

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.10(B) 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.

As at the date of this announcement, the board of directors of Guoco Group Limited comprises Mr. Quek Leng Chan as Chairman; Mr. Kwek Leng Hai as President, CEO; Mr. Kwek Leng San and Mr. Tan Lim Heng as non-executive directors and Mr. Volker Stoeckel, Mr. Roderic N. A. Sage and Mr. David Michael Norman as independent non-executive directors.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

THIS ANNOUNCEMENT IS NOT AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE “CODE”) AND THERE CAN BE NO CERTAINTY THAT AN OFFER WILL BE MADE EVEN IF THE PRE-CONDITIONS REFERRED TO BELOW ARE SATISFIED OR WAIVED

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

15 August 2016

PROPOSAL TO CREATE THE UK’S LARGEST MULTI-CHANNEL GAMBLING OPERATOR

888 Holdings Plc (“888”) and The Rank Group Plc (“Rank”) confirm that on 14 August 2016 they submitted an improved non-binding proposal (the “Improved Proposal”) to the Board of William Hill plc (“William Hill”) regarding a possible combination of 888, Rank and William Hill (the “Enlarged Group”).

888 and Rank believe that the creation of the UK’s largest multi-channel gambling operator through a combination of the three businesses represents a compelling value creation opportunity for William Hill and its shareholders.

Under the Improved Proposal, William Hill shareholders would be entitled to receive, for each William Hill share held:

199 pence in cash and 0.860 new 888 shares, resulting in William Hill shareholders representing in total 48.8% of the Enlarged Group

Based on the closing price of 888 shares on 5 August 2016 (the last business day prior to the submission of the original proposal), the value of the Improved Proposal would be 394 pence per William Hill share

The Improved Proposal represents an increase of 30 pence to the non-binding proposal 888 and Rank submitted to the board of William Hill on 8 August 2016 (the “Original Proposal”). The value of the Improved Proposal is calculated on a consistent basis with the Original Proposal.

Following completion of the proposed combination and based on the terms of the Improved Proposal, William Hill shareholders would own 48.8% of the Enlarged Group, and 888 and Rank shareholders would own 23.8% and 27.4% of the Enlarged Group respectively (based on Rank shareholders receiving 1.086 new 888 shares for each Rank share held).

As outlined in the announcement made by 888 and Rank on 10 August 2016 regarding a possible combination of 888, Rank and William Hill (the “Original Announcement”), 888 and Rank have made an assessment of cost synergies for the Enlarged Group and have identified savings of at least £100 million (net of dis-synergies) per annum. These cost savings, if capitalised at the blended Enlarged Group historic EV / EBITDA multiple of 9.4x (see the Appendix for further details), would represent an implied capitalised value of £940 million, the benefits of which if they were to arise would accrue to all shareholders.

The total capitalised value of cost synergies to William Hill shareholders based on the terms of the Improved Proposal would be 52 pence per William Hill share

The value of the Improved Proposal of 394 pence for each William Hill share does not take into consideration the capitalised value of cost synergies to William Hill shareholders of 52 pence per William Hill share.

888 and Rank believe that there is potential to identify additional upside in both quantum and timing of cost synergies, plus substantial cost synergies, through constructive engagement. 888 and Rank would welcome the opportunity to engage with the board of William Hill with the goal of consummating a recommended transaction.

888's Principal Shareholder Trusts and Rank's controlling shareholder (who each controls more than 50% of 888 and Rank respectively) have indicated their support for the Improved Proposal and that they are prepared to provide irrevocable undertakings in favour of the transaction (subject to obtaining relevant approvals).

The Improved Proposal is expected to enable the Enlarged Group's shareholders to benefit from:

- the scale benefits of being the UK's largest multi-channel gambling operator, with a complementary combination of retail and digital brands and proprietary technology, content and products across sports betting, casino, poker and bingo;
- an enhanced growth strategy to develop the business into new markets and regions, unlocking cost savings and efficiencies across online and land-based platforms, and diversification providing mitigation against adverse regulatory change;
- leveraging the Enlarged Group's marketing spend which would be in excess of £300 million;
- substantial revenue synergies arising from cross-selling, rebranding and customer experience optimisation, with near-term opportunities arising from the ability to cross sell 888 and William Hill content to Rank's approximately 3 million Grosvenor Casinos, Mecca Bingo and Enracha customers, the benefits of which would start to accrue immediately;
- identified cost savings of at least £100 million (net of dis-synergies) per annum; and
- the re-rating potential of the Enlarged Group which is supported by recent precedent transactions in the gaming sector, and expectations of enhanced top-line growth from revenue synergies.

