petrol forecourt (under let). The Property has a limited ground floor comprising a concierge desk and lift lobby, the remainder of the accommodation is on the upper floors and comprises 175 guest rooms, restaurant, bar and 4 function/meeting rooms. There is the full range of administration, kitchens, service, storage and staff areas. Externally at the rear of the Property is barrier controlled parking on ground and basement levels for up to 88 cars.

Tenure & Under Lettings

The Property is freehold. The petrol forecourt is under let on two co-terminus leases. There are three telecommunications masts on the roof.

LONG LEASEHOLD PROPERTIES OWNER-OCCUPIED FOR THE PURPOSE OF THE BUSINESS**Royal Horseguards and One Whitehall Place**

Whitehall Court
London SW1A 2EJ

Market Value

GB£105,000,000

Description

The Property is located in the centre of London on the Embankment of the River Thames opposite the London Eye and within the Division Bell of the House of Commons. The Property is formed of several Grade I Listed buildings with stone facades dating from the late 1880s which were combined into one entity in 1989, although retaining two separate entrances. The hotel accommodation comprises 280 guest rooms and suites, restaurant, bar, lounge, 7 function/meeting rooms and an exercise gym. One Whitehall Place, formerly the National Liberal Club ("NLC"), who remain in occupation of the first floor, comprises a further 6 function/meeting rooms. There is the full range of administration, kitchens, service, storage and staff areas.

Tenure & Under Lettings

The Property is held under two separate leases. Part of the Property is under let to the NLC.

Thistle Charing Cross

Strand
London WC2N 5HX

Market Value

GB£80,000,000

Description

The Property stands over the front entrance to Charing Cross railway station on The Strand within sight of Trafalgar Square. It was built in 1865 as a railway hotel and was subject to a major refurbishment at the start of the millennium. The front elevations include stone surround windows, brick elevations and balconies covered in part with Victorian conservatory additions. There is a separate bedroom annexe dating from the Victorian era with brick elevations on Villiers Street linked by a footbridge. Save for a bar on the ground floor which is under let, the accommodation occupied by Thistle in the annex is arranged on the upper floors. The Property has 239 guest rooms and suites, 2 restaurants, bar, lounge, coffee shop and 8 function/meeting rooms. There is the full range of administration, kitchens, service, storage and staff areas including 10 staff bedrooms and two management rooms. Planning permission was granted in June 2004 for a two storey extension on the roof of the annexe for 18 guest rooms.

Tenure & Under Letting

The Property is leasehold. A bar on Villiers Street has been under let and a retail unit also on Villiers Street has been under let. Another bar on the ground floor of the annexe has been under let.

Thistle Heathrow

Bath Road
Longford
West Drayton UB7 0EQ

Market Value

GB£22,500,000

Description

The Property is located just off the A4, the Bath Road, a main arterial road forming the northern boundary of Heathrow, the world's busiest international airport. It is sited at the north west corner of the airport complex, approximately one mile from the older cluster of Terminals 1, 2 and 3, and three miles from Terminal 4. The Property is within sight of the new Terminal 5, scheduled for completion in 2008, which has an annual passenger capacity estimated to be 30 million. The Property occupies a site of 8.8 acres (3.58 hectares) and is formed by a series of low rise, two storey brick built blocks under flat roofs, dating from the late 1960s which all interlink and are arranged in an irregular 'H' shape. The accommodation comprises 314 guest rooms, 2 restaurants, bar and 25 function/meeting rooms. There is the full range of administration, kitchens, service, storage and staff areas including 20 staff bedrooms. Externally there is barrier controlled parking for up to 550 cars and an area is under let to a car hire company.

Tenure & Under Lettings

The Property is leasehold. Part of the Property is under let to a car hire company. An office is under let to a taxi company. The car park is operated under a rolling management agreement. There is a telecommunications mast on the roof.

Thistle Marble Arch

Bryanston Street
Marble Arch
London W1H 7EH

Market Value

GB£170,000,000

Description

The Property is located at the western end of Oxford Street, one of London's main shopping areas, close to Hyde Park. It was built in the 1930s as serviced apartments of brick construction under a flat roof and occupies a fully developed island site, bounded by Oxford Street, Portman Street, Bryanston Street and Old Quebec Street. The Property has limited ground floor presence and the majority of this area is occupied by numerous retailers, a casino and an entrance to an underground car park. The accommodation comprises 692 guest rooms and suites, restaurant, bar, lobby lounge and coffee shop, 11 function/meeting rooms, business lounge and gymnasium. There is the full range of administration, kitchens, service, storage and staff areas including 16 staff bedrooms.

Tenure & Under Lettings

The Property is held subject to 3 leases. Thistle has under let the ground floor shops. A shop within the Property is under let. A theatre/airline desk is under let. There are four telecommunications masts on the roof.

Thistle Victoria

Buckingham Palace Road
London SW1W OSJ

Market Value

GB£75,000,000

Description

The Property is a purpose built hotel occupying a fully developed site on two sides of Victoria railway station. The original Property fronting to Buckingham Palace Road was built in 1862 and an extension over the front of the station opened at the turn of the last century. It has brick elevations broken at various levels by balconies with ornate wrought iron railings, beneath mansard roof, and has direct access to the station concourse. The Property has 357 guest rooms and suites, restaurant (operated under a management agreement), bar, lounge, 6 function/meeting rooms. There is the full range of administration, kitchens, service, storage and staff areas including 14 staff bedrooms. Thistle's London Support Offices are located in the Property occupying former guest rooms and a function/meeting room.

