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國浩集團有限公司

Guoco Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 53)

Connected Transactions
– **Standby Purchase Agreement in relation to**
the purchase of shares in Petronas Chemicals Group Berhad

The Board announces that on 8 November 2010 (after trading hours), GMCL, a wholly owned subsidiary of Guoco, entered into the standby purchase agreement as the standby purchaser with HLIB in respect of the purchase of the allocated shares in the initial public offer of Petronas Chemicals Group Berhad with a maximum committed amount of RM30,300,000, at a fee to be payable by HLIB to GMCL.

As at the date of the Agreement, HLIB is an associate of connected persons (as defined under the Listing Rules) of Guoco by virtue of the fact that it is an indirect subsidiary of HLCM, the ultimate holding company of Guoco. Mr. Quek Leng Chan, the Executive Chairman of Guoco, is a deemed controlling shareholder of Guoco and HLCM. The transactions under the Agreement constitute connected transactions for Guoco under the Listing Rules.

Since the applicable percentage ratios under the Listing Rules in respect of the Purchase exceed 0.1% but less than 5%, the transaction is only subject to the announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by independent shareholders of Guoco. Details of such transaction will be included in Guoco's next published annual report and accounts in compliance with Rule 14A.45 of the Listing Rules.

INTRODUCTION

In connection with the PCGB IPO, HLIB has entered into, together with other joint underwriters, the PCGB Underwriting Agreement with PCGB to underwrite a portion of the retail offering.

On 8 November 2010 (after trading hours), GMCL, a wholly owned subsidiary of Guoco, as the standby purchaser, entered into the Agreement with HLIB in respect of the purchase of the Allocated Shares, at a fee to be payable by HLIB to GMCL.

THE AGREEMENT

Date

8 November 2010

Parties

GMCL, a wholly owned subsidiary of Guoco, as the standby purchaser
HLIB, one of the joint underwriters of the retail offering portion of PCGB Shares in connection with the PCGB IPO

Allocated Shares and Committed Amount

Subject to the condition as described below, GMCL agrees that it will purchase the Allocated Shares in accordance with the terms and conditions of the Agreement. HLIB shall notify GMCL the number of Allocated Shares which GMCL is required to purchase under the Agreement subject always to such number being equal to or less than the number of PCGB Shares which when multiplied by the Issue Price shall be equivalent to the committed amount of RM30,300,000 (approximately HK\$76,034,820). The relevant purchase consideration shall be payable by GMCL within two market days of the receipt of such notification from HLIB.

Based on the Committed Amount and the initial price of RM5.05 per PCGB Share, the maximum number of Allocated Shares that GMCL may take up will be 6,000,000, representing approximately 0.075 % of the total issued share capital of PCGB after the PCGB IPO. HLIB shall have discretion to determine the number of Allocated Shares or choose not to allocate any to GMCL.

Issue Price

The Issue Price is the final price per PCGB Share for the retail offering portion of the PCGB IPO, being the lower of RM5.05 (approximately HK\$12.672) and 97% of the Institutional Price.

Fee

Pursuant to the Agreement, GMCL shall be entitled to a fee equivalent to RM303,000 (approximately HK\$760,348) payable by HLIB within one market day after, and subject to, the receipt by HLIB of the underwriting fees under the PCGB Underwriting Agreement. The fee shall be reduced pro-rata if the underwriting fees payable to HLIB under the PCGB Underwriting Agreement are not paid to HLIB for any reason whatsoever.

Condition of the Agreement

Completion of the Agreement is subject to the PCGB Underwriting Agreement becoming unconditional and in all respects and not terminated in accordance with the provisions therein.

Completion of the Agreement

The Purchase is expected to be completed on or before 26 November 2010.

RATIONALE

Being part of its Principal Investment business, the Group from time to time invests in global equity markets. The Agreement forms part of the investment activities of the Group and is in the ordinary and usual course of its business. The Board (including the independent non-executive directors) considers that the terms and conditions of the Agreement are on normal commercial terms, and are fair and reasonable and in the interests of Guoco and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of the Agreement, HLIB is an associate of connected persons (as defined under the Listing Rules) of Guoco by virtue of the fact that it is an indirect subsidiary of HLCM, the ultimate holding company of Guoco. Mr. Quek Leng Chan, the Executive Chairman of Guoco, is a deemed controlling shareholder of Guoco and HLCM. The proposed transactions under the Agreement constitute connected transactions for Guoco under the Listing Rules. Mr. Quek has abstained from voting on the relevant board resolutions approving the Agreement.

