THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Guoco Group Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares in Guoco Group Limited.

國浩集團有限公司
Guoco Group Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 53)

MAJOR TRANSACTION

Supplemental Circular

Mandatory Cash Offer
by
All Global Investments Limited
for
The Rank Group Plc

A letter from the Board is set out on page 2 to 5 of this circular.

Hong Kong, 24 August 2011

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Capitalised terms used in this Supplemental Circular shall have the meanings as those defined in the Circular unless the context requires otherwise. Moreover, in this Supplemental Circular, the following expressions have the following meanings unless the context requires otherwise:

"Circular"	the circular dated 13 June 2011 issued by Guoco to the Shareholders in respect of the Major Transaction
"EBITDA"	Earnings before interest, tax, depreciation and amortisation
"Enlarged Group"	the Guoco Group after the conclusion of the Major Transaction
"HKAS"	Hong Kong Accounting Standard
"HMRC"	Her Majesty's Revenue and Customs
"KPMG"	KPMG, the reporting accountant of the unaudited pro forma financial information of the Enlarged Group as set out in Appendix II of this Supplemental Circular
"Latest Practicable Date"	19 August 2011, being the latest practicable date before the printing of this Supplemental Circular for ascertaining certain information for the purpose of inclusion in this Supplemental Circular
"Offer Acceptances"	the receipt of valid acceptances from Rank Shareholders in respect of 131,515,029 Rank Shares at a price of 150p for each Rank Share by the Offeror as at 1:00 p.m. (London time) on 15 July 2011 when the Offer was closed
"Supplemental Circular"	this supplemental circular issued by Guoco for the purpose of providing the Shareholders with further information concerning the Rank Group and the Enlarged Group
"VAT"	value added tax
"€"	Euros, the lawful currency of the member states of the European Union

For reference only, the exchange rate of £:HK$ and US$:HK$ as referred to in this Supplemental Circular is £1:HK$12.8593 and US$1:HK$7.7987 respectively as at the Latest Practicable Date.

國浩集團有限公司
Guoco Group Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 53)

Executive Directors:
Quek Leng Chan *(Executive Chairman)*
Kwek Leng Hai *(President, CEO)*
Tan Lim Heng
Ding Wai Chuen

Non-executive Director:
Kwek Leng San

Independent Non-executive Directors:
Sat Pal Khattar
Volker Stoeckel
Roderic N. A. Sage

Registered office:
Canon's Court
22 Victoria Street
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Principal office:
50th Floor, The Center
99 Queen's Road Central
Hong Kong

24 August 2011

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

Supplemental Circular

Mandatory Cash Offer
by
All Global Investments Limited
for
The Rank Group Plc

INTRODUCTION

Reference is made to the Circular issued by Guoco on 13 June 2011 in respect of the Major Transaction.

The purpose of this Supplemental Circular is to provide the Shareholders with further information concerning the Rank Group and the Enlarged Group.

CLOSE OF THE OFFER

As at 1:00 p.m. (London time) on 15 July 2011, the Offeror had received valid acceptances from Rank Shareholders in respect of 204,564,907 Rank Shares and withdrawals from Rank Shareholders in respect of 73,049,878 Rank Shares.

Accordingly, after taking into account the withdrawals, the total number of Rank Shares owned by members of the Guoco Group and in respect of which the Offeror had received valid acceptances was 291,001,931 Rank Shares, representing, in aggregate, approximately 74.50% of Rank's existing issued share capital.

The Offer was closed at 1:00 p.m. (London time) on 15 July 2011.

SUPPLEMENTAL CIRCULAR

Due to the unavailability of certain non-public information of Rank at the time of despatch of the Circular on 13 June 2011, the Company was unable to include in the Circular certain information relating to Rank and the Enlarged Group to strictly comply with the disclosure requirements under Chapter 14 of the HK Listing Rules. Such outstanding information, therefore, is required to be despatched to the Shareholders by way of a supplemental circular in the manner set out in Rule 14.67A(3) of the HK Listing Rules.

To fulfil its disclosure obligations under the HK Listing Rules, the Company set out the following information in this Supplemental Circular to supplement the information already disclosed in the Circular:

(1) supplemental financial information of the Rank Group (set out in Appendix I to this Supplemental Circular);

(2) management discussion and analysis of results of the Rank Group (set out in Appendix I to this Supplemental Circular);

(3) unaudited pro forma financial information of the Enlarged Group (set out in Appendix II to this Supplemental Circular);

(4) statement of indebtedness of the Enlarged Group as at 30 June 2011 (set out in Appendix III to this Supplemental Circular);

(5) statement of sufficiency of working capital of the Enlarged Group covering a period of 12 months from the date of this Supplemental Circular (set out in Appendix III to this Supplemental Circular);

(6) statement as to the financial and trading prospects of the Enlarged Group (set out in Appendix III to this Supplemental Circular);

(7) litigation or claims of material importance pending or threatened against any member of the Enlarged Group (set out in Appendix III to this Supplemental Circular);

(8) material contracts and documents of the Enlarged Group (set out in Appendix III to this Supplemental Circular); and

(9) other prescribed information under Rules 14.66 and 14.67 of the HK Listing Rules which has not been previously disclosed in the Circular.

Apart from the information disclosed in the Supplemental Circular, there is no material change to the information previously disclosed in the Circular.

WAIVERS FROM THE HK STOCK EXCHANGE

1. Dispensation with requirement in respect of the accountants' report

Pursuant to Rule 14.67(6)(a)(i) of the HK Listing Rules, Guoco is required to include in this Supplemental Circular an accountants' report on Rank prepared in accordance with Chapter 4 of the HK Listing Rules. The accountants' report for the purpose of the Major Transaction is supposed to include the financial information of Rank for the three financial years ended 31 December 2008, 2009 and 2010 and also a stub period for a period ended 6 months or less before this Supplemental Circular is issued.

Rank's audited financial statements showing the financial information for the three financial years ended 31 December 2008, 2009 and 2010 have already been included in the Circular and its half-year results for the six months ended 30 June 2011 were published on the London Stock Exchange by Rank and were released on the website of the HK Stock Exchange as an overseas regulatory announcement by Guoco on 28 July 2011. All these financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("EU IFRS") which has no principal difference compared to Hong Kong Financial Reporting Standards as currently adopted by Guoco.

The financial statements of Rank for the two financial years ended 31 December 2008 and 2009 and for the financial year ended 31 December 2010 were audited by PricewaterhouseCoopers UK and Ernst & Young UK ("EY UK") respectively. Should an accountants' report be included in this Supplemental Circular, re-audit of Rank for the two financial years ended 31 December 2008 and 2009 by EY UK and reconciliation of the disclosure requirements under Chapter 4 of the HK Listing Rules by Ernst & Young, Hong Kong would be required.

For preparation of the accountants' report, considerable time, resources and costs are expected to be incurred in view of the geographical spread of Rank's business with more than 140 business locations within and outside the UK. This would cause disruption to Rank's normal business operations and practical difficulties for Rank. It is estimated that a further 3 to 4 months' time is required for EY UK to complete the audit work and it would incur substantial costs for the preparation of the accountants report.

Guoco is of the view that the inclusion of an accountants' report in this Supplemental Circular would create practical difficulties and is unduly burdensome for Guoco whilst such accountants' report would produce no additional valuable information to the shareholders over and above the financial information already published. As such, the Company has applied to the HK Stock Exchange and was granted a waiver from strict compliance with Rule 14.67(6)(a)(i) of the HK Listing Rules for inclusion of an accountants' report of Rank in this Supplemental Circular.

2. Delay in despatch of the Supplemental Circular

Following the publication of the Circular, a Supplemental Circular containing information required under Rule 14.67A(3) of the HK Listing Rules is required to be despatched to the Shareholders on or before 22 July 2011, being within 45 days of Guoco gaining control over Rank on 7 June 2011. As additional time is required to prepare the information for this Supplemental Circular, Guoco has applied to the HK Stock Exchange and was granted a waiver from strict compliance with Rule 14.67A(3) of the HK Listing Rules and an extension of time for the despatch of this Supplemental Circular to a date no later than 25 August 2011.

ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the following appendices of this Supplemental Circular:

(I) other information of the Rank Group;

(II) unaudited pro forma financial information of the Enlarged Group; and

(III) general information.

Yours faithfully,
By Order of the Board
Kwek Leng Hai
President, CEO

SUPPLEMENTAL FINANCIAL INFORMATION OF THE RANK GROUP

The Company sets out the following supplemental financial information of the Rank Group which were not previously included in Rank's audited financial statements showing the financial information for the three financial years ended 31 December 2008, 2009 and 2010 disclosed in the Circular, and its published half-year results for the six months ended 30 June 2011 posted on the website of the HK Stock Exchange on 28 July 2011.