Tenure & Under Lettings

The Property is held leasehold. A relatively small part of the Property is subject to a break clause in favour of the landlord on six months' notice under a redevelopment clause from March 1998. The restaurant is operated under a management agreement. A bureau de change is under let.

SHORT LEASEHOLD PROPERTIES OWNER-OCCUPIED FOR THE PURPOSE OF THE BUSINESS**The Cumberland —****A Guoman Hotel**

Marble Arch
London W1A 4RF

Market Value

GB£ - Nil Value

Description

The Property occupies a prominent location at the western end of Park Lane, overlooking Marble Arch and Hyde Park. The Property fronts to Oxford Street, one of London's West End premier shopping thoroughfares, and sits astride Marble Arch underground station. The Property was built in 1933 and is a substantial steel framed building with Portman stone cladding occupying an island site bounded by Oxford Street, Cumberland Place, Bryanston Street and Quebec Street. The main entrance is from Cumberland Place and to the rear is a self contained annex, 20 Cumberland Place, which is linked to the main hotel only at basement level. The Property was subject to a major refurbishment by the landlord re-opening under the Guoman brand on 1 October 2004. All guest areas have been upgraded in a stylish modern fashion and the accommodation now comprises 1,019 guest rooms and suites, 2 restaurants (one under let), bar, spacious feature lobby, 25 function/meeting rooms and gymnasium. There is an extensive range of administration, kitchens, service, storage and staff areas. Various areas on the ground floor are under let and a second entrance from Oxford Street was closed at the time of our inspection whilst two retail units to be under let were being developed.

Tenure & Under Lettings

The Property and the annex at 20 Cumberland Place are held on a lease excluded from Sections 24 to 28 of the Landlord and Tenant Act 1954 (the renewal provisions). The existing restaurants together with the in-house catering facilities are under let. Two further self contained ground floor areas with entrances only from Oxford Street are under let. There is a telecommunications mast on the roof.

The Selfridge
Orchard Street
London W1H 6JS

Market Value

GB£ - Nil Value

Description

The Property is situated behind Selfridges Department Store, from which it takes its name, a world famous shop with the largest frontage to Oxford Street, approximately a quarter of a mile from Marble Arch. It is located in the heart of London's West End and is entered from Edward Mews beneath a polished granite porte cochere. The Property was built in the early 1970s and is a modern steel framed block with two internal light wells, concrete clad with aluminium framed windows. The accommodation comprises 294 guest rooms and suites, 2 restaurants, bar, lounge and 4 function/meeting rooms. There is a range of administration, kitchens, service, storage and staff areas.

Tenure & Under Lettings

The Property is leasehold. The lease cannot be assigned or under let in whole or part, save to another Thistle company. Furthermore "... if the Landlord shall intend to re-develop and/or occupy the Demised Premises for its own purposes it shall give the Tenant not less than 9 months' prior written notice at any time of such intention...". There are no under lettings at the Property.

Thistle Trafalgar Square
Whitcomb Street
Trafalgar Square
London WC2H 7HG

Market Value

GB£5,000,000

Description

The Property is located at the rear of the National Gallery, between Trafalgar Square and Leicester Square towards the southern end of Whitcombe Street, bounded by Orange Street to the north and St Martin's Street to the east. It forms part of a substantial office development the remainder of which is known as St Vincent House. The Property is of late 1960s concrete clad development incorporating a self contained public house, the Battle of Trafalgar. The accommodation comprises 116 guest rooms, restaurant, public bar and reception/lounge. There is a range of administration, kitchens, service, storage and staff areas. The Property has 5 allocated spaces in an underground car park.

Tenure & Under Lettings

The Property is held subject to two leases. A parking space has been under let.

Thistle Westminster

49/75 (odd) Buckingham
Palace Road
London SW1W 0QT

Market Value

GB£1,500,000

Description

The Property is centrally located in Victoria close to Buckingham Palace, St James's Park, Westminster Abbey and the Houses of Parliament. It occupies part of an island site on the one way system of roads in the area outside the Central London Congestion Charging Zone. The Property forms part of an early 1970s office development of concrete construction. The accommodation occupies part of the ground and two upper floors of the development which form a "skirt" around a larger tower block comprising 134 guest rooms and suites, restaurant, bar and 3 function/meeting rooms. There is a range of administration, kitchens, service, storage and staff areas. Five spaces are allocated in an underground car park.

Tenure & Under Lettings

The Property is held subject to a lease is excluded from Sections 24 to 28 (inclusive) of the Landlord and Tenant Act 1954 (Renewal Provisions). The Landlord has a break clause for demolition/re-construction of the whole or a substantial part of the Property by serving "...not less than 6 months' notice in writing to expire on 29 September 2008 or any time thereafter...". There are no under lettings at the Property.

APPENDIX I PROPERTY VALUATION INFORMATION ON BIL'S UK PROPERTIES

SHORT LEASEHOLD PROPERTIES OWNER-OCCUPIED FOR THE PURPOSE OF THE BUSINESS — TOPLAND (refer to sub-point 3.0 Valuation Methodology)*Note*

As noted under sub-point 3.0 Valuation Methodology, six (6) Properties namely: Bloomsbury Park, Thistle City Barbican, Thistle Edinburgh, Thistle Euston, Thistle Hyde Park and Thistle Piccadilly, Thistle sold the freehold and long leasehold interests in the Properties to Topland in return for the granting of leases on the Properties. The leases (the "Topland Leases" and each a "Topland Lease") commenced on 28 April 2005 and contain standard full repairing and insuring covenants, save in respect of two (2) of the Properties which were already held subject to long leases namely, Thistle Edinburgh and Thistle Piccadilly, where the superior landlords continue to insure the Properties as provided for under the existing covenants. Thistle guarantees the obligations of the Topland Leases including payment of rents for the Properties. The Topland Leases contain options to renew and rights of first refusal granted to Thistle in the event that Topland decides to sell any of the Properties or the shares of any companies that own the Properties.

