

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.

The board of directors of Guoco currently comprises Mr. Quek Leng Chan as Executive Chairman; Mr. Kwek Leng Hai as President, CEO; Mr. Tan Lim Heng and Mr. James Eng, Jr. as executive directors; Mr. Kwek Leng San as non-executive director and Mr. Sat Pal Khattar, Mr. Volker Stoeckel and Mr. Ding Wai Chuen as independent non-executive directors.

1. **PROPOSED RENOUNCEABLE RIGHTS ISSUE OF SHARES**
 2. **PROPOSED ISSUE OF S\$690 MILLION IN PRINCIPAL AMOUNT OF CONVERTIBLE BONDS DUE 2012**
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1. Introduction

The Board of Directors (the “**Directors**”) of GuocoLand Limited (“**GLL**” or the “**Company**”) wishes to announce that:-

- (a) the Company proposes a renounceable rights issue by the Company (“**Rights Issue**”) of 221,882,489 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$2.50 (the “**Issue Price**”) for each Rights Share, on the basis of one (1) Rights Share for every three (3) existing ordinary shares in the capital of the Company (“**Shares**”) held as at a books closure date to be determined by the Directors (the “**Books Closure Date**”), fractional entitlements to be disregarded; and
- (b) the Company has today entered into a subscription agreement (“**Subscription Agreement**”) relating to the issue by the Company of S\$690 million in principal amount of unsecured convertible bonds due 2012 (the “**Convertible Bonds**”) (subject to increase pursuant to the Up-size Option as described below) which are convertible into new Shares (“**Conversion Shares**”) (the “**Convertible Bond Issue**”).

The Company has appointed J.P.Morgan (S.E.A.) Limited (“**JPMorgan**”) as the sole bookrunner of the Convertible Bond Issue, and HL Bank and Oversea-Chinese Banking Corporation Limited as the joint lead managers of the Convertible Bond Issue.

The Convertible Bonds have been fully placed to institutional investors and/or accredited investors pursuant to exemptions invoked under Section 274 and 275 of the Securities and Futures Act, Cap. 289, of Singapore.

2. Proposed Principal Terms of the Rights Issue

2.1 The Issue Price

The Issue Price of S\$2.50 for each Rights Share represents a discount of 50% to the last transacted price of S\$5.00 per Share on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 19 April 2007.

2.2 Eligibility

The Rights Issue is proposed to be offered on a renounceable basis to shareholders of the Company (“**Shareholders**”) whose registered addresses with the Company or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, are in Singapore as at the Books Closure Date, or who have, at least five (5) market days prior to the Books Closure Date, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents (“**Entitled Shareholders**”). Fractional entitlements to the

Rights Shares will be disregarded and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit.

For practical reasons and in order to avoid any violation of securities legislation in countries other than Singapore, the Rights Shares will not be offered to Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least five (5) market days prior thereto, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**"). If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil paid" on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the offer information statement ("**Offer Information Statement**") to be issued by the Company in connection with the Rights Issue.

Entitled Shareholders will be at liberty to accept, decline or otherwise renounce or trade their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

The holders of Convertible Bonds ("**Bondholders**") (including Bondholders who convert their Convertible Bonds into Conversion Shares) shall not be entitled to participate in the Rights Issue.

2.3 Status of Rights Shares

The Rights Shares will be payable in full upon acceptance and application, and when allotted and issued, will rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of issue of the Rights Shares. For this purpose, "**record date**" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in such dividends, rights, allotments or other distributions.

2.4 Size of the Rights Issue

Based on the total number of issued Shares¹ of the Company as at the date of this announcement and in view of GGL's Undertakings as described below, 221,882,489 Rights Shares will be issued pursuant to the Rights Issue. Share options (the "**Share Options**") granted under the GuocoLand Limited Executives' Share Option Scheme (the "**ESOS**") which (if vested) are exercised before the Books Closure Date will be satisfied through the transfer of existing Shares held by a trust constituted for the purpose of the ESOS, and accordingly, any such exercise of Share Options will not affect the number of Rights Shares to be issued.