1 Trade and Other Payables

Group

The ageing of trade payables is as follows:

	31 December 2008	31 December 2009	31 December 2010	30 June 2011
	£'million	*£'million*	*£'million*	*£'million*
On demand and within 1 month	11.2	11.2	12.5	12.4
After 1 month but within 3 months	3.8	4.3	4.2	1.6
After 3 months but within 6 months	0.1	0.1	—	2.5
After 6 months	1.1	1.3	1.4	0.8
	16.2	16.9	18.1	17.3

2 Total Assets Less Current Liabilities

Group

As at 30 June 2011, the amount of total assets less current liabilities was £334.3 million (31 December 2010: £357.8 million; 31 December 2009: £336.3 million; 31 December 2008: £258.0 million).

3 Commitments

Group

Capital commitments

As at 30 June 2011, the amount of capital commitment authorized but not contracted for was £12.7 million (31 December 2010: £5.8 million; 31 December 2009: £2.0 million; 31 December 2008: £1.5 million).

4 Property, Plant and Equipment

Group

The net book value of land and buildings located outside Hong Kong comprises:

	31 December 2008 £'million	31 December 2009 £'million	31 December 2010 £'million	30 June 2011 £'million
Freeholds	26.8	25.8	23.9	23.2
Long leases	3.5	3.3	4.5	4.5
Medium-term leases	42.8	32.8	30.4	28.9
Short leases	1.1	1.6	4.1	5.1
Net book value	74.2	63.5	62.9	61.7

5 Financing

	Year to December 2008 £'million	Year to December 2009 £'million	Year to December 2010 £'million	Six months to 30 June 2010 £'million	Six months to 30 June 2011 £'million
Continuing operations					
Interest on debt and borrowings not wholly repayable within 5 years	19.8	6.6	3.6	1.8	1.8
Interest on debt and borrowings wholly repayable within 5 years	0.5	0.6	0.7	0.3	0.3
	20.3	7.2	4.3	2.1	2.1

MANAGEMENT DISCUSSION AND ANALYSIS OF RESULTS OF THE RANK GROUP

The following is the management discussion and analysis of results of the Rank Group for each of the three years ended 31 December 2008, 2009 and 2010 and the six months ended 30 June 2011 respectively.

For the year ended 31 December 2008

Financial Results

The Rank Group's financial performance in 2008 reflected the success of its efforts to stabilise the Rank Group following significant disruption in Mecca Bingo and Grosvenor Casinos during the second half of 2007 (which resulted from the smoking bans in England and Wales and the loss of Section 21 gaming machines under the Gambling Act 2005).

Group revenue and operating profit (before exceptional items) for the year were respectively 2.3% and 11.7% lower than in the prior year. This performance represented a considerable improvement compared with the second half of 2007. Group operating profit for the second half of 2008 was 39.7% higher than in the comparable period in 2007.

In its two largest businesses, Mecca Bingo and Grosvenor Casinos, it achieved significant cost reductions as a result of management actions taken at the end of 2007. These included more targeted marketing and promotional expenditure, greater purchasing and operating efficiencies and better energy management.

Segmental Information

Grosvenor Casinos

Grosvenor Casinos achieved a level of operating profit in 2008 only slightly lower than in the previous year, despite the negative year-on-year effects of the smoking ban, the loss of Section 21 gaming machines and a higher rate of casino gaming duty.

During the year, operating profit declined by 1.3% to £29.5 million, on revenue of £206.2 million, 1.6% lower than in 2007.

Mecca Bingo

Mecca Bingo achieved a creditable performance in 2008 following a period of significant business disruption (due to the smoking bans in England and Wales and the loss of Section 21 gaming machines) during the second half of 2007.

During the year, revenue from Mecca Bingo declined by 5.4% to £227.6 million, while operating profit of £41.8 million was 4.1% lower than in 2007.

This performance benefited from the non-payment of VAT on games of interval bingo (a consequence of the Rank Group's successful claim against HMRC in May 2008) and a separate one-off VAT refund. These claims resulted in a £13.0 million benefit to revenue and a £9.2 million benefit to operating profit. Excluding the effects of this change, revenue was 10.8% lower and operating profit was 25.2% lower than in 2007.

Top Rank España

Its Spanish bingo clubs business, Top Rank España, had a difficult year as the Spanish economic recession had a negative impact on trading, particularly during the second half of the year.

Despite the difficult trading environment, the majority of its clubs outperformed their local market competitors and Top Rank España as a whole grew its share of the Spanish bingo clubs market during the year.

Reported revenue from Top Rank España's 11 clubs grew by 10.8% for the year. However, this performance benefited from a strengthening of the Euro against Sterling. Revenue in Euros was 5.0% lower than in 2007.

Operating profit declined by 25.8% as the business absorbed significantly higher operating costs, particularly employment costs and utilities.

Rank Interactive

Rank Interactive achieved modest growth in revenue and operating profit during 2008. Strong revenue growth from meccabingo.com offset a decline in revenue from its sportsbook operations.

During the year, Rank Interactive's revenue grew by 1.0% to £52.6 million and operating profit increased by 4.6% to £11.4 million. The decision to move its sportsbook operation offshore to Alderney in the Channel Islands resulted in a net benefit to operating profit of £1.5 million.

Liquidity and Financial Resources

Funding and Treasury Policies and Objectives

The Rank Group's overall risk management strategy focused on the minimisation of risks for the Rank Group. The Rank Group's funding, foreign exchange, liquidity, counterparty and interest rate risks were managed by the Rank Group's treasury department in accordance with approved policies and were subject to internal audit review. All significant financing transactions and treasury policies were authorised by the board of directors. Implementation of these policies was closely managed by the finance director and the director of corporate finance. The treasury function was not run as a profit centre.

The Rank Group's facilities were provided by a panel of banks with no single bank providing more than 10% of the facility. The treasury function regularly monitored the financial position of the lending banks to ensure the facilities remain available.

Total Cash and Liquid Funds

At the end of December 2008, net debt was £226.5 million compared with £316.9 million at the end of December 2007. The net debt comprised a term loan of £150.0 million, £158.0 million in convertible unsecured loan stock, £9.9 million in fixed rate Yankee bonds, £13.4 million in finance leases and £6.9 million in overdrafts, partially offset by cash at bank and in hand of £111.7 million.

The analysis of cash and short-term deposits by currency is as follows:

	31 December 2008
	£'million
Sterling	102.9
Euro	8.0
Other currencies	0.8
Total cash and short-term deposits	**111.7**

Total Borrowings

The decrease in total borrowings from £391.7 million as at 31 December 2007 to £339.8 million as at 31 December 2008 was primarily due to the repayment by the Rank Group of its US$100 million 6.375% Yankee bonds in January 2008.

The analysis of interest-bearing loans and borrowings by currency is as follows:

	31 December 2008
	£'million
Sterling	329.9
US Dollars	9.9
Total interest-bearing loans and borrowings	**339.8**

During the year convertible bonds with a par value of £9.5 million were redeemed for a cost of £9.1 million. The discount arising of £0.4 million had been recognised in other financial gains in the income statement. The remaining convertible bonds matured in January 2009 and were redeemed at par value from existing facilities.

At 31 December 2008 there were drawings of £150.0 million on the syndicated bank facility. The facility was signed on 14 April 2007 and consists of a £150 million term loan and £250 million multi-currency revolving credit facility. Both the term loan and the revolving credit facility expire in April 2012. Interest is payable on a monthly basis.

Also included in borrowings was US$14.3 million (£9.9 million) of Yankee bonds which matures in 2018. US$100.0 million of bonds matured in 2008 and were repaid from existing facilities. Interest on the remaining bonds is payable half yearly in January and July.

Borrowings included obligations under finance leases, of which £0.7 million expires within one year, £0.7 million expires between one and two years, £2.5 million expires between two and five years, and £9.5 million expires after five years.

At 31 December 2008 the Rank Group had undrawn committed borrowing facilities available of £250.0 million in respect of which all conditions precedent had been met at that date. These facilities expire in 2012 and accrue interest at floating rates.

Leverage Ratio

Consistent with others in the gaming industry, the Rank Group monitored capital on the basis of its leverage ratio. The ratio was calculated as net debt divided by EBITDA. Net debt was calculated as total borrowings (including 'borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents, less accrued interest, less unamortised facility fees and amounts relating to discontinued operations. EBITDA was calculated as operating profit before exceptional items plus depreciation and amortisation.

