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Miscellaneous	
* Asterisks denote mandatory information	
Name of Announcer *	GUOCOLAND LIMITED
Company Registration No.	197600660W
Announcement submitted on behalf of	GUOCOLAND LIMITED
Announcement is submitted with respect to *	GUOCOLAND LIMITED
Announcement is submitted by *	Dawn Pamela Lum
Designation *	Group Company Secretary
Date & Time of Broadcast	09-Oct-2006 19:12:26
Announcement No.	00119

>> Announcement Details	
The details of the announcement start here ...	
Announcement Title *	GUOCOLAND (MALAYSIA) BERHAD - PROPOSED ACQUISITION OF LANDS
Description	
Attachments:	 GLM-ProposedAcquisition.pdf Total size = 198K (2048K size limit recommended)

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General Announcement

Submitted by HLPB on 09/10/2006 18:26:48

Reference No HH-061009-62558

Submitting Merchant Bank :
(if applicable)
Submitting Secretarial Firm Name :
(if applicable)
* Company name : **GuocoLand (Malaysia) Berhad**
* Stock name : **GUOCO**
* Stock code : **1503**
* Contact person : **Ms Tanny Lim Yew Yoke**
* Designation : **Company Secretary**

* Type : ☒ **Announcement** ☐ **Reply to query**

* Subject :

GuocoLand (Malaysia) Berhad
- Proposed Acquisition of Lands

* **Contents :-**

1. INTRODUCTION

GuocoLand (Malaysia) Berhad ("GLM" or "the Company") writes to inform that its indirect wholly-owned subsidiary, Ace Acres Sdn Bhd ("AASB"), had on 6 October 2006 entered into five (5) separate agreements ("Agreements") with Shanghai City Sdn Bhd ("Shanghai City"), Shanghai Project Sdn Bhd ("Shanghai Project") and Diamond Selection Sdn Bhd ("Diamond Selection") (collectively referred as "Vendors"), to acquire 84 separate parcels of contiguous lands measuring in aggregate 702,517 square feet all situated in the Mukim of Kuala Lumpur ("Lands") for a total cash consideration of RM66,739,115 ("Proposed Acquisition").

2. DETAILS OF THE PROPOSED ACQUISITION

Details of the Agreements are as follows:-

Vendors	No. of parcels	Lot No.	Mukim and District of	Land Area (square feet)	Total Purchase Consideration (RM)
Shanghai City	38	10929-10936, 10924-10928, 10997, 10998, 11000-11005, 11009-11011 and 11015-11028	Kuala Lumpur	289,885	27,539,075
Shanghai City	17	11006-11008, 11012-11014, 10987-10996 and 10999	Kuala Lumpur	179,489	17,051,455
Shanghai Project	21	10952-10957, 10986, 10983, 10980, 10981 and 10968-10979	Kuala Lumpur	163,383	15,521,385
Shanghai Project	2	10984 and 10985	Kuala Lumpur	14,727	1,399,065
Diamond Selection	6	10946-10949, 10951 and 10958	Kuala Lumpur	55,033	5,228,135
Total	84 ----			702,517 -----	66,739,115 -----

The Lands are located within Taman Mutiara Barat, off Jalan Cheras, approximately 7 kilometres from Kuala Lumpur city centre. Residential schemes located nearby the Lands include Taman Tayton View, Taman Billion, Taman Connaught and Taman Bukit Tiara.

The Lands have a freehold tenure and the category of land use is "building".

AASB intends to develop the Lands into an exclusive high-end residential development of bungalows with an estimated gross development value of approximately RM234 million. The development is expected to commence in second quarter of 2007 and complete within 2.5 years.

