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JOINT ANNOUNCEMENT

**(1) PROPOSED PRIVATISATION OF
GUOCO GROUP LIMITED
BY GUOLINE OVERSEAS LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 99 OF THE COMPANIES ACT)**

**(2) PROPOSED SPECIAL DIVIDEND BY
WAY OF DISTRIBUTION IN-SPECIE BY
GUOCO GROUP LIMITED OF
ORDINARY SHARES IN HONG LEONG
FINANCIAL GROUP BERHAD**

AND

**(3) PROPOSED WITHDRAWAL OF LISTING BY
GUOCO GROUP LIMITED**

DESPATCH OF THE SCHEME DOCUMENT

EVERCORE

and



PLATINUM
Securities

Evercore Asia Limited

Platinum Securities Company Limited

Joint Financial Advisers to GuoLine Overseas Limited



SOMERLEY CAPITAL LIMITED

Somerley Capital Limited

Independent Financial Adviser to the Independent Board Committee

INTRODUCTION

Reference is made to:

- (i) the announcement dated 29 June 2018 jointly published by Guoco Group Limited (“**Guoco**”) and GuoLine Overseas Limited (the “**Offeror**”) in relation to the proposed privatisation of Guoco by the Offeror by way of a scheme of arrangement under section 99 of the Companies Act and, subject to the Scheme having become binding and effective in accordance with its terms, the payment by Guoco of a special dividend (by way of a distribution in-specie) of up to 291,117,141 ordinary shares in HLF to the Shareholders whose names appear on the Register on the Entitlement Record Date and the proposed withdrawal of listing by Guoco;
- (ii) the joint announcement of Guoco and the Offeror dated 20 July 2018 in relation to the extension of time for despatch of the Scheme Document (as defined below);
- (iii) the announcement of Guoco dated 23 July 2018 in relation to the appointment of Somerley Capital Limited (“**Somerley**”) as the independent financial adviser to the Independent Board Committee;
- (iv) the joint announcements of Guoco and the Offeror dated 17 August 2018 and 14 September 2018 respectively setting out monthly updates on the status and progress in connection with the Proposal and the despatch of the Scheme Document (as defined below); and
- (v) the composite scheme document jointly issued by Guoco and the Offeror dated 10 October 2018 in relation to, among other things, the Proposal, the Scheme and the Distribution (the “**Scheme Document**”).

Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Scheme Document.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document together with the notices of the Court Meeting and the Guoco SGM (both to be held on Thursday, 1 November 2018), the relevant forms of proxy and the Form of Election will be despatched to the Scheme Shareholders or the Shareholders (where applicable) on Wednesday, 10 October 2018.

The Scheme Document contains, among other things, further details of the Proposal, the Scheme and the Distribution, the expected timetable, the letter from the Guoco Board, the letter from the Independent Board Committee, the letter from Somerley, the explanatory statement of the Scheme as required under the Companies Act, financial information of Guoco, property valuation reports, general information of Guoco and the Offeror, the notice of the Court Meeting and the notice of the Guoco SGM.

RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises Mr. Volker Stoeckel, Mr. Roderic N. A. Sage and Mr. David Michael Norman (each being an independent non-executive Guoco Director), has been established by the Guoco Board to make a recommendation to the Shareholders as to whether the Proposal is, or is not, fair and reasonable and as to approval.

Somerley has been appointed as the independent financial adviser to advise the Independent Board Committee in connection with the Proposal. Such appointment has been approved by the Independent Board Committee.

Somerley has advised the Independent Board Committee that it considers the terms of the Proposal to be fair and reasonable as far as the Scheme Shareholders are concerned, and accordingly, it advises the Independent Board Committee to recommend the Scheme Shareholders to vote in favour of the relevant resolutions to be proposed at the Court Meeting and the Guoco SGM to approve and implement the Proposal.

The Independent Board Committee, having been so advised, considers that as far as the Scheme Shareholders are concerned, the terms of the Proposal are fair and reasonable and accordingly, the Independent Board Committee recommends the Scheme Shareholders to vote:

- (i) at the Court Meeting, in favour of the Scheme; and
- (ii) at the Guoco SGM to approve the cancellation of the Scheme Shares, the simultaneous issue to the Offeror of the same number of Shares, credited as fully paid, as the Scheme Shares cancelled and the Distribution.