Bloomsbury Park

126 Southampton Row
London WC1B 5AD

Market Value

GB£450,000

Description

The Property is located in Bloomsbury, the area of London where the British Museum is sited, and close to the entertainment and retail areas of Covent Garden and Oxford Street. The Property is an early twentieth century red brick building, with full height corner bay stack, stone surround windows and ornate stonework. Roofs are slate covered mansard in design and the accommodation comprises 95 guest rooms, restaurant, 2 bars (one currently closed) and a meeting room. There is a range of administration, kitchen, service, staff and storage areas.

Tenure & Under Lettings

The Property is held subject to a Topland Lease (refer Note above). There are no under lettings at the Property.

Thistle City Barbican

120 Central Street
Clerkenwell
London EC1V 8DS

Market Value

GB£1,400,000

Description

The Property is situated approximately one mile north of the City of London, the financial centre of the capital. It is roughly equi distant between City Road and Old Street in the London Borough of Islington. The Property occupies an island site bounded by Central Street, Hull Street, Lever Street and Dingle Road. The main access is by a central private road splitting the Property into two sections: the rear building was formerly a tobacco warehouse dating from the nineteenth century converted to hotel use around the late 1960s, at the same time that the front building, which is a self contained annex, was developed. The original building is of brick construction under a flat roof. The separate annex is of steel reinforced concrete framed construction with concrete and painted wooden panels under a flat roof. The accommodation comprises 469 guest rooms and suites, restaurant, bar, coffee shop, 13 function/meeting rooms, health and fitness club (subject to a management agreement) and a business centre. There is the full range of administration, kitchens, service, storage and staff areas including 12 staff bedrooms. On the central private road there is parking for 13 cars.

Tenure & Under Lettings

The Property is subject to a Topland Lease (refer Note on page 22). The health and fitness club is operated on a management agreement. In addition, a room in the health and fitness club is under let.

Thistle Edinburgh

107 Leith Street
Edinburgh EH1 3SW

Market Value

GB£ - Nil Value

Description

The Property is located within the St James Centre at the eastern end of Princes Street, the retail core of Edinburgh, and close to the main attractions of the city centre including the Royal Mile and the Castle. Other attractions include the Old Town, Holyrood House and the new Scottish Parliament. The Property forms part of the St James Square Development built in 1971 of concrete frame with hung concrete panels. The Property has 143 guest rooms, and Suites, restaurant, 2 bars and 5 function/meeting rooms. There is a range of administration, kitchen, service, storage and staff areas.

Tenure & Under Lettings

The Property is held subject to two leases, the second is a sub under lease to Topland (refer Note on page 22). 50 car park spaces have been under let.

Thistle Euston

Cardington Street
London NW1 2LP

Market Value

GB£1,200,000

Description

The Property is located to the north of the Euston Road, part of London's inner ring road. Euston Station is immediately to the east and the Property backs onto St James's Gardens providing an open space for guests. The Property was converted from a Victorian printing works in the late 1960s with extensions at that time and in the next decade. The original building is of brick construction, the later additions are faced with pre-cast concrete panels with inset metal windows, all under flat roofs. The accommodation comprises 362 guest rooms, restaurant, bar, 5 function/meeting rooms, 6 syndicate rooms formed from the guest rooms and a retail shop in the reception lobby. There is the full range of administration, kitchens, service, storage and staff areas. Parking for 21 cars is available in the basement accessed by ramps.

Tenure & Under Lettings

The Property is subject to a Topland Lease (refer Note on page 22). There are three telecommunications masts on the roof.

Thistle Hyde Park

Bayswater
London W2 3NR

Market Value

GB£ - Nil Value

Description

The Property is located in Bayswater, an established residential/hotel area of Central London, approximately a mile to the west of Marble Arch and close to Paddington Station, the main rail terminus for routes to the West of England and the Heathrow Express. The Property is midway between Queensway and Lancaster Gate underground stations, set back from the Bayswater Road overlooking Hyde Park, with rear elevation to Lancaster Gate. It is formed by the amalgamation of three large terrace town houses built in the mid nineteenth century of stucco elevations. The Property was substantially rebuilt in the mid 1980s behind the original listed façade which features verandas, upper balconies, classical columns and detailed cornices. The accommodation comprises 54 guest rooms and suites, restaurant, bar, lounge and 2 function/meeting rooms. There is a range of administration, kitchens, service, storage and staff areas.

Tenure & Under Lettings

The Property is subject to a Topland Lease (refer Note on page 22). Two offices in the basement are occupied by Thistle for training purposes.

Thistle Piccadilly

31/39 Coventry Street
London
W1D 6BZ

Market Value

GB£600,000

Description

The Property occupies a prime site on the corner of Coventry Street and Whitcombe Street facing Leicester Square close to the landmark Swiss Centre Building at the heart of London's West End, a short distance from Piccadilly Circus and Trafalgar Square. It is a substantial early twentieth century rounded corner building of stone elevations with detailed stonework, wrought iron balconies and window pediments. The Property abuts the Prince of Wales Theatre and together they form an island site bounded by Coventry Street, Whitcombe Street and Whitcombe Court. The Property was developed behind the original façade in 1987 and the accommodation comprises 92 guest rooms, restaurant and bar. There is a range of administration, kitchen, service, storage and staff areas. Part of the ground floor has been under let for various retail uses.