Since the applicable percentage ratios under the Listing Rules in respect of the Purchase exceed 0.1% but less than 5%, the transaction is only subject to the announcement requirements under Chapter 14A of the Listing Rules and does not require the approval by independent shareholders of Guoco. Details of such transaction will be included in Guoco's next published annual report and accounts in compliance with Rule 14A.45 of the Listing Rules.

INFORMATION ON THE GROUP, HLIB AND THE PCGB GROUP

Guoco is an investment holding and management company and the principal activities of its subsidiaries and associated companies encompass principal investment, property development and investment, hospitality and leisure business, stock and commodity broking, investment advisory, banking and financing, insurance, fund management as well as merchant banking.

HLIB is a wholly owned subsidiary of HLCB, engaging in stock, share broking and research and the full range of investment banking products and services. HLCB is an investment holding company listed on the Main Market of Bursa Malaysia Securities whereby its subsidiaries are involved principally in investment banking, stock broking, unit trust management, fund management, futures broking and nominee services.

The PCGB Group is the leading integrated petrochemicals producer in Malaysia and one of the largest petrochemicals producers in Southeast Asia, involved primarily in manufacturing, marketing and selling a diversified range of petrochemical products, including olefins, polymers, fertilisers, methanol and other basic chemicals and derivative products. The listing of the PCGB Shares is scheduled to take place on 26 November 2010.

As at the date of this announcement, the Board comprises Mr. Quek Leng Chan as Executive Chairman; Mr. Kwek Leng Hai as President and CEO; Mr. Tan Lim Heng and Mr. Ding Wai Chuen as executive directors; Mr. Kwek Leng San as non-executive director and Mr. Sat Pal Khattar, Mr. Volker Stoeckel and Mr. Roderic N. A. Sage as independent non-executive directors.

(For reference only, the exchange rate of RM:HK\$ as referred to in this announcement is RM1:HK\$2.5094 as at 8 November 2010.)

DEFINITIONS

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

“Agreement”	the standby purchase agreement dated 8 November 2010 entered into between GMCL and HLIB
“Allocated Share(s)”	the number of PCGB Shares which GMCL is required to purchase under the Agreement subject always to such number being equal to or less than the number of PCGB Shares which when multiplied by the Issue Price shall be equivalent to the Committed Amount
“Board”	the board of directors of the Company
“Bursa Malaysia Securities”	Bursa Malaysia Securities Berhad
“Committed Amount”	RM30,300,000 (approximately HK\$76,034,820), being the maximum amount of consideration payable for the Purchase committed by GMCL under the Agreement

“Company” or “Guoco”	Guoco Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“GMCL”	Guoco Management Company Limited, a company incorporated in Hong Kong and a wholly owned subsidiary of Guoco
“Group”	Guoco and its subsidiaries
“HLCB”	Hong Leong Capital Berhad (formerly known as HLG Capital Berhad), a company incorporated in Malaysia, the shares of which are listed on the Main Market of Bursa Malaysia Securities. It is a 79.1% owned subsidiary of Hong Leong Financial Group Berhad, which is in turn is a 51.9% owned direct subsidiary of HLCM and a 25% owned associate of Guoco
“HLCM”	Hong Leong Company (Malaysia) Berhad, a company incorporated in Malaysia with limited liability and the ultimate holding company of Guoco
“HLIB”	Hong Leong Investment Bank Berhad, a company incorporated in Malaysia and a wholly owned subsidiary of HLCB
“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
“Institutional Price”	the price per PCGB Share to be paid by investors pursuant to the institutional offering portion of the PCGB IPO
“Issue Price”	the final price per PCGB Share for the retail offering portion of the PCGB IPO, being the lower of RM5.05 (approximately HK\$12.672) and 97% of the Institutional Price
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PCGB”	Petronas Chemicals Group Berhad, a company incorporated in Malaysia
“PCGB Group”	PCGB and its subsidiaries
“PCGB IPO”	the initial public offering of PCGB Shares by way of the listing of and quotation of PCGB Shares on the Main Market of Bursa Malaysia Securities
“PCGB Share(s)”	the ordinary share(s) of RM0.10 each in PCGB
“PCGB Underwriting Agreement”	the joint underwriting agreement dated 22 October 2010 entered into by HLIB together with other joint underwriters and PCGB for the underwriting of a portion of the retail offering of about 293 million PCGB Shares in connection with the PCGB IPO

“Purchase” the purchase of the Allocated Shares pursuant to the Agreement
“RM” Ringgit Malaysian, the lawful currency of Malaysia
“Stock Exchange” The Stock Exchange of Hong Kong Limited
“%” per cent.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 9 November 2010