In addition, under the terms of the Improved Proposal, it is expected that William Hill shareholders will benefit from:

- a significantly accelerated digital strategy and improved technology platform, with the Enlarged Group generating approximately £1 billion in online revenue annually;
- a senior management team, with a long track record of successfully managing both physical and online gaming businesses; and
- a significant premium to the current value of their shares, the opportunity to receive a significant cash return and the ability to participate in the expected future upside of the Enlarged Group.

It is proposed that the Enlarged Group should have a capital structure appropriate for a FTSE 100 company, able to support a progressive dividend policy involving an approximately 40% payout ratio

and a rapid deleveraging profile, with management expectations of net debt to EBITDA of between 2.5x – 3.0x in 2018. Rank and 888 are confident that, in the current low interest rate environment, the debt financing required to fund the Improved Proposal can be raised at attractive rates.

Commenting on the Improved Proposal, Itai Frieberger (888 CEO) said:

“We are extremely excited by the prospect of creating a dynamic, broad based, multi-channel gambling business of real scale. We expect the combined business to lead innovation in the sector, drive growth and deliver superior returns for all shareholders.”

and Henry Birch (Rank CEO) said:

“With a 48.8% share in the combined business, the largest proportion of the benefits would accrue to William Hill shareholders (as well a significant cash payment), and we hope to engage the William Hill Board in constructive discussions to deliver a deal that makes compelling strategic sense for all three businesses.”

Pre-Conditions

The announcement of a firm intention to make an offer under Rule 2.7 of the Code remains subject to certain customary pre-conditions (which in accordance with Rule 2.5(c)(i) of the Code, may be waived in whole or in part jointly by 888 and Rank) being:

- The directors of William Hill providing a unanimous and unqualified recommendation and the provision of hard irrevocable undertakings in favour of the transaction by the directors of William Hill (and their connected persons) who are also shareholders;
- Satisfactory completion of confirmatory due diligence on William Hill, including appropriate access to senior management, and satisfactory completion of antitrust and regulatory analysis; and
- Extension to the current deadline of Sunday, 21 August 2016 imposed by the Panel on Takeovers and Mergers (the “Panel”) for 888 and Rank to announce a firm offer, or to announce they have no intention to make an offer, to allow for such confirmatory due diligence as described above to be undertaken.

888 and Rank will make a further announcement in due course. In the meantime, there can be no certainty that any offer will be made by 888 and Rank even if the pre-conditions referred to above are satisfied or waived, in whole or in part.

This announcement is not being made with the consent of William Hill.

Pursuant to Rule 2.5 of the Code, 888 and Rank reserve the right to:

- (i) vary the form and/or mix of the consideration described in this announcement; and
- (ii) amend the terms of the Improved Proposal (including at any time making the offer on less favourable terms) (a) with the recommendation or consent of the board of William Hill, (b) if William Hill announces, declares or pays any dividend or any other distribution to shareholders, in which case 888 and Rank reserve the right to make an equivalent reduction to the proposed price, (c) if a third party announces a firm intention to make an

offer for William Hill on less favourable terms than the Improved Proposal, or (d) following the announcement by William Hill of a whitewash transaction pursuant to the Code.

The Original Announcement included a synergy statement in Appendix I together with, in Appendix III, reports required under Rule 28.1(a) of the Code from Ernst & Young LLP (“EY”) as reporting accountants to 888 and Rank Morgan Stanley, as financial adviser to 888 and Rank.

As required by Rule 27.2(d)(i) of the Code, the directors of 888 and Rank confirm that there have been no material changes to the statements which were set out in Appendix I of the Original Announcement and which remain valid.

As required by Rule 27.2(d)(ii) of the Code, each of EY and Morgan Stanley confirm that their respective reports which were set out in Appendix III of the Original Announcement, and which were produced in connection with the statements set out in Appendix I of the Original Announcement continue to apply. The synergy statement and the assumptions on which it is based are the responsibility of 888 and Rank, and their respective directors.

In accordance with Rule 2.6(a) of the Code, 888 and Rank are required, by not later than 5.00 p.m. on 21 August 2016 to either announce a firm intention to make an offer for William Hill in accordance with Rule 2.7 of the Code or announce that they do not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

In accordance with Rule 26.1 of the Code, a copy of this announcement will be published on the 888 and Rank websites (<http://www.888holdingsplc.com> and <http://www.Rank.com>) by no later than 12 noon on 16 August 2016. The content of the websites referred to in this announcement is not incorporated into and does not form part of this announcement.