Tenure & Under Lettings

The Property is held subject to three leases. The third lease is a sub under lease with Topland (refer Note on page 22). Eight (8) retail units on the ground floor of the Property have been under let. There is a telecommunications mast on the roof.

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

The following is the text of a letter, summary of valuations and valuation certificate prepared for the purpose of incorporation in this Second Supplemental Circular received from Jones Lang LaSalle Hotels, an independent valuer, in connection with their valuations as at 21 October 2005 of the property interests acquired by the Group.



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13 January 2006

The Directors of
Guoco Group Limited
50th Floor
The Center 99 Queen's Road Central
HONG KONG

Dear Sirs

Re: Tabua Investments Properties, Denarau Island, Fiji

1.1 Instructions & Date of Valuation

We refer to the instruction from Guoco Group Limited ("the Company") for us to carry out market valuations of the property interests of Tabua Investments Limited (TIL) a wholly owned subsidiary of BIL International Limited, located on Denarau Island in Fiji for public disclosure purposes. The Properties have been identified as:-

1. N1 Hotel Site — Lot 1 on SO3706
2. Port Denarau Site — Lots 2 & 3 on DP8338
3. Denarau Golf & Racquet Club (DGRC) — Lots 1, 2 and 3 on SO3705
4. Denarau Beach Resort (DBR) — Lot 2 on SO4039

We confirm that we have inspected these properties, made relevant enquiries and obtained sufficient information as we consider necessary for the purpose of providing you with our opinion of the market value of TIL's unencumbered leasehold interest in The Properties as at 21 October 2005 ("the Date of Valuation").

1.2 Basis of Valuation

Unless otherwise stated, our valuation has been prepared in accordance with the “HKIS Valuation Standards on Properties” published by The Hong Kong Institute of Surveyors (“HKIS”) and the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Where the Valuation Standards are silent on subjects requiring guidance, we refer to “The RICS Appraisal and Valuation Standards” published by the Royal Institution of Chartered Surveyors (“RICS”) and the “International Valuation Standards” published by the International Valuation Standards Committee (“IVSC”) subject to variation to meet local established law, custom, practice and market conditions.

Our valuation of the property interest is made on the basis of ‘Market Value’ as adopted by the HKIS, and set out as follows:

“Market Value is the estimated amount for which a Property should exchange on the Date of Valuation between a willing buyer and a willing seller in an arms-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Our valuation assumes that The Properties are freely disposable and transferable to both local and overseas purchasers and that a forced sale situation does not apply. Our report has been prepared with reference to the assumptions, definitions and limiting conditions as set out in the General Principles of Valuation attached to our instruction letter.

The lease documents indicate that apart from the normal rights reserved to the State (for minerals etc) there are no encumbrances or easement over the land. The valuation is made on the basis that each site is free of any onerous interest, as well as any mortgages or financial liens.

1.3 Valuation Methodology

For the valuation of the two development sites and the golf course, we have utilized the direct comparison method. This method is based on comparing the property to be valued directly with other similar properties, which have recently transferred/sold in the open market. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that affect the price likely to be achieved for the property under consideration.

In deriving the value of the partly built Denarau Beach Resort we have utilized the residual method. This approach requires an assessment of the Gross Development Value (GDV) of the proposed development, which in this case is based upon the realizable market value of the individual components once completed. The estimated cost of development, which includes construction costs (outstanding), professional fees, finance and marketing costs are then deducted from the Gross Development Value. Allowance is also made for developer’s profit, as well as acquisition and other finance costs. The resultant figure is the residual value of the project as at the Date of Valuation.

In accordance with Practice Note 12 we include the following warning statement — The valuation of Denarau Beach Resort has not been determined by reference to comparable market

transactions which is generally considered the most reliable method for valuing property assets. Because of the lack of comparable market transactions of partly built resorts in Fiji and in order to recognize the benefit of approvals and pre-sales in place at the valuation date, we have used the residual method which is generally acknowledged as being a less reliable valuation method. The residual method is essentially a means of valuing land by reference to its development potential by deducting costs and developer's profit from its estimated completed development value. It relies upon a series of assumptions made by the valuer which produce an arithmetical calculation of the expected current sale value as at the valuation date of the property which is being developed. Where the property is located in a developing market such as Fiji those assumptions can be based on imperfect market evidence. A range of values may be attributable to the property depending upon the assumptions made. While the valuer has exercised their professional judgement in arriving at the value, investors are urged to consider carefully the nature of such assumptions which are disclosed and should exercise caution in interpreting the valuation report.

1.4 Valuation Assumptions

Our valuation has been made on the assumption that each Property is offered individually on the open market without the benefit of a deferred terms contract, leaseback, or any similar arrangement which could serve to affect the value of the Property. We point out that the DGRC valuation represents Tabua's 50% interest in this property which is held via a Joint Venture and that Denarau Beach Resort is contracted to be managed by a subsidiary of Carlson Hotels.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interest nor for any expenses or taxation that may be incurred in effecting a sale. Unless otherwise stated, it is assumed that The Properties are free of legal complications and encumbrances, restrictions, outgoings of an onerous nature that could affect its value.

It is also assumed that the owner of each Property is in possession of a proper legal title and is entitled to freely transfer the Property within the residual lease term.

The individual property values have been stated in Fiji and US dollar amounts. The exchange rate used is F\$1 to US\$0.60 which was the approximate mid-rate prevailing at the Date of Valuation.

A slight fluctuation in the exchange rate to US\$0.58 has occurred since this time, however any impact on the US\$ value is expected to be offset by work undertaken on the DBR project in the interim.