Appropriate adjustments, if any, will be made to the Share Options in connection with the Rights Issue.

¹ Unless otherwise stated, all references in this announcement to the "total number of issued Shares" are based on 665,647,468 issued Shares as at the date of this announcement.

2.5 Terms and conditions

The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement to be despatched by the Company to Entitled Shareholders in due course.

3. **Undertakings by a Shareholder**

As at the date of this announcement, Guoco Group Limited (“**GGL**”) owns 425,361,240 Shares, representing approximately 63.90% of the total number of issued Shares.

GGL has irrevocably and unconditionally undertaken to the Company to subscribe and pay for (or procure subscription and payment for) in accordance with the terms of the Rights Issue, at the Issue Price, the Rights Shares to be provisionally allotted to GGL under the Rights Issue on the basis of its holdings in the Company as of the Books Closure Date (“**GGL’s Entitlement**”). In addition, GGL has undertaken, *inter alia*, by way of excess application(s) to subscribe and pay for and/or procure subscription and payment at the Issue Price for all the Rights Shares less GGL’s Entitlement which are not taken up by other Shareholders or their renounees (“**GGL’s Undertakings**”).

In view of the above undertakings, the Rights Issue will not be underwritten by any financial institution.

4. **The Convertible Bond Issue**

4.1 Introduction

Under the Subscription Agreement, JPMorgan has agreed to subscribe and pay for or to procure subscribers to subscribe and pay for, and the Company has agreed to issue, S\$690 million in principal amount of Convertible Bonds which are convertible at the initial conversion price into 111.0 million Conversion Shares representing approximately 16.7% of the total number of existing issued Shares. In addition, the Company may issue up to an additional S\$100 million in principal amount of Convertible Bonds pursuant to an option exercisable at the mutual agreement of the Company and JPMorgan (the “**Up-size Option**”).

The Convertible Bonds have been placed by JPMorgan outside the United States to non-U.S. persons in reliance on Regulation S of the U.S. Securities Act of 1933, as amended.

4.2 Principal Terms of the Convertible Bonds

Certain principal terms and conditions of the Convertible Bonds (“**Conditions**”) are as follows:-

Issuer	:	The Company
Issue size	:	S\$690 million in principal amount of Convertible Bonds comprising S\$345 million in principal amount of Tranche 1 Convertible Bonds (“ Tranche 1 Bonds ”) and S\$345 million in principal amount of Tranche 2 Convertible Bonds (“ Tranche 2 Bonds ”)

- Issue price : 100.0% of the principal amount of Convertible Bonds
- Yield to maturity : 0.60% per annum calculated on a semi-annual basis in respect of the Tranche 1 Bonds and 1.90% per annum calculated on a semi-annual basis in respect of the Tranche 2 Bonds
- Conversion price : The price at which Conversion Shares will be issued upon conversion of the Convertible Bonds, as adjusted from time to time (the “**Conversion Price**”) will initially be S\$6.216. This initial Conversion Price will be subject to adjustment in the manner provided in the Conditions. The conversion ratio (the “**Conversion Ratio**”) is equal to the principal amount of each Convertible Bond divided by the then Conversion Price
- Conversion premium : 25% over the one-day volume weighted average price of S\$4.973 per Share on 19 April 2007
- Conversion right : Subject as hereinafter provided, Bondholders have the right to convert their Convertible Bonds into Conversion Shares (“**Conversion Right**”). No Conversion Right shall exist unless and until all the Relevant Approvals have been obtained
- For this purpose, “**Relevant Approvals**” means (i) approval from Shareholders at an extraordinary general meeting of the Company to be convened (the “**EGM**”) for the conversion rights in respect of the Convertible Bonds and the issue of the Conversion Shares; (ii) approval from the shareholders of GGL for dilution of the shareholding of GGL in the Company to allow the Conversion Rights under the Convertible Bonds; and (iii) approval from the SGX-ST for the Shareholders’ circular to be issued by the Company to seek the aforesaid approval from the Shareholders
- Conversion period : The Conversion Right attaching to any Convertible Bond may be exercised, at the option of the Bondholder thereof, at any time on and after a specified date after all Relevant Approvals have been obtained, up to the close of business (at the place where the certificate evidencing such Convertible Bond is deposited for conversion) on the day falling 10 days before 7 May 2012 (but, except as provided in the Conditions, in no event thereafter) or, if such Convertible Bonds shall have been called for redemption before 7 May 2012 (“**Maturity Date**”), then up to the close of business (at the place aforesaid) on a date no later than seven business days (at the place aforesaid) prior to the date fixed for redemption thereof