The Rank Group's leverage in 2008 was 2.6 times, below the levels previously set by its long-term strategy, which was to maintain a leverage ratio of 3.5 to 4.0 times and its overall objective is to continue to operate with prudent levels of leverage during the current global financial crisis.

Interest Rate Exposure

The Rank Group's interest rate risk arose from long-term borrowings. Borrowings issued at variable rates exposed the Rank Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Rank Group to fair value interest rate risk. Group policy is to maintain between 40% and 60% of its borrowings in fixed rate instruments using interest rate swaps to achieve this where necessary. At 31 December 2008, 54% of the Rank Group's debt was held in fixed rate borrowings.

In January 2008, US$100 million of swaps matured. These swaps hedged the interest due on the 2008 Yankee bonds, which were payable in January and July of each year. For the year ended 31 December 2008, the gain on the fair value hedge instrument was £0.4 million and the loss on the underlying 2008 Yankee bond was £0.4 million.

Foreign Currency Exposure

The Rank Group had certain investments in foreign operations whose net assets were exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Rank Group's foreign operations was managed primarily through the matching of borrowings to assets and by the purchase of derivatives denominated in the relevant foreign currencies. Group policy was to hedge 90% of material identified exposures.

At 31 December 2008, the Rank Group had hedged the translation risk on its Euro denominated assets using a series of forward foreign currency contracts. The nominal value of the contracts at 31 December 2008 was €83.0 million, with a net fair value of £(13.5) million.

At 31 December 2008, the Rank Group had hedged the translation risk on its US Dollar denominated liabilities using a series of forward foreign currency contracts. The nominal value of the contracts at 31 December 2008 was US$94.3 million, with a net fair value of £8.0 million.

During the year ended 31 December 2008, the Rank Group entered into a series of currency forwards to hedge the repayment of US Dollar debt and interest due in January 2018. The nominal value of the derivatives at 31 December 2008 was US$25.7 million with a fair value of £2.2 million. These instruments matured in January 2009.

Capital Expenditure Commitments

In light of the uncertain economic conditions, the Rank Group maintained strict control over committing expenditure to capital projects. Although it expected 2009 capital investment to be in the order of £35 to £40 million expenditure was phased and dependent on operating performance. This allowed quick reductions in the overall level of capital expenditure should business conditions deteriorate. The commitments to the 2009 openings of its new G Casino in Dundee and the Mecca club at Beeston Nottingham were not affected by this policy.

Contingent Liabilities

Details of contingent liabilities were encapsulated in note 38 "Contingent liabilities" to Rank's audited financial statements for the year ended 31 December 2008 in the 2008 annual report of Rank.

Material acquisitions and disposal of subsidiaries and associated companies

During 2008, the Rank Group paid £3.8 million in deferred consideration primarily in relation to the acquisition of its two casinos in Belgium in 1998 following settlement of a legal case with the vendor.

Save as disclosed above, there were no material acquisitions or disposal of subsidiaries or associated companies in the year ended 31 December 2008.

Human Resources

As at 31 December 2008, the Rank Group had 7,889 employees in the UK, Belgium and Spain.

For the year ended 31 December 2009

Financial Results

During 2009, the Rank Group achieved 21.9% growth in adjusted earnings per share, despite the effects of the global economic recession. This resulted largely from an improved operational performance and lower financing costs which offset higher UK gaming taxes.

Group revenue grew by 3.4% to £540.0 million reflecting the contribution from new casinos and bingo clubs and a 0.8% like-for-like increase. Operating profit of £58.0 million was 3.8% lower than in 2008 as increases in UK gaming taxation introduced in Her Majesty's Government's 2009 Budget outweighed the benefit of a temporary reduction in the standard rate of VAT.

Taxation accounted for more than 50% of operating cost increases in the year. Excluding the effects of tax changes, foreign exchange movements and changes to its estate of bingo clubs and casinos, the Rank Group maintained operating costs in line with 2008 levels.

Central costs of £18.3 million were slightly higher than in 2008 due to an increase in share-based payments.

Segmental Information

Grosvenor Casinos

Grosvenor Casinos achieved strong growth in revenue and operating profit in the year as a result of significant increases in customers and customer visits.

Revenue increased by 6.7% to £220.0 million principally as a result of new additions to the G Casino estate in 2008 and 2009. Customer visits increased by 13.2%, offsetting a 5.7% decline in spend per visit.

Operating profit increased by 19.3% to £30.9 million despite the business incurring £1.3 million of additional tax costs arising from changes to the taxation of card room games, announced in the 2009 Budget.

Mecca Bingo

Mecca Bingo delivered a positive revenue performance in the year although operating profit was lower than in 2008, largely as a result of changes in taxation.

Revenue of £233.0 million was 2.4% higher than in 2008, although this was due in large part to the change in bingo taxation which had the effect of magnifying revenue and reducing operating profit. On a like-for-like basis, revenue was in line with 2008.

Operating profit of £32.3 million was 14.8% lower than in 2008, due in large part to the increase in bingo taxation, which cost £4.4 million in the year and to the non-recurrence of a £2.1 million VAT refund (received in 2008).

Top Rank España

Top Rank España delivered a creditable performance against the backdrop of rising unemployment and declining consumer confidence in Spain.

Revenue increased by 1.1% to £36.2 million, benefiting from the strength of the Euro against Sterling. In Euros, revenue declined by 8.9% with customer visits 4.2% lower than in 2008 and spend per visit 4.9% lower.

Rank Interactive

Rank Interactive had a mixed year with continued revenue growth from its bingo sites being outweighed by a decline in sports betting. The business finished the year strongly after a difficult first half.

Revenue declined by 3.4% to £50.8 million but operating profit was held in line with 2008 as a result of effective cost management.

Liquidity and Financial Resources

Funding and Treasury Policies and Objectives

The Rank Group's financial risk management strategy focused on the minimisation of risks for the Rank Group. The Rank Group's funding, foreign exchange, liquidity, counterparty and interest rate risks were managed by the Rank Group's treasury department in accordance with approved policies and were subject to internal audit review. All significant financing transactions and treasury policies were authorised by the board of directors. Implementation of these policies was closely managed by the finance director and the group treasury manager. The treasury function was not run as a profit centre.

The Rank Group's facilities were provided by a panel of banks with no single bank providing more than 10% of the facility. The Group treasury function set counterparty limits for the lending banks with which it traded and regularly monitored their credit ratings to minimize risk of financial loss.

Total Cash and Liquid Funds

At the end of December 2009, net debt was £186.8 million compared with £226.5 million at the end of December 2008. The net debt comprised syndicated loan facilities of £222.0 million, £8.9 million in fixed rate Yankee bonds, £12.7 million in finance leases and £7.3 million in overdrafts, partially offset by cash and cash equivalents of £64.1 million.

The analysis of cash and short-term deposits by currency is as follows:

	31 December 2009
	£'million
Sterling	55.9
Euro	7.5
Other currencies	0.7
Total cash and short-term deposits	**64.1**

Total Borrowings

The decrease in total borrowings from £339.8 million as at 31 December 2008 to £250.1 million as at 31 December 2009 was primarily due to the repayment by the Rank Group of its remaining £158.2 million convertible bonds from cash and existing banking facilities, without recourse to the capital markets, in January 2009.

The analysis of interest-bearing loans and borrowings by currency is as follows:

	31 December 2009
	£'million
Sterling	169.2
Euro	72.0
US Dollars	8.9
Total interest-bearing loans and borrowings	**250.1**

At 31 December 2009, there were drawings of £222.0 million on the syndicated bank facility. The facility was signed on 14 April 2007 and consists of a £150.0 million term loan and £250.0 million multi-currency revolving credit facility. Both the term loan and the revolving credit facility expire in April 2012. Interest is payable on a monthly basis.

Also included in borrowings was US$14.3 million (£8.9 million) of Yankee bonds which mature in 2018. Interest on the Yankee bonds is payable half yearly in January and July at a rate of 7.125%.

Borrowings included obligations under finance leases, of which £0.7 million expire within one year, £0.8 million expire between one and two years, £2.7 million expire between two and five years, and £8.5 million expire after five years.

At 31 December 2009, the Rank Group had undrawn committed borrowing facilities available of £178.0 million in respect of which all conditions precedent had been met at that date. These facilities expire in April 2012 and accrue interest at floating rates.