1.5 Sources of Information

As well as our general knowledge of transactions that have occurred in the Fiji Real Estate market we have relied upon available information such as brochures, websites and documents that are freely available to interested parties in the Denarau Beach Resort and Port Denarau retail projects. These include descriptions of the ownership structure, site plans and conceptual building plans. A legal opinion as to the ownership and formal description of each property was obtained from Q Bale Lawyers, who are based in Fiji. A summary was also obtained from Simpson Grierson (an Auckland

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

based law firm) in relation to the unincorporated Joint Venture which controls Denarau Golf and Racquet Club and the management of this operation by Troon Golf Australia Pty Ltd. We have also sighted copies of the lease documents for the sites which are available from the Land Registry. The following information was provided by TIL:-

- Expenditure to the end of October on the Denarau Beach Resort project was approximately F\$12.5 million, and TIL's budgeted total cost of this project is F\$70.5 million including marketing and pre-opening costs but excluding any interest charges.
- There are no intra-group options or leases in relation to The Properties.
- There are no onerous conditions attached to the planning approval for Denarau Beach Resort or expected to apply to the Port Denarau project.
- Tabua's interest in the JV entity that owns DGRC is 50% i.e. a 50% equity and profit share.
- It has been agreed that a subsidiary of Carlson hotels will operate the Denarau Beach Resort and ancillary business areas.

We have assumed that all information provided to us is correct, and the estimated building costs of the DBR project have been verified by Rawlinson's Quantity Surveyors. Should it be established subsequently that any of the details relating to The Properties are incorrect, we reserve the right to adjust the value reported herein.

The dimensions, measurements and areas included in the report are based on information contained in the documents obtained from the Land Registry and are therefore approximations. We have not carried out on site measurements to verify the correctness of the site area of each Property.

1.6 Title Investigation

We have not been provided with copies of the underlying title documents and in relation to ownership we have relied upon the legal opinion issued by Q Bale.

We have not searched the original documents to ascertain the existence of any lease amendments, which may not appear on the land search record. All documents and leases have been used for reference only. We have not seen original planning consents and have assumed that each Property is or will be erected, occupied and used in accordance with such consents.

1.7 Site Investigation

We have not carried out onsite measurements to verify the correctness of the areas and have assumed that the areas shown on the documents received from the Land Registry are correct.

We are not qualified to carry out any investigations on site in order to determine the suitability of ground conditions and services etc for future development or renovation, nor did we undertake archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory and that where developments are contemplated, no extraordinary expenses or delays will be incurred during the construction period.

In the course of our valuation, we have assumed that there is no contamination affecting The Properties or neighbouring land. Should it be established subsequently that contamination exists, or that the premises are to be put to any contaminative use, we reserve the right to adjust the value reported herein.

1.8 Property Inspection

We have inspected each of The Properties and their surrounding environment. We have not conducted formal site surveys and, as such we cannot report that they are free from rot, infestation or any other defects. We have not carried out a building survey, nor have we inspected those parts of The Properties which are covered, unexposed or inaccessible and such parts have been assumed to be in good repair and condition. We cannot express an opinion about or advise upon the condition of the parts we have not inspected and this report should not be taken as making any implied representation or statement about such parts. No tests have been carried out to any of the services within The Properties.

1.9 Denarau Overview

Denarau Island is separated from Fiji's main island by a branch of the Nadi River. The distance from the International Airport by road is approximately 16 kilometres and it is approximately eight kilometers from the town of Nadi. Suva, which is the capital city and business centre for the Republic of Fiji, is approximately 180 kilometres or 2.5 hours driving time to the east.

Denarau Island Resort is an integrated tourist/residential development, which includes beach frontages of approximately four kilometres together with a river frontage of approximately 1.5 kilometres. Whilst the Master Plan has been revised several times since the original concept was proposed some 20 years ago, the essential components of the development have remained the same and include:

- Eight beachfront hotel sites — two Sheraton resorts, Sheraton Villas, a Sofitel and WorldMark timeshare resort have been developed to date, with the Denarau Beach Resort and Fiji Beach Resort under construction.
- An 18 hole championship golf course, club house, together with tennis courts and a driving range (Denarau Golf and Racquet Club).
- Residential precincts for development of townhouses, apartments and freestanding houses that overlook the water or golf course fairways.

- A marina and commercial precinct to provide a mix of facilities including retail, restaurants, workshops, berths and jetties to service activities such as island cruises and day trips.

The objective was to create a fully integrated tourist resort that capitalises upon the sandy beach frontages and golf course, as well as providing a secure island environment for residential living. The road system has been designed to provide a single point of access over the Nadi River for security purposes. A concrete bridge leads onto the main entrance road, which travels through the centre of the island and provides access to the hotels, DGRC, the residential precincts and marina.

1.10 Report

Neither the whole nor any part of this covering letter and the individual property reports nor any reference thereto may be included in any document, circular or statement without our written approval of the form and context in which it will appear. It is recognized however that this report is to be included in a circular and/or announcement to be issued to The Stock Exchange of Hong Kong Limited for information purposes only and to shareholders of the Company. Moreover it is recognized that this report may be released by BIL International Limited in Singapore by way of announcement(s) or circular(s) to its shareholders.

Finally and in accordance with our standard practice we confirm that this report is for the use only of Guoco Group Limited for the stated purposes only and no responsibility is accepted to any third party for the whole or any parts of its contents.

A valuation summary and the valuation certificates for each of The Properties follows.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Hotels
MJ Clarke (B.Com, B.Bus, FAPI)
Senior Vice President
Registered Valuer in Fiji No. 88

Note: Mr Clarke is a Certified Practicing Valuer and a Fellow of the Australian Property Institute. He is a registered valuer in Fiji and has 10 years of valuation and advisory experience in Fiji. His address is Level 33, Central Plaza One, 345 Queen Street, Brisbane, Qld, Australia.

