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

Renewal of Continuing Connected Transactions – Banking Transactions

This announcement is to comply with the disclosure requirements under the Listing Rules on continuing connected transactions to allow the Group to continue to enter into the Banking Transactions with Hong Leong Financial Institutions during the three financial years ending 30 June 2027.

Since the applicable percentage ratios under the Listing Rules of the New Cap exceed 0.1% but are less than 5%, the Banking Transactions are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the circular and independent shareholders' approval requirements therein. Guoco will also comply with Rules 14A.55 to 14A.59 of the Listing Rules in relation to annual review of the Banking Transactions. Details of the Banking Transactions will be included in Guoco's published annual report and accounts in compliance with Rules 14A.71 and 14A.72 of the Listing Rules.

BANKING TRANSACTIONS

Reference is made to the announcement of Guoco dated 2 July 2021 on the continuing connected transactions relating to banking transactions with the Hong Leong Financial Institutions which are subsidiaries of HLFGL.

The outstanding deposits of the Group placed with the Hong Leong Financial Institutions and the outstanding principal amount of debt securities and investment products issued by these entities and held by the Group were subject to a maximum of US\$181 million (approximately HK\$1,414 million) for the three financial years ended 30 June 2024 and such maximum amount expired after 30 June 2024.

This announcement is to comply with the disclosure requirements under Chapter 14A of the Listing Rules on continuing connected transactions for the Group to continue to enter into the Banking Transactions during the three financial years commencing 1 July 2024 and ending 30 June 2027.

For the purpose of this announcement, Banking Transactions include:

- (a) placing of deposits by the Group with the Hong Leong Financial Institutions; and
- (b) purchase of and/or subscription for debt securities and investment products issued by the Hong Leong Financial Institutions by the Group.

The maximum Relevant Aggregate Amounts, including (i) the outstanding balance of deposits placed by the Group with the Hong Leong Financial Institutions; and (ii) debt securities and investment products issued by the Hong Leong Financial Institutions purchased and/or subscribed by the Group, in the three financial years ended 30 June 2022, 2023 and 2024 were approximately US\$79.2 million, US\$35.2 million and US\$49.2 million respectively.

NEW CAP

For the purpose of Rule 14A.53 of the Listing Rules, the Relevant Aggregate Amount shall be subject to a new maximum of US\$122 million (approximately HK\$953 million) or its equivalent in other currencies (the "New Cap") at any time during the three financial years ending 30 June 2027.

The basis of the New Cap is determined by reference to the historical banking transactions with the Hong Leong Financial Institutions and after taking into account the following:

- (i) the anticipated cashflow of the Group's core businesses, which will continue to demand banking / financial services including placing of deposits with and investment in treasury financial assets and investment products, e.g. debt securities and investment products issued by financial institutions (including Hong Leong Financial Institutions); and
- (ii) the trend of increase in the funds under the Group's treasury and investment activities in previous years.

In the event that the Relevant Aggregate Amount exceeds the New Cap at any time during the three financial years ending 30 June 2027, Guoco will re-comply with Rule 14A.54 as appropriate.

INTERNAL CONTROL PROCEDURES

The Banking Transactions are conducted pursuant to the Group's internal treasury manual which requires that interest rate quotes from different financial institutions for deposit placements are to be obtained for comparison. Treasury managers will then decide on the bank, amount and tenor of the deposits, taking into account the competitive interest rate and terms offered. Purchase of and/or subscription for debt securities and investment products issued by Hong Leong Financial Institutions by the Group are conducted on normal commercial terms similar to those offered by the Hong Leong Financial Institutions to independent third parties. The Banking Transactions are subject to pre-assigned limits which are determined by reference to, among other things, the international credit rating of, banking relationships with, as well as scope and breadth of services provided by the Hong Leong Financial Institutions. Similar criteria are used to determine the pre-assigned limits of banking transactions with other unconnected financial institutions. Continuing connected transaction sub-limits are also assigned to the relevant subsidiaries of the Group to ensure that the Relevant Aggregate Amount will not exceed the annual cap.

The Company has put in place a related party transaction policy and procedure manual which provides that each responsible unit shall report on and submit detailed information on the Banking Transactions to the Group Financial Control Division to ensure proper control and monitoring. The Banking Transactions are also subject to quarterly review by the Board Audit and Risk Management Committee of the Company.

REASONS FOR THE BANKING TRANSACTIONS

As part of its principal investment and treasury operations, the Group from time to time places deposits with various financial institutions worldwide and purchases and/or subscribes for fixed income, debt securities and investment products issued by financial institutions and other corporations. The Banking Transactions are part of the treasury and investment activities of the Group and are conducted in the ordinary and usual course of business. The Group wishes to have the flexibility to enter into the Banking Transactions with Hong Leong Financial Institutions in a manner similar to comparable transactions with unconnected financial institutions.

Since the Banking Transactions may vary significantly due to business activities of the Group, fluctuations of the financial markets and economic conditions, the Board (including the independent non-executive directors) considers that setting a standard cap amount for the Banking Transactions for the three financial years ending 30 June 2027 is appropriate. Given the internal control procedures, the Banking Transactions are, and will be, conducted on an arm's length basis and on normal commercial terms. The Board (including the independent non-executive directors) is of the opinion that the Banking Transactions are fair and reasonable and in the interests of the Group and the shareholders of Guoco as a whole.