Leverage Ratio

Consistent with others in the gaming industry, the Rank Group monitored capital on the basis of its leverage ratio. The ratio was calculated as net debt divided by EBITDA. Net debt was calculated as total borrowings (including 'borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents, less accrued interest, less unamortised facility fees and amounts relating to discontinued operations. EBITDA was calculated as operating profit before exceptional items plus depreciation and amortisation.

The Rank Group's leverage in 2009 was 2.2 times. The Rank Group had carried out a capital structure review during 2009 and expected, over the medium-term, to operate at around 2.5 times net debt to EBITDA.

Interest Rate Exposure

The Rank Group normally used interest rate swaps, caps and collars to manage its exposure to interest rate fluctuations and at the end of December 2009, 9% of the Rank Group's borrowings were at fixed rates. Group policy was to maintain between 40% and 60% of its borrowing at fixed rates. The then low interest rates combined with the high cost of moving to fixed rates had led the Rank Group to operate outside of this policy for that time being.

Foreign Currency Exposure

The Rank Group had certain investments in foreign operations, whose net assets were exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Rank Group's foreign operations was managed primarily through borrowings denominated in the relevant foreign currency. Group policy was to hedge 90% of material, identified exposures.

The Rank Group had hedged the translation risk on its Euro denominated assets using a Euro denominated loan. The nominal value of the loan at 31 December 2009 was €81.0 million, with a net fair value of £72.0 million. The gain on the retranslation of this borrowing was recognised in equity to offset the loss on translation of the net investment in the subsidiaries. There was no ineffectiveness for the year ended 31 December 2009.

Capital Expenditure Commitments

The only significant capital commitments and accruals at 31 December 2009 were £3.4 million on amusement machine purchases in Mecca, £0.6 million on the conversion of Sheffield to a G Casino and £0.9 million on completing the conversion of Mecca Oldbury to the Full House Destination concept.

Contingent Liabilities

Details of contingent liabilities were encapsulated in note 37 "Contingent liabilities" to Rank's audited financial statements for the year ended 31 December 2009 as set out on page 140 of the Circular.

Material acquisitions and disposal of subsidiaries and associated companies

On 23 April 2009, the Rank Group acquired the casino at the Ricoh Arena in Coventry from Isle of Capri Limited for a total purchase consideration of £0.7 million. No goodwill arose on the acquisition.

Save as disclosed above, there were no material acquisitions or disposal of subsidiaries or associated companies in the year ended 31 December 2009.

Human Resources

The Rank Group had 8,957 employees as at 31 December 2009, of which 8,170 were in the UK.

For the year ended 31 December 2010

Financial Results

During 2010, Rank achieved a 14.6% year-on-year increase in adjusted earnings per share. This performance was driven by revenue growth across all four businesses, effective management of operating costs and lower financing costs.

Group revenue of £567.8 million was 5.1% ahead of 2009 (3.1% on a like-for-like basis), driven by increases in customers, customer visits and spend per visit.

Operating costs rose by 4.3%, principally as a result of longer opening hours and an increased number of venues in Grosvenor Casinos. Group operating profit increased by 6.9% to £62.0 million.

Central costs of £18.4 million were £0.1 million higher than in 2009.

The Rank Group's effective tax rate was 27.7%; whilst adjusted net interest costs of £6.8 million were £2.7 million lower than in the prior year as a result of reduced borrowings and lower interest rates.

Segmental Information

Grosvenor Casinos

Grosvenor Casinos produced a strong performance during 2010, finishing the year as the Rank Group's largest business in terms of revenue and operating profit. Revenue of £238.6 million was up 8.5% on the prior year, driven by estate expansion and a 5.0% like-for-like improvement. Operating profit increased by 16.5% to £36.0 million as a result of sustained growth across the year.

In line with its strategy, the strong financial performance of its casinos was based upon its success in broadening the appeal of its venues through service and amenity improvements — particularly those operating under the G Casino format.

Mecca Bingo

Mecca Bingo produced a stable underlying performance during 2010. The business achieved modest revenue growth in the year but operating profit slipped, largely due to the effect of the increase in the standard rate of VAT.

Revenue of £234.5 million was up 0.6% on the prior year as the business benefited from a full year's trading at its Beeston 'Full House' club. On a like-for-like basis, revenue declined by 0.8%. Operating profit declined by 8.0% to £29.7 million.

The performance of Mecca Bingo was strongest during the first half of the year with the extreme weather conditions in December 2010 undermining the business's second half.

In line with its strategy, the stable revenue generation of its bingo clubs was based upon its success in re-engaging with lapsed customers and reaching out to new customers through service and amenity improvements.

Top Rank España

Top Rank España recovered strongly in 2010, despite the difficult economic conditions in Spain.

Revenue of £37.0 million was up 2.2% on the prior year despite the weakening of the Euro. In local currency, revenue increased by 6.2%. Operating profit increased by 21.4% to £6.8 million as a result of operational improvements and a programme of cost savings introduced during the first half. The business incurred a £1.4 million one-off charge relating to redundancies which for reasons of segment materiality had been treated as exceptional.

In line with its strategy, Top Rank España's growth in revenue was driven by an increase in customer numbers and customer visits.

Rank Interactive

Rank Interactive achieved a positive performance during 2010, producing strong growth in revenue, stepping up investment and improving operating profit.

Revenue of £57.7 million was up 13.6% on the prior year as a result of increased investment in its brands and significant growth in customer referrals from its land based bingo clubs and casinos. Operating profit of £7.9 million was 5.3% higher than in 2009.

Rank Interactive enjoyed a strong second half on the back of successful first-half investment in marketing. Revenue accelerated strongly and operating margin expanded despite investment in international and the mobile channel.

Liquidity and Financial Resources

Funding and Treasury Policies and Objectives

The Rank Group's financial risk management strategy focused on the minimization of risks for the Rank Group. The Rank Group's funding, foreign exchange, liquidity, counterparty and interest rate risks were managed by the Rank Group's treasury department in accordance with approved policies and were subject to internal audit review. All significant financing transactions and treasury policies were authorized by the board of directors. Implementation of these policies was closely managed by the finance director and the group treasury manager. The treasury function was not run as a profit center.

The Rank Group's facilities are provided by a panel of banks with no single bank providing more than 10% of the facility. The Group treasury function set counterparty limits for the lending banks with which it traded and regularly monitored their credit ratings to minimize risk of financial loss.

Total Cash and Liquid Funds

At the end of December 2010, net debt was £123.4 million compared with £186.8 million at the end of December 2009. The net debt comprised syndicated loan facilities of £168.6 million £9.1 million in fixed rate Yankee bonds, £13.2 million in finance leases and £6.5 million in overdrafts, partially offset by cash at bank and in hand of £74.0 million.

The analysis of cash and short-term deposits by currency is as follows:

	31 December 2010 *£'million*
Sterling	64.1
Euro	8.9
Other currencies	1.0
Total cash and short-term deposits	**74.0**

Total Borrowings

The decrease in total borrowings from £250.1 million as at 31 December 2009 to £197.5 million as at 31 December 2010 was primarily due to the repayment by the Rank Group of £50.0 million of its term loan in October 2010.

The analysis of interest-bearing loans and borrowings by currency is as follows:

	31 December 2010
	£'million
Sterling	119.8
Euro	68.6
US Dollars	9.1
Total interest-bearing loans and borrowings	**197.5**

Bank overdrafts were for short-term funding and were repayable on demand. The five-year facility was signed on 18 April 2007 and at 31 December 2010 consisted of a £100 million term loan and a £200 million multi-currency revolving credit facility. The Yankee bonds are due in 2018 with interest payable half yearly in January and July at a rate of 7.125%.

At 31 December 2010, the Rank Group had available £131.5 million of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

Leverage Ratio

Consistent with others in the gaming industry, the Rank Group monitored capital on the basis of leverage ratio. The ratio was calculated as net debt divided by EBITDA. Net debt was calculated as total borrowings (including 'loans and borrowings' as shown in the consolidated statement of financial position) less cash and short-term deposits, accrued interest and unamortised facility fees. EBITDA was calculated as operating profit before exceptional items plus depreciation and amortisation.

The Rank Group expected, over the medium term, to operate at around 2.5 times net debt to EBITDA. Rank was at 31 December 2010 operating at 1.3 times net debt to EBITDA in order to retain balance sheet flexibility until such time as appeals from HMRC against the Rank Group's VAT refunds are fully and finally resolved.

Interest Rate Exposure

The Rank Group normally used interest rate swaps, caps and collars to manage its exposure to interest rate fluctuations and at the end of December 2010, 11% of the Rank Group's borrowings were at fixed rates. Group policy was to maintain between 40% and 60% of its borrowing at fixed rates. The then low interest rates combined with the high cost of moving to fixed rates had led the Rank Group to continue to operate outside of this policy for that time being.