- Mandatory conversion : At any time on or after 7 May 2009 and prior to the date falling seven business days prior to the Maturity Date, the Company may, having given a notice of conversion to the Bondholders within 10 trading days of the occurrence of a Trigger Event (as defined below), mandatorily convert all but not some only of the Convertible Bonds outstanding into Conversion Shares provided that no such conversion may be made unless the volume weighted average price of the Shares for each of 10 consecutive trading days ending on a date immediately prior to the beginning of the aforesaid 10-day notice period was at least 120 per cent. of (x) the principal amount of the Convertible Bonds plus interest equal to the applicable Early Redemption Interest Amount (as defined in the Conditions) divided by (y) the Conversion Ratio (the “**Trigger Event**”)
- Status of the Convertible Bonds : The Convertible Bonds constitute direct, unsubordinated, unconditional and (subject to the negative pledge mentioned below) unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Company under the Convertible Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to the negative pledge mentioned below, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations
- Status of Conversion Shares : The Conversion Shares issued upon conversion of the Convertible Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Registration Date (as defined in the Conditions), save for any rights under the Rights Issue. Save as set out in the Conditions, a holder of the Conversion Shares issued on conversion of Convertible Bonds shall not be entitled to any rights the record date for which precedes the relevant Registration Date. Bondholders (including Bondholders who convert their Convertible Bonds into Conversion Shares) shall not be entitled to participate in the Rights Issue
- Form, denomination and title : The Convertible Bonds will be issued in registered form in the denomination of S\$100,000 or integral multiples thereof. Title to the Convertible Bonds passes only by transfer and registration in the Register of the Bondholders
- Negative pledge : So long as any Convertible Bond remains outstanding (as defined in the trust deed to be entered into by the Company and the trustee in connection with the Convertible Bonds (the “**Trust Deed**”)), the Company will not create or permit to subsist, and the Company will procure that no Principal Subsidiary (as defined in the Conditions) of the Company will create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any part of its undertaking, assets or revenues, present or future, to secure any

International Investment Securities (as defined in the Conditions) or to secure any guarantee of or indemnity in respect of any International Investment Securities unless, at the same time or prior thereto, the Company's obligations under the Convertible Bonds and the Trust Deed (a) are secured equally and rateably therewith, or (b) have the benefit of such other security, guarantee, indemnity or other arrangement as the trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders

- Final redemption date : 7 May 2012
- Final redemption : Unless previously redeemed, converted, or purchased and cancelled:-
- (a) the Tranche 1 Bonds shall be redeemed on the Maturity Date at its principal amount plus interest of 3.04% of their principal amount; and
 - (b) the Tranche 2 Bonds shall be redeemed on the Maturity Date at its principal amount plus interest of 9.92% of their principal amount
- Bondholder's put option : In respect of the Tranche 1 Bonds only, the Company will at the option of any Bondholder, redeem all or some of that Bondholder's Tranche 1 Bonds on 7 May 2010, at their principal amount plus interest equal to the applicable Early Redemption Interest Amount
- Redemption at the Option of the Bondholders : Bondholders may require the Company to redeem:-
- (a) in whole but not in part their Convertible Bonds in the event of a Change of Control (as defined in the Conditions); and
 - (b) all (but not less than all) of their Convertible Bonds in the event of a delisting of the Shares
- Redemption at the option of the Company : If at any time the aggregate principal amount of the Convertible Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any further Convertible Bonds issued pursuant to the Conditions), the Company may redeem such outstanding Convertible Bonds in whole but not in part
- Redemption for taxation reasons : The Company may, having given not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) redeem all (and not some only) of the Convertible Bonds at their principal amount plus interest equal to the applicable Early Redemption Interest Amount, if it is obliged to gross up for any deduction or withholding for taxes as a result of