LISTING RULES IMPLICATIONS

Hong Leong Financial Institutions are associates of a connected person of Guoco as defined under Chapter 14A of the Listing Rules by virtue of the fact that they are indirect subsidiaries of HLCM of which Mr. QUEK Leng Chan, a deemed controlling shareholder of Guoco, is also a deemed controlling shareholder. Mr. KWEK Leng Hai and Mr. KWEK Leng San, directors of Guoco, are directors and shareholders of HLCM and shareholders of HLB. Mr. KWEK Leng Hai is also a director of HLB. While they are not considered as having material interest in the Banking Transactions, they voluntarily elected to abstain from voting on the relevant board resolutions in relation to the approval of the continuing connected transaction matters herein.

Since the applicable percentage ratios of the New Cap under the Listing Rules exceed 0.1% but are less than 5%, the Banking Transactions are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the circular and independent shareholders' approval requirements therein. Guoco will also comply with Rules 14A.55 to 14A.59 of the Listing Rules in relation to annual review of the Banking Transactions by the independent non-executive directors and the auditors of the Company. Details of the Banking Transactions will be included in Guoco's relevant published annual report and accounts in compliance with Rules 14A.71 and 14A.72 of the Listing Rules.

GENERAL

The Company is an investment holding and management company. Its subsidiaries and associated companies are primarily involved in principal investment, property development and investment, hospitality and leisure operations and financial services, located in Hong Kong, China, Singapore, Malaysia, the United Kingdom and Australasia.

HLB is a financial institution licensed to carry on all aspects of commercial banking business and in the provision of related services in Malaysia, Singapore and Hong Kong and is regulated by Bank Negara Malaysia, the Monetary Authority of Singapore and Hong Kong Monetary Authority in the respective jurisdictions. HLBVN is a financial institution licensed to carry on commercial banking business in Vietnam and is regulated by the State Bank of Vietnam. HLBCAM is a financial institution licensed to carry on commercial banking business in Cambodia and is regulated by the National Bank of Cambodia. HLISB is a financial institution licensed to carry on Islamic banking business and related financial services in Malaysia and is regulated by Bank Negara Malaysia. HLIB is a financial institution licensed to carry on investment banking, stockbroking business, futures broking and related financial services in Malaysia and is regulated by Bank Negara Malaysia and the Securities Commission Malaysia. HLAM is an asset management company which is involved in unit trust management, fund management and sale of unit trusts and is regulated by the Securities Commission Malaysia.

DEFINITIONS

"Banking Transactions"	banking transactions as described under (a) and (b) in this announcement
"Board"	the board of directors of the Company
"Bursa Malaysia"	Bursa Malaysia Securities Berhad
"Company" or "Guoco"	Guoco Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 53)
"Group"	Guoco and its subsidiaries from time to time
"HK\$"	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region, the People's Republic of China
"HLAM"	Hong Leong Asset Management Bhd, incorporated in Malaysia and an indirect subsidiary of HLFG
"HLB"	Hong Leong Bank Berhad, incorporated in Malaysia and listed on Bursa Malaysia, and a direct subsidiary of HLFG
"HLBCAM"	Hong Leong Bank (Cambodia) PLC, incorporated in Cambodia and a wholly owned subsidiary of HLB
"HLBVN"	Hong Leong Bank Vietnam Limited, incorporated in Vietnam and a wholly owned subsidiary of HLB
"HLCM"	Hong Leong Company (Malaysia) Berhad, a company incorporated in Malaysia, the ultimate holding company of HLFG and the Hong Leong Financial Institutions

“HLFG”	Hong Leong Financial Group Berhad, incorporated in Malaysia and listed on Bursa Malaysia, a 25.4% owned associated company of Guoco and a direct subsidiary of HLCM
“HLIB”	Hong Leong Investment Bank Berhad, incorporated in Malaysia and an indirect subsidiary of HLFG
“HLISB”	Hong Leong Islamic Bank Berhad, incorporated in Malaysia and a wholly owned subsidiary of HLB
“Hong Leong Financial Institutions”	licensed banks and regulated financial services companies within the Hong Leong Financial Group from time to time, currently including HLAM, HLB, HLISB, HLBVN, HLBCAM and HLIB
“Hong Leong Financial Group”	HLFG and its direct and indirect subsidiaries from time to time
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Relevant Aggregate Amount(s)”	the aggregate outstanding balance of Banking Transactions from time to time
“US\$”	United States dollars, the lawful currency of the United States of America

Note:

Sums of US\$ in this announcement have been translated into HK\$ at the exchange rate of US\$1:HK\$7.811 for reference only.

By Order of the Board
Stella Lo Sze Man
Company Secretary

Hong Kong, 2 July 2024

As at the date of this announcement, the Board comprises Mr. KWEK Leng Hai as Executive Chairman; Mr. Christian K. NOTHHAFT as CEO & Executive Director; Mr. KWEK Leng San as Non-executive Director; Mr. David M. NORMAN, Mr. Lester G. HUANG, SBS, JP and Mr. Paul J. BROUGH as Independent Non-executive Directors.