Foreign Currency Exposure

The Rank Group hedged its exposure to fluctuations on the translation of its Euro denominated foreign operations by holding Euro borrowings. Group policy was to hedge 90% of material, identified exposures.

Included in loans at 31 December 2010, was a borrowing of €80.0 million which had been designated as a hedge of the net investment in the subsidiaries in Europe and was being used to hedge the Rank Group's exposure to foreign exchange risk on these investments. Gains or losses on the retranslation of this borrowing were transferred to equity to offset any gains or losses on the translation of the net investments in the subsidiaries. There was no ineffectiveness in the year ended 31 December 2010.

Capital Expenditure Commitments

The only significant capital commitments at 31 December 2010 were £2.3 million on mobile gaming terminals and £0.8 million on interval bingo upgrades (both in Mecca) and £0.4 million on the conversion of its Walsall Casino to the G Casino format.

Contingent Liabilities

Details of contingent liabilities were encapsulated in note 31 "Contingent liabilities" to Rank's audited financial statement for the year ended 31 December 2010 as set out on page 73 of the Circular.

Material acquisitions and disposal of subsidiaries and associated companies

On 16 August 2010, the Rank Group disposed of its rails (racecourse pitches) business in Rank Interactive for a total sales consideration, net of costs, of £0.9 million. The carrying value of the business comprised intangible assets of £1.0 million and therefore resulted in a loss on disposal of £0.1 million.

Save as disclosed above, there were no material acquisitions or disposal of subsidiaries or associated companies in the year ended 31 December 2010.

Human Resources

In 2010, its businesses provided employment for more than 8,900 people across Great Britain, Belgium and Spain with 9% increase in average employee numbers.

For the six months ended 30 June 2011

Financial Results

During the first six months of the financial year, Rank grew revenue by 4.6% to £294.0 million (5% on a like-for-like basis), while operating profit before exceptional items of £29.5 million was up 3.1%. Grosvenor Casinos, Rank Interactive and Mecca Bingo all delivered positive performances but Top Rank España experienced difficult trading conditions, following the introduction of a full smoking ban at the start of the year.

Central costs were slightly lower than in the first half of 2010.

The Rank Group's adjusted net financing charge of £3.2 million was £0.3 million lower than in the first half of 2010, reflecting lower interest rates and a substantial strengthening in the Rank Group's financial position. Adjusted earnings per share of 4.6p was level with the first half of 2010.

Segmental Information

Grosvenor Casinos

Grosvenor Casinos enjoyed a strong first half, with increases in customers and customer visits driving a seventh successive six-month period of operating profit growth.

Revenue of £123.4 million was up by 5.8% (or 6.3% on a like-for-like basis) with a 12.5% rise in customer visits offsetting a 5.9% decline in spend per visit. The growth in new customers had caused a dilution in spend per visit in the period. Operating profit increased by 14.8% to £20.2 million despite the negative effect of the rise in the standard rate of VAT.

Mecca Bingo

Mecca Bingo produced a steady performance with growth in revenue and operating profit. Customer numbers increased although customer visits declined slightly as a result of club closures and a small dilution in frequency.

Revenue of £121.7 million was up by 2.5% (or 3.2% on a like-for-like basis) with a 3.4% rise in spend per visit offsetting a 0.4% reduction in customer visits. Operating profit rose marginally to £16.2 million as reduced bingo duty offset higher VAT costs.

Top Rank España

Its Spanish business, Top Rank España, was negatively affected by the implementation of a full smoking ban at the start of the year. The ban had exacerbated problems caused by the country's difficult economic conditions to create a tough trading environment for gaming companies.

Sterling revenue declined by 19.0% to £14.9 million as a result of an 11.6% reduction in customer visits and a 8.4% reduction in spend per visit. In Euros, revenue was down 19.8%.

The focus for the business had been to keep tight control on costs while working hard to improve customer satisfaction. Nevertheless, operating profit in the period was down £2.5 million to £0.5 million.

Rank Interactive

Rank Interactive, which distributes its brands via internet and mobile channels, enjoyed a strong six-month period. The business achieved significant growth in revenue as it continued to invest in building strong online positions for Rank's brands.

Mobile gaming achieved particularly strong growth and accounted for 5.8% of total revenue in the period (compared with 2.4% during the first half of 2010). In January, several mobile applications were launched for the Mecca Bingo and Blue Square brands and by the end of the period more than 70,000 customers had downloaded them.

Revenue from Rank Interactive increased by 24.1% to £34.0 million as a result of continued growth from meccabingo.com and Blue Square.

Operating profit rose by 17.4% to £2.7 million as the business balanced a strong trading performance with continued investment in brands and international development.

Liquidity and Financial Resources

Funding and Treasury Policies and Objectives

The Rank Group's financial risk management strategy focused on the minimisation of risks for the Rank Group. The Rank Group's funding, foreign exchange, liquidity, counterparty and interest rate risks were managed by the Rank Group's treasury department in accordance with approved policies and were subject to internal audit review. All significant financing transactions and treasury policies were authorised by the board of directors. Implementation of these policies was closely managed by the finance director and the group treasury manager. The treasury function was not run as a profit center.

The Rank Group's facility was provided by a panel of banks with no single bank providing more than 10% of the facility. The Group treasury function set counterparty limits for the lending banks with which it traded and regularly monitored their credit ratings to minimize risk of financial loss.

Total Cash and Liquid Funds

At the end of June 2011, net cash was £37.2 million compared with net debt of £123.4 million at the end of December 2010. The net cash comprised cash at bank and in hand of £128.1 million offset by syndicated loan facilities of £57.9 million, £8.9 million in fixed rate Yankee bonds, £20.9 million in finance leases and £3.2 million in overdrafts.

The analysis of cash and short-term deposits by currency is as follows:

	30 June 2011
	£'million
Sterling	118.9
Euro	8.1
Other currencies	1.1
Total cash and short-term deposits	**128.1**

Total Borrowings

The decrease in total borrowings from £197.5 million as at 31 December 2010 to £91.0 million as at 30 June 2011 was primarily due to the repayment by the Rank Group of its remaining £100.0 million term loan facility in two instalments, repaying £65.0 million in April 2011 and the final £35.0 million in May 2011.

The analysis of interest-bearing loans and borrowings by currency is as follows:

	30 June 2011
	£'million
Sterling	24.2
Euro	57.9
US Dollars	8.9
Total interest-bearing loans and borrowings	**91.0**

Bank overdrafts were for short-term funding and were repayable on demand. The five-year facility was signed on 18 April 2007 and at 30 June 2011 consisted of a £200 million multi-currency revolving credit facility. The Yankee bonds are due in 2018 with interest payable half yearly in January and July at a rate of 7.125%

At 30 June 2011, the Rank Group had available £142.1 million of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

Leverage Ratio

Consistent with others in the gaming industry, the Rank Group monitored capital on the basis of leverage ratio. The ratio was calculated as net debt divided by EBITDA. Net debt was calculated as total borrowings (including 'loans and borrowings' as shown in the consolidated statement of financial position) less cash and short-term deposits, accrued interest and unamortised facility fees. EBITDA was calculated as operating profit before exceptional items plus depreciation and amortisation.

Rank was at 30 June 2011 operating with a net cash position in order to retain balance sheet flexibility until such time as appeals from HMRC against the Rank Group's VAT refunds are fully and finally resolved.

Interest Rate Exposure

The Rank Group normally used interest rate swaps, caps and collars to manage its exposure to interest rate fluctuations and at the end of June 2011, 13% of the Rank Group's borrowings were at fixed rates. Group policy was to maintain between 40% and 60% of its borrowing at fixed rates. The then low interest rates combined with the high cost of moving to fixed rates had led the Rank Group to continue to operate outside of this policy for that time being.

Foreign Currency Exposure

The Rank Group hedged its exposure to fluctuations on the translation of its Euro denominated foreign operations by holding Euro borrowings. Group policy was to hedge 90% of material, identified exposures.

Included in loans at 30 June 2011, was a borrowing of €64.0 million which had been designated as a hedge of the net investment in the subsidiaries in Europe and was being used to hedge the Rank Group's exposure to foreign exchange risk on these investments. Gains or losses on the retranslation of this borrowing were transferred to equity to offset any gains or losses on the translation of the net investments in the subsidiaries. There was no ineffectiveness in the six months ended 30 June 2011.