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Tabua Investments Limited Properties, Denarau Island, Fiji

2.0 SUMMARY OF VALUES

Property	Purpose for which the property is held	Market Value in existing state as at 21 October 2005	Interest attributable to Tabua Investments Limited (TIL)	Market Value attributable to TIL as at 21 October 2005
1. N1 Hotel Site Lot 1 on SO3706	Development	F\$7.4 million/ US\$4.4 million	100%	F\$7.4 million/ US\$4.4 million
2. Port Denarau Site Lots 2 & 3 on DP8338	Development	F\$3.5 million/ US\$2.1 million	100%	F\$3.5 million/ US\$2.1 million
3. Denarau Golf & Racquet Club Lots 1, 2 & 3 on SO3705	Development	F\$11.2 million/ US\$6.72 million	50%	F\$5.6 million/ US\$3.3 million
4. Denarau Beach Resort Lot 2 on SO4039	Development	F\$16.0 million/ US\$9.6 million	100%	F\$16.0 million/ US\$9.6 million
			Total	F\$32.5 million/ US\$19.5 million

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Development Site known as N1, Denarau Island, Fiji — (Lot 1 on SO3706)

2.1 VALUATION CERTIFICATE

Property	Description, size and tenure	Particulars of occupancy	Market Value as at 21 October 2005
Development Site known as N1, Denarau Island — Lot 1 on SO3706 District of Nadi, Province of Ba	<p>This fan shaped site is 6.95 hectares in area and extends along the western beachfront on Denarau Island. It has a road frontage of approximately 115 metres, a northern boundary with the World Mark timeshare resort of approximately 275 metres and a southern boundary with the 16th hole of the golf course of approximately 394 metres.</p> <p>The site is zoned for “Hotel/Resort Development” under the approved Denarau Master Plan. Guidelines issued by the Planning Department indicate a maximum density for resort style projects of 75 bedrooms per hectare. The indicated maximum sized hotel that could be built on the N1 site is thus estimated to be 521 bedrooms. Taking into account site restraints and the extent of existing competition a more likely sized project is expected to contain around 400 rooms/or 200 apartments. No plans are available to indicate the design and layout, however it is expected to have a 2 to 3 storey height as elsewhere on Denarau.</p> <p>The site is held under Native Lease No. 434878 for a term of 99 years from 1 July 1997 with no specific right of renewal. Whilst undeveloped the rent is F\$3,823 per year, however once improved the rent increases to F\$150,000 per year for the first five years.</p>	The site is currently vacant.	<p>F\$7.4 million/ US\$4.4 million</p> <p>US Dollars Four Million Four Hundred Thousand</p>

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Notes

1. According to the lease document the registered lessee of this property is Te Arawa Limited which we are advised is a wholly owned subsidiary of Tabua Investments Limited.

2. We have taken into account the legal opinion provided by Q Bale, as well as our review of the lease which shows:-
 - (a) The Native Lease will expire on 30 June 2096 (Approximately 90 years remaining).

 - (b) Consent from the Native Land Trust Board is required prior to subdividing or subleasing any of the land, however consent cannot be unreasonably withheld.

 - (c) The permitted use under the Lease is Hotel and Resort purposes, including ancillary commercial, recreational and residential uses.

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Development Site for Port Denarau , Denarau Island, Fiji — (Lots 2 and 3 on DP8338)

2.2 VALUATION CERTIFICATE

Property	Description, size and tenure	Particulars of occupancy	Market Value as at 21 October 2005
Port Denarau Development Site — Lots 2 & 3 on DP8338 in the District of Nadi, Province of Ba	<p>These irregular shaped parcels are situated on the eastern side of Denarau Island adjoining the marina and a proposed hotel.</p> <p>Lot 2 is 1.588 hectares in area and is separated from the water on its eastern and northern sides by a 3 metre wide strip which has been reserved for use as a boardwalk.</p> <p>Lot 3 is 8,534 square metres in area and has an approximate 170 metre frontage to the marina entry road and a maximum depth of approximately 97 metres. The two lots are separated by a 10 metre wide shared access strip between the proposed 120 room hotel and marina.</p> <p>These sites are shown on the Denarau Master Plan as having a commercial zoning, which includes retail, restaurant and showroom uses. The concept plans for the two level retail/commercial centre that is proposed to be built on the subject lots indicate that it will provide approximately 5,700 m² of ground level retail/restaurant and 4,200 m² of first floor commercial area, as well as 250 car spaces. Formal planning approval has not yet been received.</p> <p>The lots are held under State Lease No. CL13734 which runs for 99 years from January 1999. The rent is F\$45,000 per year until December 2008. After this time it increases to F\$65,000 per year until 2018.</p>	<p>The level filled sites are largely vacant. A timber shop and restaurant are situated on the eastern perimeter of Lot 2 however these improvements are to be removed. There is also a petrol outlet on Lot 3 which is to be closed down.</p>	<p>F\$3,500,000/ US\$2,100,000</p> <p>US Dollars Two Million One Hundred Thousand</p>

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Notes

1. According to the Lease documents the registered lessee of the entire parcel, of which the subject lots form part, is Tokomaru Limited, which we are advised is a wholly owned subsidiary of Tabua Investments Limited.

2. We have taken into account the legal opinion provided by Q Bale and our review of the lease which indicates that:-
 - (a) the existing lease will expire on 31 December 2098 (92 year unexpired).

 - (b) no premium is payable in respect to this land.

 - (c) the Lessee is required to obtain written consent prior to subdividing or subleasing any of the land, however this consent cannot be unreasonably or arbitrarily withheld.

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Denarau Golf and Racquet Club, Denarau Island, Fiji — (Lots 1, 2 & 3 on SO3705)

2.3 VALUATION CERTIFICATE

Property	Description, size and tenure	Particulars of occupancy	Market Value as at 21 October 2005 of a 100% interest
Denarau Golf and Racquet Club (including ancillary houses and development sites) — Lots 1,2 & 3 on SO3705 in the District of Nadi, Province of Ba	<p>The 18 hole golf course occupies the centre of Denarau Island, with 3 holes (Lot 3) extending to the east of the main entry road and adjoining the recently developed residential precincts. The Par 72 6,513 metre course is generally flat and traversed by several water filled drainage channels. It has been built up around the tees and bunkers with mounding.</p> <p>The open plan Clubhouse is approximately 12 years old and contains a dining pavilion for 100 patrons as well as a bar, airconditioned pro-shop, locker rooms, bag store and administration offices. There are 4 artificial grass tennis courts and carparking adjacent to the clubhouse. Other improvements include a cart store, driving range, maintenance compound, 4 staff houses, Tabua's offices, and a two bedroom villa.</p> <p>The area of each parcel is:- Lot 1 — 103.75 hectares Lot 2 — 4.07 hectares Lot 3 — 3.52 hectares Total — 111.33 hectares</p> <p>Within Lot 1 there is sufficient land for a further 9 hole extension and up to 10 development sites. The playing holes and practice fairway are zoned as "Open Space Recreational Golf Course", with the balance of the land designated for "Hotel/Resort Development".</p> <p>The entire landholding is held under State Lease No. 13451 for a term of 99 years from 1 January 1998. The rent is F\$25,000 per year until 31 December 2007 and thereafter F\$35,000 per year until 2017.</p>	<p>Part of the site has been landscaped and improved as a golf course.</p> <p>The future development areas are grassed and vacant.</p> <p>The DGRC is held via a Joint Venture entity and is managed by Troon Golf Australia Pty Ltd.</p>	<p>F\$11,200,000/ US\$6,720,000</p> <p>US Dollars Six Million Seven Hundred and Twenty Thousand</p>

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Notes

1. The registered owner of the Golf Course lots is Rylestone Limited which we are informed is 50% owned by Tabua Investments Limited. The other parties involved in the joint venture entity are Dubbo Limited and Barton Limited, who each have 25% and are the operators of the adjacent Sheraton Resorts. Tabua's interest in the JV is held on behalf of Scipio Investments Limited, a wholly owned subsidiary of BIL International Limited.
2. The significant terms of the joint venture arrangement (as advised by Harrison Grierson Lawyers) are that all assets belong to the parties as tenants in common; all liabilities shall be several obligations of the parties; all revenue shall accrue to the JV parties; and all funding will be provided by the JV parties, in accordance with the respective percentage interests.

The transfer by any of the JV parties of its interest is subject to pre-emptive rights in favour of the other parties, although Dubbo and Barton may transfer their rights to each other without triggering the pre-emptive right. We expect that no premium or discount would apply when calculating Tabua's 50% interest.

3. The DGRC land shall be developed by the JV parties, and the development of any residential accommodation will be carried out by Tabua on the basis that they receive a development margin of 10% of the sale price — with the remaining profit to be shared in accordance with the percentage interests.
4. We understand that it is proposed to subdivide development sites with a total area of approximately 9 hectares from Lot 1, however no planning approvals currently exist.
5. We are advised that the joint venture company holds the necessary licences to operate the Denarau Golf and Racquet Club in Fiji.
6. We have taken into account the legal opinion provided by Q Bale and our review of the lease which states that:-
 - (a) The existing lease term will expire in December 2097 — approximately 91 years unexpired.
 - (b) No premium is expected to apply on transfer or assignment.
 - (c) The lease specifically provides for subdivision, however approval must be obtained from the State prior to any proposed assignment, mortgage or subdivision.
7. The Management Agreement with Troon Golf Australia Pty Ltd expires on or about 1 September 2007, with the owner having the right to extend the agreement for a further five years. Both the owner and manager can assign their rights and obligations under the agreement. Along with the standard termination clauses the owner has rights of termination without cause and if the operating profit is below a benchmark level.

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Denarau Beach Resort, Denarau Island, Fiji — (Lot 2 on SO4039)

2.4 VALUATION CERTIFICATE

Property	Description, size and tenure	Particulars of occupancy	Market Value as at 21 October 2005
Denarau Beach Resort — Lot 2 on SO4039 in the District of Nadi, Province of Ba	<p>This property sits between the Sheraton Fiji Resort and the World Mark resort overlooking the western beachfront on Denarau Island. It has a 170 metre road frontage and is opposite the 18th fairway of the Denarau Golf Club.</p> <p>According to the lease the site has an area of 4.06 hectares, however movement of the High Water Mark (seaward boundary) appears to have reduced the physical area.</p> <p>The 3 level U shaped resort is under construction and due for completion in mid 2007. It is approximately 20% built with the piling and foundations for the main complex and blocks A, B, C, M completed, as well as the lower level of the main building. The complex will comprise 135 dual key apartments each of which will be 124 square metres in area. A series of pools/lagoons will be the central feature. Guest facilities will include a health spa, conference rooms, Fijian style restaurant and pool bar.</p> <p>All apartments have the same two bedroom and two bathroom design which allows them to be let as a hotel room and one bedroom suite. They will have water views from the balcony and come with a complete furniture package.</p>	<p>Building works are underway on this previously vacant development site.</p> <p>Each purchaser of an apartment will acquire a registered sublease for approximately 91 years. A body corporate manager will be put in place, and will subcontract its management functions to a subsidiary of Carlson Hotels.</p>	<p>F\$16,000,000/ US\$9,600,000</p> <p>US Dollars Nine Million Six Hundred Thousand</p>