The Scheme Shareholders are urged to read and consider carefully the recommendations of the Independent Board Committee set out in the letter from the Independent Board Committee and the advice of Somerley set out in the letter from Somerley, both contained in the Scheme Document.

THE COURT MEETING AND THE GUOCO SGM

The Court Meeting and the Guoco SGM are scheduled to be held at 10:00 a.m. and 10:30 a.m. (or immediately after the conclusion or adjournment of the Court Meeting) respectively, on Thursday, 1 November 2018 at The Dragon Room 1 & 2, The Hong Kong Bankers Club, 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong.

The Court has directed that the Court Meeting be convened and held for the purpose of considering and, if thought fit, approving (with or without modification(s)) the Scheme.

Immediately following the conclusion or adjournment of the Court Meeting, the Guoco SGM will be held for the purpose of considering and, if thought fit, passing:

- (i) the special resolution to give effect to the Scheme by cancelling the Scheme Shares;
- (ii) the ordinary resolution to apply the reserve created by the cancellation of the Scheme Shares to simultaneously restore the issued share capital of Guoco by the allotment and issue of an equal number of shares, credited as fully paid, to the Offeror; and
- (iii) the ordinary resolution to approve the Distribution.

Notices of the Court Meeting and the Guoco SGM are contained in the Scheme Document.

An announcement will be made by Guoco and the Offeror in relation to the results of the Court Meeting and the Guoco SGM by 7:00 p.m. on Thursday, 1 November 2018.

CLOSURE OF THE REGISTER OF MEMBERS

For the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the Guoco SGM, the Register will be closed from Saturday, 27 October 2018 to Thursday, 1 November 2018 (both days inclusive) (or such other date as the Shareholders may be notified by announcement) and, during such period, no transfer of Shares will be effected.

In order to qualify to vote at the Court Meeting and the Guoco SGM, all transfers accompanied by the relevant share certificates must be lodged at the office of the Share Registrar at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Friday, 26 October 2018 (or such other date as the Shareholders may be notified by announcement).

Assuming that the Entitlement Record Date falls on Thursday, 8 November 2018, it is proposed that the Register will be closed from Wednesday, 7 November 2018 to Wednesday, 14 November 2018 (both days inclusive) (or such other date as the Shareholders may be notified by announcement) in order to determine the entitlements of the Scheme Shareholders and the Shareholders to receive the Scheme Consideration and the Distribution respectively under the Proposal and, during such period, no transfer of Shares will be effected.

In order to qualify for such entitlements to receive the Scheme Consideration and the Distribution under the Proposal, all transfers accompanied by the relevant share certificates must be lodged at the office of the Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Tuesday, 6 November 2018 (or such other date as the Shareholders may be notified by announcement).

CONDITIONS OF THE PROPOSAL

Shareholders and/or potential investors should be aware that the implementation of the Proposal will only become effective upon all the Scheme Conditions and the Distribution Conditions being satisfied or validly waived (if applicable) and thus the Scheme may or may not become effective and the Distribution may or may not be paid. The Scheme Conditions and the Distribution Conditions are set out in the sections headed "4. Conditions of the Scheme" and "6. Conditions of the Distribution", respectively, in "Part VIII – Explanatory Statement" of the Scheme Document.

All the Scheme Conditions and the Distribution Conditions will have to be satisfied or validly waived (if applicable) on or before the Long Stop Date, failing which the Proposal will lapse.

Assuming that all the Scheme Conditions are satisfied or, if applicable, validly waived, the Scheme will become binding and effective on the Effective Date, which is expected to be Wednesday, 14 November 2018 (Bermuda time), and the listing of Shares on the Stock Exchange is expected to be withdrawn at 4:00 p.m. on Friday, 16 November 2018 pursuant to Rule 6.15(2) of the Listing Rules.

Further announcement(s) will be made regarding the Proposal in accordance with the requirements of the Takeovers Code and the Listing Rules, including in relation to the results of the hearing of the petition to sanction the Scheme by the Court, the Effective Date and the expected date of the withdrawal of listing of the Shares from the Stock Exchange.