Capital Expenditure Commitments

Capital commitments at 30 June 2011 included £4.3 million on the new G Casino sites at Stocktonon-Tees and Parrs Wood and £1.1 million for the conversion of Cardiff to the G format. Mecca Bingo had commitments of £0.9 million for mobile gaming terminals, £0.7 million for club refurbishments and £1.2 million in aggregate for communications, food and drink and energy related projects.

In light of continuing uncertain economic conditions, the Rank Group continues to maintain strict control over committing expenditure to capital projects. It anticipates that 2011 capital investment will be towards the upper end of a range of £50 to £55 million, following the continued success of its investments in G Casinos. Expenditure will remain phased and dependent on operating performance, which will allow quick reductions in the overall level of capital expenditure should business conditions deteriorate. The commitments to the 2011 G Casino conversion at Cardiff and the new G Casinos at Stockton-on-Tees, New Brighton and Parrs Wood are not affected by this policy.

Contingent Liabilities

(i) Liabilities of the Rank Group relating to Fiscal Neutrality Case

Since 2008, the Rank Group has received several repayments from HMRC following a series of VAT claims the Rank Group had submitted. The basis of these claims is that UK VAT legislation breached the European Union's principle of fiscal neutrality. There are 2 separate breaches that the court has been asked to consider, one concerns income earned from interval bingo ("the bingo case") the other concerns amusement machine income ("the slots case"). In the event that the Rank Group loses either case, the amounts received pertaining to that case would have to be repaid to HMRC, plus interest. The First-tier Tribunal and Upper Tribunal (or High Court) have found in the Rank Group's favour. HMRC have appealed these decisions and as a result the case was referred to the European Court of Justice ("ECJ"). The ECJ heard the Rank Group's case on 30 June 2011 and it is expected that a decision will be released before the end of 2011.

The VAT recovered to date, along with the particular nature of each claim, is detailed in the table below.

Description of Claim	Date of Receipt	VAT Received £'million	Interest Received £'million	Total £'million
Interval bingo, claim for January 2003 to June 2008	Nov-08	59.1	6.8	65.9
Interval bingo, amounts accounted for on VAT returns submitted for the periods from July 2008 to April 2009		7.4	—	7.4
Main stage bingo, claim for 2004 to 2009	May-10	16.1	1.2	17.3
Amusement machine, claim for 2002 to 2005	May-10	26.4	4.4	30.8
Main stage bingo, claim for 2003 to 2004	Feb-11	7.1	1.4	8.5
Interval and main stage bingo, claim for 1973 to 1996	Mar-11	74.8	79.5	154.3
Total recovered to date		190.9	93.3	284.2
Deductions from amount due in the event that the Rank Group loses (inc. contingent adviser fees and bingo duty offsets)				(10.0)
Total due if the Rank Group loses (excluding interest due to HMRC)				274.2

In September 2010, the Rank Group entered into an agreement with a third party that would result in the receipt of £40.5 million in the event that the Court finds in favour of HMRC on the bingo case. This agreement was funded by a payment of £4.6 million which was recognised as an exceptional cost in 2010. Thus, should the Rank Group lose both the bingo case and the slots case, it would be required to pay £233.7 million plus interest. The interest charged by HMRC is calculated on a simple basis and by reference to the VAT received.

(ii) Grosvenor liability relating to irrecoverable VAT

The Rank Group has been in negotiation with HMRC for several years on the means by which it calculates the amount of irrecoverable VAT in Grosvenor Casinos. From July 2007 until June 2010 the Rank Group accounted for irrecoverable VAT on the basis that HMRC was correct. As a result, the amount of irrecoverable VAT suffered by Grosvenor Casinos exceeded the amount that the Rank Group believed was due. The difference in the Rank Group's position as against HMRC's position for the period under negotiation (July 2007 to June 2011) amounts to an estimated £7 million.

In 2010, the point of dispute between the Rank Group and HMRC was the subject of litigation by another, similar, taxpayer. In that case, the First-tier Tribunal and the Upper Tribunal have ruled that HMRC's position was incorrect. While HMRC has appealed, precedent case law indicates that the Rank Group's position is correct and on that basis the irrecoverable VAT charge has been adjusted accordingly. However, it remains possible that this decision will be reversed on appeal. In that event the Rank Group would have to pay the VAT in dispute (see above) plus interest.

The directors consider that, in respect of all contingent liabilities disclosed above, it is more likely than not that no outflow will arise.

Material acquisitions and disposal of subsidiaries and associated companies

There were no material acquisitions or disposal of subsidiaries or associated companies in the six months ended 30 June 2011.

Human Resources

As at 30 June 2011, its businesses provided employment for more than 8,900 people across Great Britain, Belgium and Spain.

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

The following is the unaudited pro forma statement of assets and liabilities of the Enlarged Group, which has been prepared based on the unaudited consolidated statement of financial position of the Guoco Group as at 31 December 2010 as set out in the published interim report of the Guoco Group for the six months ended 31 December 2010 and the unaudited group balance sheet of Rank as at 30 June 2011 as set out in the published half-year results announcement of the Rank Group for the six months ended 30 June 2011, after making pro forma adjustments as set out below, to illustrate the effects of the Acquisition and the Offer Acceptances, as if the Acquisition and the Offer Acceptances had taken place on 31 December 2010.

It has been prepared on the basis as set out in the notes below and is consistent with the accounting policies adopted by the Guoco Group.

The unaudited pro forma financial information of the Enlarged Group has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Enlarged Group had the Acquisition and the Offer Acceptances been completed as at 31 December 2010 or any future date.

(a) Unaudited Pro Forma Statement of Assets and Liabilities of the Enlarged Group

	Guoco Group At 31 December 2010	Rank Group At 30 June 2011	Pro Forma adjustments		The Enlarged Group
	US$'million	*US$'million*	*US$'million*	*Note*	*US$'million*
NON-CURRENT ASSETS					
Fixed assets					
— Investment properties	361.8	—			361.8
— Other property, plant and equipment	1,307.1	336.9			1,644.0
Interest in associates	814.3	—	(223.6)	4	590.7
Interest in jointly controlled entities	114.0	—			114.0
Available-for-sale financial assets	1,157.5	—			1,157.5
Deferred tax assets	0.1	22.4			22.5
Intangible assets	181.8	265.9	554.5	5	1,002.2
Goodwill	34.4	—	32.8	6	67.2
Trade and other receivables	—	3.2			3.2
	3,971.0	628.4			4,963.1
CURRENT ASSETS					
Development properties	2,908.6	—			2,908.6
Properties held for sale	274.0	—			274.0
Inventories	—	5.0			5.0
Trade and other receivables	740.9	56.2			797.1
Income tax receivable	—	1.0			1.0
Trading financial assets	1,348.2	—			1,348.2
Cash and short term funds	1,675.3	205.2	(426.9)	7	1,453.6
	6,947.0	267.4			6,787.5

	Guoco Group At 31 December 2010 *US$'million*	Rank Group At 30 June 2011 *US$'million*	Pro Forma adjustments *US$'million*	*Note*	The Enlarged Group *US$'million*
CURRENT LIABILITIES					
Trade and other payables	775.7	163.2			938.9
Current portion of bank loans and other borrowings	1,039.2	102.9			1,142.1
Taxation	33.8	78.5			112.3
Provisions and other liabilities	0.5	15.7			16.2
	1,849.2	360.3			2,209.5
NET CURRENT ASSETS/ (LIABILITIES)	5,097.8	(92.9)			4,578.0
TOTAL ASSETS LESS CURRENT LIABILITIES	9,068.8	535.5			9,541.1
NON-CURRENT LIABILITIES					
Trade and other payables	—	0.3			0.3
Taxation	—	76.1			76.1
Non-current portion of bank loans and other borrowings	1,604.6	42.9			1,647.5
Provisions and other liabilities	5.8	69.2			75.0
Deferred tax liabilities	91.9	8.0			99.9
Retirement benefit obligations	—	4.6			4.6
	1,702.3	201.1			1,903.4
NET ASSETS	7,366.5	334.4			7,637.7

(b) Notes to Unaudited Pro Forma Financial Information of the Enlarged Group

(1) Prior to the Acquisition, the Guoco Group was already beneficially interested in aggregate in approximately 29.25% of the issued share capital of Rank. On 6 May 2011, the Offeror agreed to acquire from members of the Genting Berhad group an aggregate of 45,251,203 Rank Shares, representing approximately 11.58% in the existing share capital in Rank. Immediately following the Acquisition, the Guoco Group owned a total of 159,486,902 Rank Shares, representing approximately 40.83% of the existing share capital of Rank.