The salient terms and conditions for the Proposed Acquisition are as follows:-

- (i) The Lands will be purchased free from all charges, debentures, liens, caveats, prohibitory orders and any other encumbrances of whatsoever nature on an "as is where is" basis but subject to the restrictions and all conditions of title whether express or implied and the category of land use contained in the documents of title to the said Lands and with vacant possession.
- (ii) AASB shall not be obliged or bound to complete the transaction under any one (1) Agreement unless it is simultaneous with the completion of the transactions under the other four (4) Agreements.
- (iii) The Proposed Acquisition is subject to the approval of the Foreign Investment Committee.

3. INFORMATION ON VENDORS AND AASB

3.1 Information on Vendors

Shanghai City

Shanghai City was incorporated in Malaysia on 14 September 1995. The authorised share capital of Shanghai City is RM10,000,000 divided into 5,000,000 ordinary shares of RM1.00 each and 5,000,000 preference shares of RM1.00 each. The present issued and paid-up share capital is RM10,000,000 comprising 5,000,000 ordinary shares of RM1.00 each and 5,000,000 preference shares of RM1.00 each. Shanghai City is currently dormant.

Shanghai Project

Shanghai Project was incorporated in Malaysia on 4 August 1995. The authorised share capital of Shanghai Project is RM100,000 divided into 100,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each. Shanghai Project is currently dormant.

Diamond Selection

Diamond Selection was incorporated in Malaysia on 6 October 1994. The authorised share capital of Diamond Selection is RM100,000 divided into 100,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each. Diamond Selection is principally engaged in general trading and property investment.

3.2 Information on AASB

AASB was incorporated in Malaysia on 6 September 2005. The authorised share capital of AASB is RM100,000 divided into 100,000 ordinary shares of RM1.00 each. The present issued and paid-up share capital is RM2.00 comprising 2 ordinary shares of RM1.00 each. AASB is principally engaged in property development.

4. PURCHASE PRICE FOR THE LANDS

The consideration for the Proposed Acquisition of RM66,739,115 was arrived at on a willing buyer willing seller basis and after taking into consideration the current market value of properties surrounding the Lands and the development potential of the Lands. No professional valuation was arranged by AASB for the purpose of the Proposed Acquisition.

There are no liabilities to be assumed by AASB arising from the Proposed Acquisition.

The purchase consideration will be paid in the following manner:-

- (a) a deposit of 25% upon execution of the Agreements; and
- (b) the balance 75% of the purchase consideration shall be paid within 3 months after all conditions precedent under the Agreements have been fulfilled with an extension of 1 month at an interest rate of 8% per annum.

The purchase consideration will be financed from internally generated funds and bank borrowings.

5. RATIONALE FOR THE PROPOSED ACQUISITION

The Proposed Acquisition is in line with the GLM Group's effort to increase its development landbank in strategic locations and enhance its earnings base.

6. EFFECTS OF THE PROPOSED ACQUISITION

6.1 Share capital and substantial shareholding

The Proposed Acquisition will not have any effect on the share capital and substantial shareholding of GLM as the consideration is wholly in cash.

6.2 Earnings and net tangible assets

The Proposed Acquisition will not have any material effect on the earnings per share and the net tangible assets of the GLM Group for the financial year ending 30 June 2007.

7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The Company is not aware of any of its Directors, substantial shareholders and persons connected to the Directors and substantial shareholders having any interest, direct or indirect, in the Proposed Acquisition.

8. DIRECTORS' OPINION

The Board of Directors of GLM is of the opinion that the Proposed Acquisition is in the best interest of the GLM Group.

9. CONDITION OF THE PROPOSED ACQUISITION

The Proposed Acquisition is conditional upon the approval of the Foreign Investment Committee.

The five (5) separate Agreements are inter-conditional upon each other.

10. DOCUMENT AVAILABLE FOR INSPECTION

The Agreements are available for inspection at the Registered Office of GLM at Level 10, Wisma Hong Leong, 18 Jalan Perak, 50450 Kuala Lumpur during normal office hours from Mondays to Fridays (except public holidays) within 14 days from the date of this announcement.

This announcement is dated 9 October 2006.

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement: