

**GUOCO GROUP LIMITED**  
*(Incorporated in Bermuda with limited liability)*  
(Stock Code: 53)

**OVERSEAS REGULATORY ANNOUNCEMENT**

*(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)*

Please refer to the attached announcement on the next page.

**SALE OF A 1.83% INTEREST IN BIL INTERNATIONAL LIMITED TO A SUBSIDIARY OF GUOCO GROUP LIMITED**

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**1. Introduction**

The Board of Directors of GuocoLand Limited (“**GLL**” or the “**Company**”) wishes to announce that Checkenden Limited (“**Checkenden**”), a wholly-owned subsidiary of the Company, has on 8 November 2006 entered into a sale and purchase agreement (the “**S&P Agreement**”) with High Glory Investments Limited (“**HGIL**”), a wholly-owned subsidiary of Guoco Group Limited (“**GGL**”), pursuant to which Checkenden has agreed to sell, and HGIL has agreed to purchase, 25,000,000 ordinary shares of US\$0.20 each (“**BIL Shares**”) in the capital of BIL International Limited (“**BIL**”), representing approximately 1.83% of the issued share capital of BIL, for an aggregate cash consideration of S\$38.5 million (the “**Sale**”).

GGL is the controlling shareholder of the Company with deemed interests in approximately 63.9% of the total number of issued ordinary shares in the capital of the Company as at 7 November 2006.

BIL is a company incorporated in Bermuda and listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) with secondary listings on the London Stock Exchange PLC and New Zealand Stock Exchange Limited.

As at 7 November 2006, BIL has an issued share capital of US\$273,612,727 comprising 1,368,063,633 BIL Shares. As at 7 November 2006, GGL has deemed interests in an aggregate of 697,242,043 BIL Shares, representing approximately 50.97% of BIL’s issued share capital, through certain direct and indirect subsidiaries, including (i) HGIL which presently owns approximately 26.88% of the issued share capital of BIL and (ii) Camerlin Group Berhad which presently owns approximately 22.26% and (iii) Checkenden.

**2. Terms of the Sale**

**2.1 Sale Shares.** Pursuant to the S&P Agreement, Checkenden has agreed to sell to HGIL its entire shareholding in BIL comprising 25,000,000 BIL Shares, free from all encumbrances and together with all rights, benefits, entitlements and advantages attaching thereto as at the date of the completion of the Sale and thereafter attaching thereto (excluding, for the avoidance of doubt, the dividend of S\$0.035 for each BIL Share declared in respect of the financial year ended 30 June 2006 and which will be paid by BIL to Checkenden on 9 November 2006).

**2.2 Sale Price.** The consideration of S\$1.54 per BIL Share under the Sale (the “**Sale Price**”) is based on the volume weighted average price of BIL Shares over the 3 trading days preceding the date of the S&P Agreement. The Sale Price was determined on a willing buyer and willing seller basis and arrived at after arm’s length negotiations between Checkenden and HGIL.

- 2.3 Completion.** Pursuant to the S&P Agreement, completion of the Sale is scheduled to take place on 13 November 2006 (or such other date as Checkenden and HGIL may agree in writing).

### **3. Rationale for the Sale and Use of the Proceeds**

In line with GLL Group's strategy to divest its non-core investments and to focus in key geographical markets, the cash proceeds from the Sale will be redeployed to the Group's property development and investment activities.

### **4. Financial Effects**

The Sale will result in a gain of approximately S\$19.32 million, which will be recognised in GLL Group's profit and loss accounts in the current financial year ending 30 June 2007.

Based on the audited consolidated financial statements of GLL Group for the financial year ended 30 June 2006, the Sale will result in an increase in the earnings per share from 24.43 cents to 27.46 cents. The Sale will not materially affect the net tangible assets per share of the GLL Group.

### **5. Interested Person Transaction**

- 5.1 IPTs with GGL.** HGIL is a wholly-owned subsidiary of GGL, which is a deemed substantial shareholder and controlling shareholder of the Company. Both GGL and HGIL are regarded as "interested persons" of the Company under Chapter 9 of the Listing Manual of the SGX-ST ("**Listing Manual**"). The Sale therefore constitutes an "interested person transaction" ("**IPT**") under Chapter 9 of the Listing Manual.

The value of the Sale represents approximately 3.43% of the GLL Group's latest audited consolidated net tangible assets of approximately S\$1,123.6 million as at 30 June 2006 ("**Audited NTA**"). As the value of the Sale is less than 5% of the GLL Group's Audited NTA, the approval of the shareholders of the Company will not be required for the Sale under Chapter 9 of the Listing Manual.

- 5.2 Total Value of IPTs.** Prior to entering into the S&P Agreement, the aggregate value of all IPTs entered into by the GLL Group during the current financial year was approximately S\$0.9 million, representing approximately 0.08% of the GLL Group's Audited NTA. The current total value of all IPTs (including the value of the Sale) in the current financial year is approximately S\$39.4 million representing approximately 3.51% of the Group's Audited NTA.

### **6. Audit Committee's Statement**

The Audit Committee of the Company (excluding Mr Reggie Thein), having reviewed the terms of the Sale, is of the view that the Sale is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

Mr Reggie Thein, the Chairman of the Audit Committee, has abstained from participating in the Audit Committee's deliberations and statement on the Sale on the grounds stated in paragraph 7 below.

## **7. Interests of Directors and Controlling Shareholders**

As stated in paragraphs 1 and 5.1 above, HGIL is a wholly-owned subsidiary of GGL, a deemed substantial shareholder and controlling shareholder of the Company.

Mr Quek Leng Chan is a director, shareholder and deemed substantial shareholder of the Company, GGL and BIL. Mr Kwek Leng Hai is a director of the Company, GGL and BIL and a shareholder of the Company and GGL. Mr Sat Pal Khattar is a director and shareholder of the Company and GGL. Mr Reggie Thein is a director of the Company and BIL and serves as the Chairman of the Audit Committee of each of the Company and BIL. Accordingly, Messrs Quek Leng Chan, Kwek Leng Hai, Sat Pal Khattar and Reggie Thein have abstained from voting on the Board resolutions in relation to the Sale by Checkenden to HGIL.

Save as disclosed in this Announcement, none of the Directors or (so far as the Directors are aware) any controlling shareholder of the Company has any interest, directly or indirectly, in the Sale.

Dated this 8th day of November 2006

By Order of the Board

Dawn Pamela Lum  
Group Company Secretary

Submitted by Dawn Pamela Lum, Group Company Secretary on 08/11/2006 to the SGX-ST.