EXPECTED TIMETABLE

Hong Kong time
(unless otherwise stated)

End of the VWAP Period (*Note 1*). Tuesday, 16 October 2018

Announcement of the Scheme Consideration and the
Cash Alternative Amount to the Scheme Shareholders Tuesday, 16 October 2018

Latest time for lodging transfers of Shares in order to
become entitled to vote at the Court Meeting and
the Guoco SGM. 4:30 p.m. on Friday, 26 October 2018

Closure of the Register for determination of entitlements
of the Scheme Shareholders to attend and vote at the
Court Meeting and the entitlements of the Shareholders to
attend and vote at the Guoco SGM (*Note 2*). Saturday, 27 October 2018 to
Thursday, 1 November 2018
(both days inclusive)

Latest time for lodging the forms of proxy in respect of: (*Note 3*)

– Court Meeting 10:00 a.m. on
Tuesday, 30 October 2018

– Guoco SGM. 10:30 a.m. on
Tuesday, 30 October 2018

Meeting Record Date Thursday, 1 November 2018

Hong Kong time
(unless otherwise stated)

Court Meeting (<i>Note 4</i>)	10:00 a.m. on Thursday, 1 November 2018
Guoco SGM (<i>Note 4</i>)	10:30 a.m. on Thursday, 1 November 2018 or immediately after the conclusion or adjournment of the Court Meeting
Announcement of the results of the Court Meeting and the Guoco SGM posted on the website of the Stock Exchange	by 7:00 p.m. on Thursday, 1 November 2018
Expected latest time for trading in Shares on the Stock Exchange	4:00 p.m. on Friday, 2 November 2018
Latest time for lodging transfers of Shares in order to qualify for entitlements under the Scheme and the Distribution	4:30 p.m. on Tuesday, 6 November 2018
Latest time for lodging the Form of Election (<i>Note 5</i>)	4:30 p.m. on Tuesday, 6 November 2018
Closure of the Register for determining the entitlements of the Scheme Shareholders and the Shareholders to receive the Scheme Consideration and the Distribution respectively under the Proposal (<i>Note 6</i>)	Wednesday, 7 November 2018 to Wednesday, 14 November 2018 (both days inclusive)
Entitlement Record Date	Thursday, 8 November 2018
Court Hearing	Tuesday, 13 November 2018 (<i>Bermuda time</i>)
Announcement of the results of the Court Hearing and to confirm the cancellation of the Scheme Shares and simultaneous issue of shares, the expected Effective Date and the expected date of the withdrawal of listing of the Shares on the Stock Exchange	on or before 8:30 a.m. on Wednesday, 14 November 2018

Hong Kong time
(unless otherwise stated)

Effective Date (Note 7) Wednesday, 14 November 2018
(Bermuda time)

Trust established for the HLFM Shares
under the Distribution Effective Date

Announcement of the Effective Date and the
withdrawal of the listing of the Shares on the
Stock Exchange on or before 8:30 a.m. on
Thursday, 15 November 2018

Expected withdrawal of the listing of the Shares on the
Stock Exchange becomes effective (Note 8) 4:00 p.m. on
Friday, 16 November 2018

Latest time to despatch cheques for the cash payment
under the Scheme, credit HLFM Shares to the
Scheme Shareholders' Eligible CDS Accounts and
pay the Cash Alternative Amount (Note 9) Friday, 23 November 2018

All Shareholders should note that the dates and times specified in the above timetable are subject to change. Further announcement(s) will be made in the event that there is any change to the above timetable. All references in this announcement to times and dates are references to Hong Kong times and dates, other than references to the expected date of the Court Hearing, the Effective Date and the date of the establishment of the trust for the HLFM Shares under the Distribution, which are the relevant times and dates in Bermuda. For reference only, Bermuda time is 11 hours behind Hong Kong time as at the date of this announcement.

Notes:

- (1) The VWAP Period means the 14 Malaysian Trading Day period ending on the date that is 16 days (or, if such date is not a Malaysian Trading Day, the first day preceding such date which is a Malaysian Trading Day) prior to the Court Meeting.
- (2) The Register will be closed during such period for the purpose of determining the entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the Guoco SGM. This book closure period is not for determining the entitlements of the Scheme Shareholders and the Shareholders to receive the Scheme Consideration and the Distribution respectively under the Proposal.
- (3) The forms of proxy should be lodged at the office of the Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than the times and date(s) stated above. In order to be valid, the **pink** form of proxy for the Court Meeting and the **white** form of proxy for the Guoco SGM must be lodged no later than the latest times and date(s) stated above.