any changes in the laws or regulations of Singapore which takes effect on or after 7 May 2007 and such obligation cannot be avoided by the Company taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such additional amounts were a payment in respect of the Convertible Bonds then due

Anti-dilution protection : The Conversion Price will be adjusted in certain circumstances, including, *inter alia*, the consolidation, subdivision or reclassification of Shares, capitalization of profits or reserve, capital distribution, rights issues of Shares or options over Shares, issues at less than current market price, modification of rights of conversion and other offers to the Company's shareholders

Optional Conversion price reset : At any time after 7 May 2007, the Company may in its discretion, by providing no less than 10 days' notice to the Bondholders in accordance with the Conditions (the final day of such notice being the "**Reset Date**"), reset the Conversion Price (the "**Reset Reference Price**") provided that the Reset Reference Price is less than the Conversion Price in effect on the relevant Reset Date (taking into account any adjustments as described in the Conditions which may have occurred prior to the relevant Reset Date). The Conversion Price shall be adjusted at the option of the Company, by notice to the Bondholders in accordance with the Conditions, on the relevant Reset Date so that the Reset Reference Price (subject to the Conditions) will become the adjusted Conversion Price with effect from the relevant Reset Date

The Reset Reference Price is subject to a floor price that is equal to 70.0% of the initial Conversion Price

Listing : Application will be made for the listing and quotation of the Convertible Bonds and Conversion Shares on the SGX-ST

Governing law : English law

The detailed terms and conditions of the Convertible Bonds will be set out in a trust deed to be executed.

4.3 Closing Date

The closing date for the Convertible Bond Issue is on or about 7 May 2007 (or such other date on or before 7 May 2007 as the Company and JPMorgan shall agree) ("**Bond Closing Date**").

5. Use of Proceeds from the Rights Issue and the Convertible Bond Issue

In light of GGL's Undertakings, the estimated net proceeds from the Rights Issue (after deducting estimated expenses in connection with the Rights Issue) is expected to be approximately S\$555 million.

The estimated net proceeds of the Convertible Bond Issue is expected to be approximately S\$684 million. The Company estimates that it would receive approximately S\$100 million if the Up-size Option is exercised in full.

GGL intends to use the net proceeds of the Rights Issue and the Convertible Bond Issue for the working capital of the Company and its subsidiaries ("**Group**") and to, *inter alia*, fund its acquisitions in Singapore and China, including the proposed conditional acquisition of a 90% interest in the Beijing Dongzhimen site as announced by the Company on 13 April 2007.

Pending the deployment of the proceeds for the purpose mentioned above, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may deem fit.

6. Financial Effects of the Rights Issue and the Convertible Bond Issue

6.1 Financial Effects of the Rights Issue

For illustration purposes only, certain financial effects of the Rights Issue on the share capital, the net tangible assets ("**NTA**") and earnings per Share of the Group, based on the audited consolidated financial statements of the Company for the financial year ended 30 June 2006, are set out below. The financial effects as presented below assume that:-

- (i) (for the purpose of calculating the earnings per Share) the Shares to be issued pursuant to the Rights Issue had been issued on 1 July 2005; and
- (ii) the Rights Issue is assumed to be fully subscribed (in view of GGL's Undertakings).

