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國浩集團有限公司

Guoco Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 53)

Renewal of Continuing Connected Transactions — Finances for Share Purchases for The GuocoLand Limited Executives' Share Option Scheme

This announcement is to comply with the disclosure requirements under the Listing Rules on continuing connected transactions to allow the GLL Group to continue to provide finances to the Trust for the Share Purchases for the purpose of the GLL ESOS during the three financial years ending 30 June 2010.

Executive directors of the GLL Group, who may be Eligible Participants of the GLL ESOS and thus may become beneficiaries of the Trust, are deemed to be connected persons of Guoco under the Listing Rules. The provision of finances by the GLL Group for the Share Purchases from time to time constitutes continuing connected transactions for Guoco under Chapter 14A of the Listing Rules.

Since the Cap results in applicable percentage ratios under the Listing Rules of less than 2.5%, the continuing connected transactions are only subject to the announcement requirements under Chapter 14A of the Listing Rules. Details of the finances provided by the GLL Group will be included in Guoco's next published annual report and accounts in compliance with Rules 14A.45 and 14A.46 of the Listing Rules.

FINANCES FOR SHARE PURCHASES

Reference is made to the circular of Guoco dated 28 September 2004 regarding, among others, the provision of finances to the Trust for Share Purchases for the GLL ESOS.

The GLL ESOS, amended and approved by the Shareholders in October 2004, allows grant of options over both newly issued and existing GLL Shares. A Trust was established to acquire existing GLL Shares and to hold the same for the purpose of the GLL ESOS.

The Shareholders in the special general meeting of the Company held on 15 October 2004 approved the provision of finances by the GLL Group from time to time to enable the Trust to acquire GLL Shares for the purpose of the GLL ESOS, subject to the maximum subsisting amount of HK\$926 million or its equivalence in other currencies during the three financial years ended 30 June 2007.

This announcement is to comply with the disclosure requirements under the Listing Rules on continuing connected transactions to allow the GLL Group to continue to provide finances to the Trust for the Share Purchases during the three financial years ending 30 June 2010.

Pursuant to the Letter Agreement dated 17 July 2007, the GLL Group will continue to provide finances for the Share Purchases to the Trust from time to time pursuant to the Trust Deed upon such terms and conditions as GLL and the Trustee may agree. Such finances are expected to be repaid from, among other things, the exercise price to be paid by the Option Holders upon the exercise of the Options. The assets, liabilities, income and expenses of the Trust will be consolidated in the accounts of the GLL Group.

For the purpose of Rule 14A.35(2) of the Listing Rules, the maximum aggregate amount of the finances to be provided by the GLL Group for the Share Purchases shall be subject to a maximum subsisting amount of S\$150 million (approximately HK\$774.5 million) or its equivalence (the “Cap”) at any time during the three financial years ending 30 June 2010. The current outstanding amount of finances provided by the GLL Group to the Trust is approximately S\$103.8 million (approximately HK\$535.9 million).

The basis of the Cap is arrived at having regard to further finances that may be required for the Share Purchases by the Trust for the Options to be granted under the GLL ESOS in future, the expected acquisition prices of the Share Purchases based on the prevailing market price of GLL Shares and allowing for the possibility that the GLL share price may increase in future.

CONTINUING CONNECTED TRANSACTIONS

Executive directors of the GLL Group, who may be Eligible Participants of the GLL ESOS and thus may become beneficiaries of the Trust, are deemed to be connected persons of Guoco under the Listing Rules. The provision of finances by the GLL Group for the Share Purchases from time to time constitutes continuing connected transactions for Guoco under Chapter 14A of the Listing Rules.

Since the Cap results in applicable percentage ratios under the Listing Rules of less than 2.5%, the continuing connected transactions are only subject to the announcement requirements under Chapter 14A of the Listing Rules. Details of the finances provided by the GLL Group will be included in Guoco’s next published annual report and accounts in compliance with Rules 14A.45 and 14A.46 of the Listing Rules. Guoco will also comply with the requirements of annual review by the independent non-executive directors and auditors of Guoco under Rules 14A.37 to 14A.38 of the Listing Rules.

If GLL grants Options to Eligible Participants who are connected persons of Guoco in future, Guoco will comply with the requirements under Chapter 14A of the Listing Rules as appropriate.

RATIONALE

The provision of finances for the Share Purchases is to facilitate the satisfaction of the exercise of Options by transferring existing GLL Shares pursuant to the GLL ESOS. The grant of Options over existing GLL Shares eliminates the dilution effect on shareholders’ interests and GLL’s capital base as well as the uncertainty of the timing of dilution. It also provides flexibility to GLL in terms of remunerating the Eligible Participants. GLL will be in a position to structure incentives for the Eligible Participants in order to align their interests with the performance of GLL, with a view to improving the operations of GLL.

The provision of finances by the GLL Group for the Share Purchases is fair and reasonable to Guoco and the Shareholders. In view of the benefits of the GLL ESOS to GLL and its shareholders including Guoco which owns 63.90% of GLL's issued share capital, the Directors (including the independent non-executive Directors) consider that it is in the interests of Guoco and the Shareholders for the GLL Group to provide finances for the Share Purchases.

INFORMATION ON THE GROUP AND THE GLL GROUP

Guoco is an investment holding company and the principal activities of its subsidiaries and associated companies include proprietary asset management, property development and investment, hospitality and leisure business as well as financial services including banking and finance, insurance, fund management, stock and commodity broking and investment advisory.

GLL is a major property development and investment company based in Singapore and listed on SGX-ST. The principal business activities of its subsidiaries are property development, property investment and investment holding with embedded operations in Singapore, the PRC and Malaysia, as well as property interests in various countries in the region.

As at the date of this announcement, the board of directors of the Company 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.

(For reference only, the exchange rate of S\$:HK\$ as referred to in this announcement is S\$1:HK\$5.1632)

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context requires otherwise:

“Company” or “Guoco”	Guoco Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Eligible Participant(s)”	confirmed employee(s) of the GLL Group, and the executive director(s) of GLL, who has/have been selected by the committee comprising directors of GLL duly authorised and appointed by the board of directors of GLL to administer the GLL ESOS
“ESOS Share(s)”	GLL Share(s) to be issued and/or transferred under the GLL ESOS
“GLL”	GuocoLand Limited, a 63.90% owned subsidiary of the Company with primary listing on SGX-ST
“GLL ESOS”	The GuocoLand Limited Executives’ Share Option Scheme
“GLL Group”	GLL and its subsidiaries
“GLL Share(s)”	ordinary share(s) in the issued share capital of GLL

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Letter Agreement”	the letter agreement dated 17 July 2007 entered into between GLL and the Trustee for the purpose of continuing the finances to be provided by the GLL Group to the Trust for the Share Purchases pursuant to the Trust Deed
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	the right(s) to acquire ESOS Shares granted or to be granted pursuant to the GLL ESOS
“Option Holder(s)”	the holder(s) of an Option
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share Purchases”	the purchases of existing GLL Shares by the Trust or other relevant transactions to enable the Trust to own interests in GLL Shares for the purpose of the GLL ESOS from time to time
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“S\$”	Singapore dollars, the lawful currency of the Republic of Singapore
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	the trust deed constituting the Trust entered into between GLL and the Trustee
“Trustee”	an independent trust company not connected with the GLL Group, the Group, directors, chief executives or substantial shareholders of the Group and their respective associates (as defined under the Listing Rules)
“%”	per cent.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 17 July 2007