Each Scheme Shareholder is only entitled to submit one **pink** form of proxy for the Court Meeting. If more than one **pink** form of proxy for the Court Meeting is submitted by a Scheme Shareholder and the voting instructions require the proxies to vote both FOR and AGAINST the Scheme, such **pink** forms of proxy will not be accepted. If more than one **pink** form of proxy for the Court Meeting is submitted by a Scheme Shareholder and the voting instructions require the proxies to vote either FOR or AGAINST the Scheme but not both FOR and AGAINST the Scheme, the Chairman at the Court Meeting shall have absolute discretion as to whether or not to accept such **pink** forms of proxy.

Completion and return of a form of proxy for the Court Meeting and/or the Guoco SGM will not preclude a Scheme Shareholder or a Shareholder, respectively, from attending the relevant meeting and voting in person. In such event, the returned form of proxy will be deemed to have been irrevocably revoked. If the **pink** form of proxy is not so lodged, it may also be handed to the Chairman at the Court Meeting before the taking of the poll who shall have absolute discretion as to whether or not to accept it.

- (4) The Court Meeting and the Guoco SGM will be held at The Dragon Room 1 & 2, The Hong Kong Bankers Club, 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong at the times and date specified above. Please see the notice of the Court Meeting set out in “Appendix V – Notice of Court Meeting” and the notice of the Guoco SGM set out in “Appendix VI – Notice of Guoco SGM” to the Scheme Document for details.
- (5) The **blue** Form of Election, duly completed in accordance with the instructions on them, must be lodged at the office of the Share Registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than the Election Time, being 4:30 p.m. on Tuesday, 6 November 2018 (or such later date as may be notified by way of joint announcement by the Offeror and Guoco on the website of the Stock Exchange).
- (6) The Register will be closed as from such time and on such date for the purpose of determining the Shareholders who are qualified for entitlements under the Scheme and the Distribution.
- (7) The Scheme shall become effective upon all Scheme Conditions set out in the section headed “4. Conditions of the Scheme” in “Part VIII – Explanatory Statement” of the Scheme Document having been fulfilled or (to the extent permitted) waived (as the case may be).
- (8) If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at 4:00 p.m. on Friday, 16 November 2018.
- (9) Cheques for the Scheme Consideration and the Cash Alternative Amount will be despatched by ordinary post at the risk of the recipients to their addresses shown in the Register as soon as possible following the Effective Date on or before Friday, 23 November 2018, save for cheques in favour of HKSCC Nominees which will be made available for collection by HKSCC Nominees.

WARNING: Shareholders and/or potential investors should be aware that the implementation of the Proposal will only become effective upon all the Scheme Conditions and the Distribution Conditions being satisfied or validly waived (if applicable) and thus the Scheme may or may not become effective and the Distribution may or may not be paid. Shareholders and/or potential investors should therefore exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their licensed securities dealer, registered institution in securities, bank manager, solicitor or other professional adviser.

By order of the board
GuoLine Overseas Limited
Mr. Soon Seong Keat
Authorised Representative

By order of the board
Guoco Group Limited
Ms. Lo Sze Man, Stella
Company Secretary

Hong Kong, 10 October 2018

The Offeror Directors and the Hong Leong Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Guoco Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Guoco Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the Offeror Board comprises: Mr. Quek Leng Chan; Mr. Kwek Leng San; Mr. Kwek Leng Beng; and Mr. Kwek Leng Hai and the Hong Leong Board comprises Mr. Quek Leng Chan; Mr. Kwek Leng Beng; Mr. Kwek Leng Hai; Mr. Kwek Leng Peck; Dr. Poh Soon Sim; and Mr. Kwek Leng San.

The Guoco Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror, the Offeror Group and the Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror, the Offeror Group and the Concert Parties) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

As at the date of this announcement, the Guoco Board comprises: Mr. Kwek Leng Hai as Executive Chairman; Mr. Tang Hong Cheong as President and 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.