As at 1:00 p.m. (London time) on 7 June 2011, being the First Closing Date, the Offeror had received valid acceptances from Rank Shareholders in respect of 60,738,410 Rank Shares representing approximately 15.55% of the existing share capital of Rank. As at the First Closing Date, the Offeror counted 220,225,312 Rank Shares (representing approximately 56.38% of the existing issued share capital of Rank) towards the satisfaction of the Acceptance Condition and the Guoco Group is regarded to have gained control over Rank on the same date.

As at 1:00 p.m. (London time) on 15 July 2011, being the date when the Offer was closed, the Offeror had received valid acceptances from Rank Shareholders in respect of 131,515,029 Rank Shares. Accordingly, the total number of Rank Shares owned by members of the Guoco Group and in respect of which the Offeror had received valid acceptances was 291,001,931 Rank Shares, representing, in aggregate, approximately 74.50% of Rank's existing issued share capital.

The Acquisition and the Offer Acceptances are assumed to have been completed on 31 December 2010 as adopted in this unaudited pro forma financial information.

(2) The balances of assets and liabilities of the Guoco Group are extracted from the unaudited consolidated statement of financial position of the Guoco Group as at 31 December 2010 as set out in the Company's published interim report for the six months ended 31 December 2010.

(3) The balances of assets and liabilities of the Rank Group are extracted from the unaudited group balance sheet of the Rank Group as at 30 June 2011 as set out in Rank's published half-year results announcement for the six months ended 30 June 2011. For the purpose of the unaudited pro forma statement of assets and liabilities, the balances denominated in £ have been translated into US$ at £1 = US$1.60205, the exchange rate prevailing as at 30 June 2011.

(4) The adjustment to interest in associates represents the elimination of the Guoco Group's previously held 29.25% equity interest in the Rank Group.

(5) The adjustment to the intangible assets of US$554.5 million (approximately HK$4.3 billion) represents the total valuation of intangible assets (brand name and casino licences) to be recognized upon the completion of the Acquisition. The method used to evaluate the intangible assets is value in use which comprises the cash flows associated with the asset discounted to their present value.

The allocation of the purchase price has been based upon management's preliminary estimates and certain assumptions with respect to the determination of fair values of the assets to be acquired and the liabilities to be assumed. The actual fair values of the assets and liabilities will be determined as of the date of the acquisition and may differ from the amounts disclosed in the unaudited pro forma financial information because of changes in fair values of the assets and liabilities to the date of the Offer Acceptances, and as further analysis (including whether additional identifiable intangible assets exist, for which no amounts have been estimated and included in the amounts shown in the unaudited pro forma financial information) is completed. Consequently, the actual allocation of the purchase price may result in different amounts than those in the unaudited pro forma financial information.

(6) The adjustment to goodwill represents the excess of the fair value of the consideration transferred (including the fair value of any previously-held equity interest in Rank) as at the date control was transferred to the Guoco Group, which was 7 June 2011, over the fair value of net assets of Rank acquired.

The total consideration is US$534.0 million (approximately HK$4.2 billion), which comprises:

(a) Guoco Group's previously held 40.83% equity interest in Rank of US$387.3 million (approximately HK$3.0 billion), computed as 159,486,902 Rank Shares owned by the Guoco Group immediately prior to the acquisition of control, multiplied by 151.6p (approximately HK$19.49) which was the closing price of Rank Shares as of the First Closing Date and translated at £1 = US$1.60205 which was the exchange rate prevailing as at 30 June 2011; and

(b) the total consideration of and the actual costs directly attributable to 60,738,410 Rank Shares (representing approximately 15.55% of the existing share capital of Rank) with valid acceptances received by the Offeror as at the First Closing Date multiplied by the Offer Price of 150p (approximately HK$19.29) and including a stamp duty of 0.5% on the Offer Price and translated at £1 = US$1.60205 which was the exchange rate prevailing as at 30 June 2011, of US$146.7 million (approximately HK$1.1 billion).

The fair value of net assets of Rank acquired of US$501.2 million (approximately HK$3.9 billion) represented approximately 56.38% share of the fair value of net assets of Rank at the First Closing Date of US$888.9 million (approximately HK$6.9 billion), which in turn comprises:

(a) the net asset value of Rank as at 30 June 2011 of US$334.4 million (approximately HK$2.6 billion); and

(b) the fair value adjustment on the appreciation of intangible assets of US$554.5 million (approximately HK$4.3 billion).

The actual fair value of the identifiable assets and liabilities of Rank at the actual date of completion may be different from the estimated fair value used in the preparation of this unaudited pro forma financial information. Accordingly, the actual amount of goodwill may be different from the amount as adopted in this unaudited pro forma financial information.

The Guoco Group has performed a preliminary review of impairment under HKAS 36 "Impairment of Assets" regarding the intangible assets and goodwill and there is no indication of impairment charge necessary for the intangible assets and goodwill.

(7) The adjustment to cash and short term funds represents the total cash consideration paid by the Guoco Group in relation to the Acquisition and the Offer Acceptances (up to approximately 74.50% of the existing share capital of Rank), which comprises:

(i) the total consideration of the Acquisition on 6 May 2011 at a consideration of 150p (approximately HK$19.29) per share and the actual costs directly attributable to the Acquisition totalling £68.2 million (approximately HK$877.0 million), which was satisfied by cash and translated to US$109.3 million (approximately HK$852.4 million) at £1 = US$1.60205 which was the exchange rate prevailing as at 30 June 2011; and

(ii) the total consideration of the Offer Acceptances in respect of 131,515,029 Rank Shares at Offer Price of 150p (approximately HK$19.29) per Offer Share and the actual costs directly attributable to the Offer Acceptances (including a stamp duty of 0.5% on the Offer Price) totalling £198.3 million (approximately HK$2.5 billion), which was satisfied by cash and translated to US$317.6 million (approximately HK$2.5 billion) at £1 = US$1.60205 which was the exchange rate prevailing as at 30 June 2011.

B. REPORT FROM THE REPORTING ACCOUNTANT

The following is the text of a report received from KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Supplemental Circular.

KPMG

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 August 2011

The Directors
Guoco Group Limited

Dear Sirs,

GUOCO GROUP LIMITED (THE "COMPANY") AND ITS SUBSIDIARIES (THE "ENLARGED GROUP")

MANDATORY CASH OFFER BY ALL GLOBAL INVESTMENTS LIMITED FOR THE RANK GROUP PLC ("THE OFFER")

We report on the unaudited pro forma financial information ("the Pro Forma Financial Information") of the Enlarged Group set out on pages 28 to 33 in Appendix II of the supplemental circular dated 24 August 2011 ("the Supplemental Circular"), which has been prepared by the directors of the Company solely for illustrative purposes to provide information about how the Offer might have affected the financial information presented. The basis of preparation of the unaudited Pro Forma Financial Information is set out in notes to the unaudited Pro Forma Financial Information of the Enlarged Group on pages 31 to 33 of the Supplemental Circular.

RESPONSIBILITIES

It is the responsibility solely of the directors of the Company to prepare the unaudited Pro Forma Financial Information in accordance with Paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by Paragraph 4.29(7) of the Listing Rules, on the unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

BASIS OF OPINION

We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the unaudited Pro Forma Financial Information with the directors of the Company. The engagement did not involve independent examination of any of the underlying financial information.

Our work did not constitute an audit or review performed in accordance with Hong Kong Standards on Auditing or Hong Kong Standards on Review Engagements issued by the HKICPA, and accordingly, we do not express any such audit or review assurance on the unaudited Pro Forma Financial Information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Enlarged Group and that the adjustments are appropriate for the purposes of the unaudited Pro Forma Financial Information as disclosed pursuant to Paragraph 4.29(1) of the Listing Rules.

The unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company, and because of its hypothetical nature, it does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Enlarged Group as at 31 December 2010 or any future date.

OPINION

In our opinion:

(a) the unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

(b) such basis is consistent with the accounting policies of the Enlarged Group, and

(c) the adjustments are appropriate for the purposes of the unaudited Pro Forma Financial Information as disclosed pursuant to Paragraph 4.29(1) of the Listing Rules.

Yours faithfully

KPMG
Certified Public Accountants
Hong Kong

1 RESPONSIBILITY STATEMENT

This Supplemental Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the HK Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Supplemental Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Supplemental Circular misleading.

2 EXPERT AND CONSENT

The following is the qualification of the expert who has given or agreed to the inclusion of its opinions and advice in this Supplemental Circular:

Name	Qualification
KPMG	Certified Public Accountants

The expert set out above has confirmed that it does not have any shareholding, directly or indirectly, in any member of the Enlarged Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Enlarged Group as at the Latest Practicable Date.