6.1.1 Share Capital

	Number of Shares ('000)	S\$'000
Issued and paid-up share capital before the Rights Issue	665,647	839,716
Add:		
Rights Shares to be issued pursuant to the Rights Issue	221,882	554,506
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Issued and paid up share capital immediately after the Rights Issue	887,529	1,394,222
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6.1.2 NTA

	The Group 30 June 2006 S\$'000
NTA as at 30 June 2006	1,123,601
Add:	
Net proceeds from the Rights Issue	554,506
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Adjusted NTA after the Rights Issue	1,678,107
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NTA per Share ⁽¹⁾ (S\$)	
Before the Rights Issue	1.82
After the Rights Issue	2.00

Note:

- (1) The NTA per Share is computed based on the number of Shares in issue after adjusting for the Shares acquired by the trust constituted for the purpose of the ESOS.

6.1.3 Earnings per Share

	The Group 30 June 2006
Earnings attributable to Shareholders for the 12 months ended 30 June 2006 ⁽¹⁾ (S\$'000)	155,629
Earnings per Share before the Rights Issue ⁽²⁾ (cents)	24.43
Earnings per Share after the Rights Issue ⁽²⁾ (cents)	18.12

Notes:-

- (1) The earnings attributable to Shareholders is computed after deducting provision for preference dividends.
- (2) The earnings per Share is computed based on the weighted average number of Shares in issue after adjusting for the Shares acquired by the trust constituted for the purpose of the ESOS.

6.2 Financial Effects of the Convertible Bond Issue

For illustration purposes only, certain financial effects of the Convertible Bond Issue on the share capital, NTA, earnings per Share of the Group, based on the audited consolidated financial statements of the Company for the financial year ended 30 June 2006, are as follows:-

6.2.1 Share Capital

	Number of Shares ('000)	S\$'000
Issued and paid-up share capital before the Rights Issue and the issue of the Convertible Bonds	665,647	839,716
Add:		
Rights Shares to be issued pursuant to the Rights Issue	221,882	554,506
After the issue of the Conversion Shares	111,004	672,497
Issued and paid-up share capital immediately after the Rights Issue and the issue of the Conversion Shares	998,533	2,066,719

6.2.2 NTA

	The Group 30 June 2006 S\$'000
NTA as at 30 June 2006	1,123,601
Net proceeds from the Rights Issue	554,506
Adjusted NTA after the Rights Issue but before the issue of the Convertible Bonds	1,678,107
Increase in share capital after the issue of the Conversion Shares	672,497
Deferred tax liability written back	11,488
Adjusted NTA after the issue of the Conversion Shares and the Rights Issue	2,362,092
NTA per Share ⁽¹⁾ (S\$)	
Before the issue of the Convertible Bonds	1.82
After the Rights Issue but before the issue of the Convertible Bonds	2.00
After the Rights Issue and the issue of the Conversion Shares	2.49

Note:

- (1) The NTA per Share is computed based on the number of Shares in issue after adjusting for the Shares acquired by the trust constituted for the purpose of the ESOS.

6.2.3 Earnings per Share

	The Group
	30 June 2006
	S\$'000
Earnings attributable to Shareholders for the 12 months ended 30 June 2006 ⁽¹⁾	155,629
Deferred tax liability written back	11,488
Adjusted earnings attributable to Shareholders after the Rights Issue and the issue of the Conversion Shares ⁽¹⁾	<hr/> 167,117 <hr/>
Earnings per Share before the issue of the Convertible Bonds ⁽²⁾ (cents)	24.43
Earnings per Share after the Rights Issue but before the issue of the Convertible Bonds ⁽²⁾ (cents)	18.12
Earnings per Share after the Rights Issue and the issue of the Conversion Shares ⁽²⁾ (cents)	17.23

Notes:

- (1) The earnings attributable to Shareholders is computed after deducting for provision for preference dividends.
- (2) The earnings per Share is computed based on the weighted average number of Shares in issue after adjusting for the Shares acquired by the trust constituted for the purpose of the ESOS.