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

Property	Description, size and tenure	Particulars of occupancy	Market Value as at 21 October 2005
	<p>Over 100 (80%) of the apartments have been contracted for sale under binding contracts with deposits paid and settlement due upon completion. The prices achieved range from F\$525,000 to around F\$800,000 and are expected to average F\$660,000. The ancillary business areas (restaurant, conference room, health spa) are to be leased by the hotel operator and could be sold as an investment.</p> <p>The land is held under a Native Lease No. 24448 for 99 years from 1 October 1998 — approximately 92 years until expiry. Whilst undeveloped the rent is F\$2,233 per year, however once operational it increases to F\$75,000 per year.</p>		

Notes

1. According to the Lease the registered Lessee of this property is Tainui Limited which we understand is a wholly owned subsidiary of Tabua Investments Limited.
2. The legal opinion provided by Q Bale along with our review of the lease indicates:-
 - (a) That the lease term extends until 30 September 2097, at which time the improvements on the land may be sold to any new lessee or the native owners.
 - (b) The lease maybe assigned or subleased subject to the approval of the Native Land Trust Board - in line with common practice in Fiji.
 - (c) No lease premium is expected to apply.
3. The apartment contracts state that if settlement has not taken place by 31 December 2007 they can be terminated by either party.

APPENDIX II PROPERTY VALUATION INFORMATION ON BIL'S FIJI PROPERTIES

4. The key financial parameters used in this residual valuation exercise are:-

Gross Development Value of the completed development	F\$92,000,000
Total Development Cost (as advised by BIL including marketing and property costs but excluding interest and VAT)	F\$70,700,000
Construction Costs paid to end of October 2005 (as advised by BIL)	F\$12,500,000
Outstanding Development Costs (excluding interest and VAT)	F\$58,200,000
Estimated Professional Fees (12%)	F\$6,700,000
Estimated Interest Charges (@7.5%)	F\$5,700,000
Estimated Profit & Risk Margin (15%)	F\$11,682,000

5. The 2.8% fluctuation in exchange rates that has occurred between the date of valuation and the date of this letter could result in a reduction in US\$ terms of \$272,000, however this is expected to be offset by the work undertaken on the project since the valuation date.

6. Our calculations are exclusive of VAT and other local taxes which are not expected to have an impact on the level of developers profit or the valuation amount.

The following is a statement reconciling the valuation figures with the figures included in BIL's consolidated balance sheet as at its latest published accounts (i.e. 30 June 2005) pursuant to Rule 5.07 of the Listing Rules.

RECONCILIATION STATEMENT

The BIL properties located in the United Kingdom and Fiji as at 21 October 2005 have been valued by independent valuers. The text of the letter valuation summary and valuation certificates in connection with the aforesaid property interests are set out in Appendices I and II of this Second Supplemental Circular.

The statement below shows the reconciliation of the above property interests from the audited consolidated financial statements of BIL as at 30 June 2005 to 21 October 2005 (the effective date of the valuation):

	UK Properties	Fiji Properties
	<i>USD'M</i>	<i>USD'M</i>
Net book value as at 30 June 2005	1,299.9	13.7
Movement from 1 July 2005 to 21 October 2005		
Additions	2.2	0.3
Depreciation	(7.1)	—
Exchange movements	<u>(14.6)</u>	<u>—</u>
Net book value as at 21 October 2005	1,280.4	14.0
Valuation surplus	<u>5.8</u>	<u>5.5</u>
Valuation as at 21 October 2005 per Appendices I and II	<u><u>1,286.2</u></u>	<u><u>19.5</u></u>

BIL confirms that there had been no change in the BIL Group's property interests since 21 October 2005 (being the effective date of the valuation) up to the Latest Practicable Date.

The following is a Directors' statement in respect of BIL's property located in Fiji pursuant to paragraph 11 of Practice Note 12 of the Listing Rules.

In respect of the valuation of Denarau Beach Resort ("DBR") made by Jones Lang using residual method, the following comments were made by the Board pursuant to paragraph 11 of Practice Note 12 of the Listing Rules:

The key financial parameters used in the residual valuation exercise, including gross development value, total development cost, construction costs paid, outstanding development costs, estimated professional fees, interest charges and profit and risk margin as set out by Jones Lang in note 4 under section 2.4 of its valuation certificate were considered appropriate by the Board.

There is no material condition that would affect the status of the legal title to DBR as disclosed in the legal opinion provided by Q Bale Lawyers.

As at the valuation date, as per the information provided by BIL, DBR was approximately 20%-built with the piling and foundations for the main complex and blocks A, B, C, M completed, as well as the lower level of the main building.

The Board noted that the valuations made by Jones Lang was exclusive of VAT and other local taxes and that the Board does not expect the VAT and other local taxes have any significant impact on the level of developers profit or the valuation amount.

The following is a description of the accounting treatment to be adopted in respect of BIL's property located in Fiji using residual method for the valuation pursuant to paragraph 12 of Practice Note 12 of the Listing Rules.

The Board considered the valuation of DBR (using the residual method) to be the fair value of the property. The property will be stated at the valuation and the goodwill on acquisition of BIL Shares will be accordingly adjusted in the revised proforma consolidated balance sheet of the Guoco Group as at 30 June 2005 in the next supplemental circular to be released by 31 March 2006.