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

## **VOLUNTARY ANNOUNCEMENT**

### **CONDITIONAL EQUITY FUNDRAISE AND TRADING UPDATE FOR THE QUARTER TO 30 SEPTEMBER 2020 OF THE RANK GROUP PLC**

This announcement is made by Guoco Group Limited (“Guoco” or the “Company”) on a voluntary basis.

#### **CONDITIONAL EQUITY FUNDRAISE BY RANK**

On 5 November 2020 (London time), The Rank Group Plc (“Rank”), a 52.03% owned subsidiary of Guoco and listed on London Stock Exchange Plc (“LSE”) in the United Kingdom (the “UK”), announced that it has conducted a conditional equity fund raising (the “Fundraise”) of a total of 77,746,020 new ordinary shares of 13<sup>8/9</sup> pence each (“New Rank Shares”), representing approximately 19.9% of the existing issued ordinary shares of Rank prior to the completion of the Fundraise by way of a share placing (the “Placing”) and a retail offer at an issue price of 90 pence per New Rank Share (the “Placing Price”). The Placing Price represents a premium of approximately 4.3% to the closing price of Rank shares of 86.3 pence on 5 November 2020, the latest applicable day prior to launch of the Fundraise. The Fundraise, upon completion, will raise gross proceeds of approximately GBP70 million.

A total of 76,736,762 New Rank Shares have been conditionally placed with certain existing and new institutional investors and a total of 1,009,258 New Rank Shares have been subscribed by retail investors via an electronic retail platform in the UK (the “Retail Offer”).

Rank Assets Limited (“RAL”, a direct wholly owned subsidiary of Guoco, holds approximately 52.03% of the existing issued share capital of Rank) and GuoLine Overseas Limited (“GOL”, an indirect wholly owned subsidiary of Hong Leong Company (Malaysia) Berhad (“HLCM”) which is the ultimate holding company of Guoco), holds approximately 4.05% of the existing issued share capital of Rank) have agreed to subscribe for 40,497,157 and 3,153,536 New Rank Shares respectively in the Placing. RAL and GOL will hold 52.04% and 4.05% of the enlarged issued share capital of Rank after the issue of the New Rank Shares. Pursuant to the UK Listing Rules, the issue of New Rank Shares to RAL and GOL constitutes a related party transaction (the “Related Party Transaction”) and Rank is required to seek approval from its independent shareholders, among others, for the Related Party Transaction. RAL and GOL are required to abstain from voting on the resolution relating to the Related Party Transaction pursuant to the UK Listing Rules. The participation of RAL in the Placing does not constitute a notifiable transaction for Guoco under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Fundraise is conditional, inter alia, on Rank's independent shareholder approval of the Related Party Transaction at a general meeting to be held by Rank on 23 November 2020 at 11:30 a.m. (London Time). The Fundraise is also conditional on Rank's shareholder approval to grant the directors of Rank the authority to allot and issue the New Rank Shares as if the applicable statutory pre-emption rights did not apply. The New Rank Shares, when issued, will be credited as fully paid and will rank pari passu in all respects with the existing issued ordinary shares of Rank at that time. Rank will apply for admission of the New Rank Shares to the premium listing segment of the Official List of the Financial Conduct Authority and trading on the main market for listed securities of LSE from 24 November 2020.

### **Reasons for the Fundraise and Use of Proceeds**

Rank is a leading European gaming company headquartered in Great Britain and a major part of its revenue is generated from its venue business. The curfew imposed by the UK Government from 24 September 2020 requiring the leisure businesses (including casinos and bingo halls) to close between 10 p.m. and 5 a.m., the national lockdown in England from 5 November 2020 to 2 December 2020 (the "Lockdown") resulting in all of the venues of Rank in England closing for that period and other further measures from the UK Government, alongside a broader erosion of consumer confidence caused by the COVID-19 pandemic, is expected to negatively impact Rank's liquidity position in the coming months. Rank is not expecting to achieve monthly positive cash generation from its venues whilst the Lockdown remains in place.

Through the Fundraise, Rank is looking to strengthen its balance sheet in order to maintain appropriate liquidity covenant headroom on its debt facilities under various trading scenarios, provide ample working capital to operate through this challenging environment, and to enable Rank to continue to deliver on its transformation 2.0 programme. Conditional upon successful completion of the Fundraise, Rank's lending banks have agreed to extend the GBP50 million minimum liquidity test until March 2022.

### **TRADING UPDATE OF RANK FOR THE QUARTER TO 30 SEPTEMBER 2020**

Rank announced that its like-for-like net gaming revenue ("NGR") was down 52% for the quarter ended 30 September 2020, with total NGR down 47%.

Rank's total cash and available banking facilities at the end of August 2020 was GBP125 million. During September, before the introduction of the curfew on 24 September, Rank was operating at around cash break even while its total cash and available facilities decreased to GBP90 million following the expiration of an undrawn GBP30 million revolving credit facility. Since the end of the September quarter, Rank has sold, subject to regulatory approval, its sole venue in Belgium, the Blankenberge Casino, to Kindred Group Plc for GBP25 million. The launch of the Fundraise will further improve Rank's liquidity position and secure bank covenant waivers through to March 2022 based upon an ongoing liquidity headroom test of GBP50 million.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

*(Note: The expression "GBP" in this announcement means "British Pound Sterling")*

Remarks: *Relevant announcements of Rank dated 5 November 2020 and 6 November 2020 are accessible at LSE's website (<http://www.londonstockexchange.com>) and are also posted by Guoco as overseas regulatory announcements on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and Guoco (<http://www.guoco.com>).*

By Order of the Board  
**LO Sze Man, Stella**  
Company Secretary

Hong Kong, 6 November 2020

*As at the date of this announcement, the board of directors of Guoco comprises Mr. KWEK Leng Hai as Executive Chairman; Mr. TANG Hong Cheong as President & CEO; Mr. KWEK Leng San as Non-executive Director and Mr. Roderic N. A. SAGE, Mr. David Michael NORMAN and Mr. Lester G. HUANG, SBS, J.P. as Independent Non-executive Directors.*