7. **Lock-up Undertaking**

Under the Subscription Agreement, the Company has undertaken to JPMorgan that, neither the Company nor any of its subsidiaries or other affiliates over which it exercises management or voting control, nor any person acting on its or their behalf will, for a period of 60 days after the Bond Closing Date, without the prior written consent of JPMorgan (such consent not to be unreasonably withheld), issue, offer, sell, contract to sell or otherwise dispose of (or publicly announce any such issuance, offer, sale or disposal) securities issued by the Company and having a maturity of more than one year from the date of issue, any Shares or securities convertible or exchangeable into or exercisable for Shares or warrants or other rights to purchase Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Shares, including equity swaps, forward sales and options representing the right to receive any Shares (save for the Rights Issue and any share options or share awards pursuant to any share option or share award schemes of the Company which have been publicly disclosed to the SGX-ST).

GGL has executed a lock-up undertaking dated 19 April 2007 pursuant to which it has undertaken to JPMorgan, *inter alia*, that for a period from the date of the lock-up undertaking and up to 45 days after the Bond Closing Date, it will not sell any Shares or enter into other transactions with similar effect without the prior written consent of JPMorgan. In addition, GGL has also undertaken to maintain a minimum shareholding of 51% of the share capital of the

Company till such date as the Relevant Approvals are obtained but in any event no later than 1 August 2007.

8. Approvals for the Rights Issue, the Convertible Bond Issue and the Conversion Rights

8.1 The Rights Issue

The Rights Issue is subject to, *inter alia*,:-

- (i) the approval of Shareholders of the Company at an EGM to be convened;
- (ii) the in-principle approval of SGX-ST for the listing of and quotation for the Rights Shares on the SGX-ST; and
- (iii) the lodgement of an Offer Information Statement with the Monetary Authority of Singapore.

GGL has undertaken to vote, in respect of at least a majority shareholding in the Company, in favour of all resolutions to be proposed at the EGM to approve the Rights Issue.

8.2 The Convertible Bond Issue

The Convertible Bond Issue is subject to, *inter alia*, the in-principle approval of SGX-ST for the listing of and quotation for the Convertible Bonds and the Conversion Shares on the SGX-ST.

The Conversion Rights in respect of the Convertible Bonds and the issue of the Conversion Shares are subject to, *inter alia*, (i) the approval of the Shareholders of the Company at the EGM to be convened and (ii) the approval from the shareholders of GGL for dilution of the shareholding of GGL in the Company to allow the Conversion Rights under the Convertible Bonds.

GGL has undertaken to vote, in respect of at least a majority shareholding in the Company, in favour of all resolutions to be proposed at the EGM to approve the Conversion Rights and the issue of the Conversion Shares. GuoLine Overseas Limited, which owns 65.5% of the shares in the capital of GGL, has undertaken to vote, in respect of at least a majority shareholding in GGL, in favour of all resolutions to be proposed at GGL's shareholders' meeting to approve the dilution of the shareholding of GGL in the Company to allow the Conversion Rights under the Convertible Bonds.

The Rights Issue and the Convertible Bond Issue are separate exercises and are not dependent or conditional on each other.

8.3 EGM and Circular

The Company will be convening an extraordinary general meeting(s) to seek Shareholders' approval for the above matters and a circular(s) for this purpose will be despatched by the Company to Shareholders in due course.

9. Interests of Directors and Controlling Shareholders in the Convertible Bond Issue

None of the Directors nor, so far as the Directors are aware, any of the controlling shareholders of the Company has any interest, direct or indirect in the Convertible Bond Issue.

Dated this 19th day of April 2007

By Order of the Board

Dawn Pamela Lum
Group Company Secretary

This announcement does not constitute an offer to sell or the solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This announcement is not an offer of securities for sale in the United States. The securities referred to herein may not be offered or sold in the United States absent registration or an exemption from registration requirements under the U.S. Securities Act of 1933. Any public offering of the securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and will contain detailed information about the Company and management, as well as financial statements.

Submitted by Dawn Pamela Lum, Group Company Secretary on 20/04/2007 to the SGX