The person responsible for arranging for the release of this announcement on behalf of 888 is Aviad Kobrine and person responsible for arranging for the release of this announcement on behalf of Rank is Frances Bingham.

Enquiries:

888 Holdings Plc
Itai Frieberger
Aviad Kobrine

Tel: +350 200 48280

The Rank Group plc
Henry Birch
Clive Jennings

Tel: +44 (0)1628 504 000

Financial Adviser to 888 and Rank
Morgan Stanley
Laurence Hopkins
Tom Perry
Duncan Williamson

Tel: +44 (0)20 7425 8000

Hudson Sandler (PR adviser to 888)
Michael Sandler

Tel: +44 (0)20 7796 4133

Andrew Hayes
Alex Brennan

FTI Consulting LLP (PR adviser to Rank)
Edward Bridges
Alex Beagley

Tel: +44 (0)20 3727 1000

Information on Rank

Rank is a gaming focused leisure and entertainment group serving over three million customers generating c.£700 million in annual revenues. Great Britain is Rank's largest market, generating approximately 95% of group revenue.

Grosvenor Casinos is the UK's largest multi-channel casino operator, serving more than 1.8 million customers a year during the most recently reported financial year through a national portfolio of 56 branded venues as well as via its online and mobile casinos.

Mecca Bingo is the UK's second largest multi-channel bingo operator and Rank's community-based gaming brand for the British market serving 1.1 million customers a year during the most recently reported financial year with a national portfolio of 87 branded venues, as well as one of the UK's most popular community gaming websites.

Enracha is Rank's community-based gaming business for the Spanish market. Nine venues serve approximately 269,000 customers a year during the most recently reported financial year, offering a range of popular community games including bingo.

The Rank management team has a proven track record of managing online and land-based businesses. The Rank board includes Chairman Ian Burke (previously CEO of The Rank Group Plc), CEO, Henry Birch (formerly CEO of William Hill Online) and CFO, Clive Jennings. The team has a wealth of experience in marketing, land-based gaming and multi-site leisure.

Information on 888

888 is one of the world's most popular online gaming entertainment and solutions providers generating c.£300 million in annual revenues. Today, more than a million customers enjoy the company's online gaming entertainment across over 100 countries.

888 has been at the forefront of the online gaming industry since foundation in 1997, providing to players and B2B partners an innovative and world-class online gaming experience. At the heart of 888's business is its proprietary gaming technology and associated platforms, allowing 888 to differentiate itself from and innovate ahead of competitors. The 888 group is structured into two lines of business: B2C (bingo, poker, casino and sport), under the 888 brands, and B2B, conducted through the Dragonfish brand, which provides partners the ideal platform through which to establish an online gaming presence and monetise their own brands. This structure allows the 888 group to leverage its core technological, product, marketing and analytical strengths and maximise their benefits across both B2C and B2B routes to market.

In 2015, 888 registered a 13% increase in active B2C customers reflecting marketing expertise and innovative CRM. Mobile continued to drive growth across product verticals, representing 47% of UK B2C revenue (2014: 33%) and continued outperformance in Casino with 37% increase in active

players year-on-year. The company's growth strategy is also focused upon growing regulated markets which now account for 63% of 888's revenue.

888's headquarters and main operations are in Gibraltar and the company has licences in Gibraltar, the UK, Spain, Italy, Denmark, Ireland, Romania, State of Schleswig-Holstein (Germany), Nevada, New Jersey and Delaware.

The 888 management team includes Chairman, Brian Mattingley (former CEO of Gala Regional Developments Limited and former Chairman of the UK Bingo Association), CEO, Itai Frieberger, and CFO, Aviad Kobrine. 888's market-leading management team brings valuable operational, finance, analytical and industry experience with a proven track record of managing online businesses.

General

This announcement is not intended to, and does not, constitute, represent or form part of any offer, invitation or solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise.

The distribution of this announcement in jurisdictions outside the United Kingdom may be restricted by law or regulation and therefore any person who comes into possession of this announcement should inform themselves about, and comply with, such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws or regulations of any such relevant jurisdiction.

Morgan Stanley & Co. International plc ("Morgan Stanley"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting as financial adviser to 888 and Rank and no one else in connection with the matters set out in this announcement. In connection with such matters, Morgan Stanley, its affiliates and its or their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to anyone other than 888 and Rank for providing the protections afforded to their clients or for providing advice in relation to the contents of this announcement or any other matter referred to in this announcement.