The expert set out above has given and has not withdrawn its written consent to the issue of this Supplemental Circular, with the inclusion of its report and/or references to its name, as the case may be, in the form and context in which they are included.

3 INTERESTS IN THE ENLARGED GROUP'S ASSETS

As at the Latest Practicable Date, none of the Directors or the expert referred to in paragraph 2 headed "Expert and Consent" above had any interest in any assets which have been, since 30 June 2010 (being the date to which the latest published audited financial statements of the Guoco Group were made up), acquired or disposed of by or leased to any member of the Enlarged Group, or were proposed to be acquired or disposed of by or leased to any member of the Enlarged Group.

4 DIRECTORS' INTERESTS IN CONTRACTS

Details of contracts or arrangements which are significant to the business of the Guoco Group subsisting at the date of this Supplemental Circular in which Mr Quek Leng Chan is deemed to be materially interested are as follows:

A Master Services Agreements

The following master services agreements dated 4 July 2011 were entered into by Guoco with certain Hong Leong group companies for the provision by the latter of management services including overview of businesses and operations, investment management and financial management disciplines, treasury and risk management, key managerial recruitment and retention, productivity and quality programmes and other operating practices and procedures as well as planning and development of management information system (the "Services"):

(i) the master services agreement entered into by the Company with GuoLine Group Management Co. Limited ("GGMC") and GOMC Limited ("GOMC") for provision of the Services by GGMC or GOMC to the Company and/or the subsidiaries of the Company from time to time excluding those subsidiaries which are from time to time incorporated, resident or having principal place of business in Malaysia ("Malaysian Subsidiaries"); and

(ii) the master services agreement entered into by the Company with HL Management Co Sdn Bhd ("HLMC") for provision of the Services by HLMC to the Malaysian Subsidiaries,

(collectively, the "Master Services Agreements").

The Master Services Agreements are for a term of three financial years from 1 July 2011 to 30 June 2014.

The fees payable under the respective Master Services Agreements comprise a monthly fee (the "Monthly Fee") as agreed from time to time between the Company or such service recipient and the relevant service provider and an annual fee (the "Annual Fee") equal to three per cent of the annual profit before tax of such service recipient as shown in its audited profit and loss account for the relevant financial year, subject to appropriate adjustment, if any.

The total fees, being the sum of the Monthly Fee, the Annual Fee and the total amount of any fees paid or payable by the Group to any Hong Leong Group company for services of a similar nature as the Services, are subject to an annual cap of HK$417 million for each of the three financial years ending 30 June 2014.

GGMC, GOMC and HLMC are indirect wholly-owned subsidiaries of Hong Leong Company (Malaysia) Berhad ("HLCM"), the ultimate holding company of the Company and thus they are associates of connected person of the Company under the HK Listing Rules.

B Banking Transactions

The Guoco Group has from time to time entered into, and may in future enter into, among others, the following transactions with the authorised financial institutions within Hong Leong Group including Hong Leong Bank Berhad ("HLB") and Hong Leong Islamic Bank Berhad ('HLIB") (collectively, "Hong Leong Financial Institutions"):

(i) placing of deposits by the Group with Hong Leong Financial Institutions; and

(ii) subscription for or purchase by the Group of debt securities issued by Hong Leong Financial Institutions,

(collectively, the "Banking Transactions").

HLB is an indirect subsidiary of HLCM and a subsidiary of an associated company of the Company while HLIB is a wholly owned subsidiary of HLB.

The Banking Transactions are part of the treasury activities of the Guoco Group in the ordinary and usual course of its business. The treasury functions involve the management of cashflows and cash resources, which the Guoco Group conducts with various financial institutions.

C Others

The Guoco Group regularly conducts investment, insurance, stockbroking, nominee, custodian, share registration, lease of premises, management and administrative services as well as other activities in the ordinary course of business and on normal commercial terms with subsidiaries of, and companies related to, HLCM.

As Mr Quek Leng Chan and his associate own 5% or more of the issued shares of HLCM, he is deemed materially interested in the aforesaid transactions pursuant to the Bye-Laws of the Company.

Save as disclosed above, none of the Directors is materially interested in contract or arrangement subsisting which is significant to the business of the Guoco Group at the date of this Supplemental Circular.

5 STATEMENT OF INDEBTEDNESS OF THE ENLARGED GROUP

A Borrowings

As at the close of business on 30 June 2011, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Supplemental Circular, the Enlarged Group had the following outstanding borrowings:

	US$'million
Secured bank loans	2,432
Unsecured bank loans	1,493
Secured other loans	783
Unsecured other loans	33
Unsecured medium term notes and bonds	663
Secured mortgage debenture stock	384
Convertible bonds	305
	6,093

Note:

The bank loans, other loans and mortgage debenture stock are secured by the legal mortgages on certain development properties, fixed assets and trading financial assets with an aggregate book value of US$5.6 billion (approximately HK$43.7 billion).

B Contingent Liabilities

(i) A subsidiary of the Enlarged Group, GuocoLeisure Limited has given a guarantee to the buyer of various hotel businesses sold in 2002 that the aggregate Earnings before Interest, Tax, Depreciation and Amortisation of the businesses will not be less than US$44.4 million (approximately HK$346.3 million) per calendar year thereafter until 4 April 2012. The maximum liability for any one year under the guarantee is US$44.4 million (approximately HK$346.3 million) and the guarantee expires in April 2012.

(ii) Details of contingent liabilities for Rank were encapsulated in the section headed "Contingent liabilities" in Appendix I on pages 25 to 27 of this Supplemental Circular.

(iii) For other contingent liabilities of the Enlarged Group, please refer to information set out under the section headed "Litigation" of Appendix III on pages 153 to 155 of the Circular.

Save as disclosed above, and apart from intra-group liabilities, the Enlarged Group did not have outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities outstanding at 30 June 2011.

The Directors have confirmed that, up to the Latest Practicable Date, there have been no material changes in the Enlarged Group's indebtedness and contingent liabilities since 30 June 2011.

6 STATEMENT OF SUFFICIENCY OF WORKING CAPITAL OF THE ENLARGED GROUP

The Directors are of the opinion that, based on the internal resources and the available banking facilities of the Enlarged Group, the Enlarged Group has sufficient working capital for its present requirements for the next 12 months from the date of this Supplemental Circular.

7 FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

The investment environment has remained volatile given the concerns over global growth slowdown and uncertainty resulting from the unprecedented U.S. credit rating downgrade. Guoco's Principal Investment business with investments in major global markets has been adversely affected by the recent unusual market conditions. However, owing to the very nature of Guoco's Principal Investment business, Guoco's performance is always subject to fair value movements and thus will be subject to further changes.

Guoco anticipates policy makers will continue to be proactive and maintain accommodative monetary policy in most developed countries to tackle the current macro headwinds. Equity valuation is undemanding and most companies are looking better. Severe corrections in the near term could open up long-term investment opportunities for us. In China, it is the Guoco's belief that the economy will not face a hard landing and growth in gross domestic product will stay at healthy levels. Market conditions in Singapore and China remain broadly supportive, but the outlook in the UK is more challenging.

8 MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Enlarged Group since 30 June 2010, being the date to which the latest published audited consolidated financial statements of the Guoco Group were made up to.

9 LITIGATION

Details of litigation or claims of material importance pending or threatened against the Enlarged Group as at the Latest Practicable Date are set out under the section headed "Litigation" in Appendix III on pages 153 to 155 of the Circular and under the section headed "Contingent liabilities" in Appendix I on pages 25 to 27 of this Supplemental Circular.

10 MATERIAL CONTRACTS

Save as disclosed under the section headed "Material Contracts" of Appendix III on page 155 of the Circular, no material contract (not being a contract entered into in the ordinary course of business carried on by the Enlarged Group) has been entered into by any member of the Enlarged Group within the two years immediately preceding the date of issue of this Supplemental Circular.

11 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal office of Guoco in Hong Kong at 50th Floor, The Center, 99 Queen's Road Central, Hong Kong during normal business hours up to and including 7 September 2011:

(i) the memorandum of association and bye-laws of Guoco;

(ii) the report from KPMG on the unaudited pro forma financial information of the Enlarged Group as set out in Appendix II of this Supplemental Circular;

(iii) the written consent of KPMG referred to in this Appendix;

(iv) the material contracts referred to in paragraph 10 of this Appendix;

(v) the annual report of Guoco for each of the two years ended 30 June 2009 and 2010;

(vi) the Circular; and

(vii) this Supplemental Circular.