No statement in this announcement should be construed as a profit forecast or interpreted to mean that the Enlarged Group's earnings in the first full year following a merger, or in any subsequent period, would necessarily match or be greater than or be less than those of 888, Rank and William Hill for the relevant preceding financial period or any other period.

Rule 2.10 information

In accordance with Rule 2.10 of the Code, Rank confirms that, as at the date of this announcement, it has 390,683,521 ordinary shares of 13 8/9 pence each in issue. Rank does not hold any ordinary shares in treasury. The International Securities Identification Number for Rank's ordinary shares is GB00B1L5QH97.

In accordance with Rule 2.10 of the Code, 888 confirms that, as at the date of this announcement, it has 358,517,525 ordinary shares of 0.5 pence each in issue. 888 does not hold any ordinary shares in treasury. The International Securities Identification Number for 888's ordinary shares is GI000A0F6407.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following

the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Forward looking statements

This announcement, including information included or incorporated by reference in this announcement, may contain certain "forward looking statements" regarding the financial position, business strategy or plans for future operations of the 888 group, Rank group and/or the William Hill group. All statements other than statements of historical fact included in any document may be forward looking statements. Forward looking statements also often use words such as "believe", "expect", "estimate", "hope", "will", "may", "should", "would", "could", "intend", "anticipate" and words of a similar meaning. Statements relating to reserves are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of 888, Rank or William Hill's and potential synergies resulting from the transaction; and (iii) the effects of government regulation on 888, Rank or William Hill's business. By their nature, forward looking statements involve risk and uncertainty that could cause actual results to differ materially from those suggested by them. They are also based upon assumptions. Much of the risk and uncertainty relates to factors that are beyond the Rank group's, 888 group's or the William Hill group's ability to control or estimate precisely, such as future market conditions and the behaviours of other market participants,

and therefore undue reliance should not be placed on such statements which speak only as at the date of this announcement. Neither the 888 group, the Rank group nor any of their respective associates or directors, officers, employees, managers, agents, representatives, partners, members, consultants or advisers: (i) provide any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements will actually occur; nor (ii) assume any obligation to, nor intend to, revise or update these forward looking statements, except as required pursuant to applicable law.

APPENDIX

SOURCES AND BASES

Unless otherwise stated, financial and other information concerning Rank, 888 and William Hill has been extracted from publicly available sources or from Rank and 888 management sources (in respect of information relating to Rank and 888).

The figure set out for the capitalised value of cost savings of at least £940 million is based on £100 million of cost savings per annum capitalised at the Last Twelve Month (“LTM”) Enterprise Value (“EV”) weighted EV to EBITDA of 9.4x. The LTM EV to EBITDA multiple for each of Rank, 888 and William Hill is calculated by dividing their respective EVs as at close of business on 22 July 2016 (sourced from Capital IQ) by their respective EBITDAs for the twelve month period to 31 December 2015 (“LTM EBITDA”). The LTM EBITDA is (i) in respect of Rank, calculated as the sum of its EBITDA in (A) H2 of Rank’s fiscal year 2015, and (B) H1 of Rank’s fiscal year 2016; and (ii) in respect of 888 and William Hill, their respective EBITDAs in their respective fiscal years 2015. The EBITDA information is sourced from the respective company’s fiscal years 2015 annual accounts and, where applicable, fiscal years 2016 half year results. The implied EV to EBITDA multiples of Rank, 888 and William Hill are then weighted by their respective EVs (as at close of business on 22 July 2016) to derive the LTM EV weighted EBITDA multiple of 9.4x. This information is set out in the table below:

Company	888	Rank	William Hill
EV (£ millions)	754	978	3,302
EBITDA (£ millions)	55	127	372
Multiple (x)	13.8x	7.7x	8.9x
Weighting	15%	19%	66%

This calculation is based on historical EBITDA in order that this statement is not construed as a profit forecast under the rules of the Code.

The Improved Proposal is based on the following assumptions:

- (a) the fully diluted number of William Hill ordinary shares is 880.3 million comprising:
 - i. 869.0 million issued ordinary shares; and
 - ii. 11.3 million ordinary shares reflecting the potential dilutive effect of employee share incentive schemes, exercised at the offer price
- (b) there has not been and will not be any grant of options or new share awards under the share schemes by William Hill following the date of this announcement; and
- (c) there will be no dividend or other capital returns declared, payable or paid by William Hill following the date of this announcement other than any announced dividends.