

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

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached announcement on the next page.

The board of directors of Guoco currently comprises Mr. Quek Leng Chan as Executive Chairman; Mr. Kwek Leng Hai as President, CEO; Mr. Tan Lim Heng and Mr. James Eng, Jr. as executive directors; Mr. Kwek Leng San as non-executive director and Mr. Sat Pal Khattar, Mr. Volker Stoeckel and Mr. Ding Wai Chuen as independent non-executive directors.



Form Version 2.0

General Announcement

Submitted by HLPB on 08/08/2007 09:02:34 PM

Reference No HH-070808-68168

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

Re : Proposed Acquisition Of 100% Equity Interests In Titan Debut Sdn Bhd

* Contents :-

1. INTRODUCTION

GuocoLand (Malaysia) Berhad ("GLM" or "the Company") writes to inform that Astute Modernization Sdn Bhd ("AMSB"), a wholly-owned subsidiary of GLM, had on 8 August 2007 entered into a Share Sale and Purchase Agreement ("SSPA") with Eriton Sdn Bhd ("Eriton"), Encik Mohd Shukri Bin Abdullah ("Shukri") and Mr Deepak Jaikishan a/l Jaikishan Rewachand ("Deepak") to acquire 100% equity interests in Titan Debut Sdn Bhd ("TDSB") for a cash consideration of RM71,000,000 ("Proposed Acquisition").

(Eriton, Shukri and Deepak shall be collectively referred to as the "Vendors")

2. INFORMATION ON COMPANIES

2.1 Information on TDSB

TDSB was incorporated in Malaysia on 15 March 2006 under the Companies Act, 1965. The authorised share capital of TDSB is RM100,000 divided into 100,000 ordinary shares of RM1.00 each, all of which have been fully issued and paid-up.

TDSB had on 20 April 2007 entered into sale and purchase agreements with Oval Residences Sdn Bhd to purchase the entire 140 units of service apartments together with respective accessory parcels in the project known as "Oval Apartments" ("140 Parcels" and individually as "Parcel") for a total cash consideration of RM404.58 million. The Oval Apartments consist of 2 blocks of 41-storey building with a total of 140 units of service apartments and car parks, complete with common facilities and services. The Oval Apartments are situated on several pieces of freehold land held under Geran 37420 for Lot 193, Geran 53086 for Lot 325, Geran 53087 for Lot 326 and Geran 53088 for Lot 327, all in Seksyen 63, Bandar & Daerah Kuala Lumpur, Wilayah Persekutuan, Kuala Lumpur. The Oval Apartments project is located along Jalan Binjai in the vicinity of Kuala Lumpur City Centre. The 140 Parcels comprise apartments measuring between 3628 sq ft and 7600 sq ft each. The total built-up area for the 140

Parcels is 586,356 sq ft. TDSB had paid RM121.38 million pursuant to the sale and purchase agreements for the 140 Parcels. The balance payment of RM283.2 million for the 140 Parcels will be in accordance with the progress billings stipulated in the sale and purchase agreements. The development of Oval Apartments is currently approximately 30% completed and expected to be fully completed by December 2008.

2.2 Information on Eriton

Eriton was incorporated in Malaysia on 21 June 2004 under the Companies Act, 1965. The authorised share capital of Eriton is RM100,000 divided into 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up. Eriton is an investment holding company.

2.3 Information on AMSB

AMSB was incorporated in Malaysia on 19 September 2006 under the Companies Act, 1965. The authorised share capital of AMSB is RM100,000 divided into 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up. AMSB is an investment holding company.

3. DETAILS OF THE PROPOSED ACQUISITION

The purchase consideration for the Proposed Acquisition was arrived at on a willing buyer willing seller basis after taking into account the prevailing property prices in the surrounding area. No professional valuation was arranged by AMSB for the purpose of the Proposed Acquisition.

The unaudited net book value of TDSB as at 31 July 2007 is RM86,735.

The purchase consideration shall be payable by AMSB in the following manner:-

- (a) RM21,300,000 ("Deposit") to the Vendors' solicitors for release to the Vendors upon execution of the SSPA;
- (b) The balance RM49,700,000 ("Balance Purchase Consideration") progressively to the Vendors' solicitors or the Vendors within 14 days after receipt by TDSB of the developer's architect's certification confirming completion of the relevant stages of construction of a Parcel in the Oval Apartments.

As at to-date, the Vendors have given advances of RM28,651,863 to TDSB ("Shareholders' Advances"). The Shareholders' Advances as at the Completion Date may be increased by an amount of up to RM1,837,500. AMSB shall repay the Shareholders' Advances to the Vendors on the Completion Date, i.e within 5 business days from the date AMSB confirms that it is satisfied that all the conditions precedent have been fulfilled.

The Deposit will be wholly financed from internally generated funds of the GLM Group. The Balance Purchase Consideration and the Shareholders' Advances will be financed from internally generated funds and/or bank borrowings.

Save as disclosed above, there is no other liability to be assumed by AMSB arising from the Proposed Acquisition.

4. SALIENT TERMS OF SSPA

- (i) The TDSB shares will be acquired free from all claims, equities, charges, liens or other encumbrances and with all rights attached thereto, including the rights to receive all dividends and distributions declared on or after the Completion Date.
- (ii) In the event AMSB is not satisfied with any results of the due diligence exercise, the Deposit will be refunded within 7 days.

5. RATIONALE FOR THE PROPOSED ACQUISITION

The Proposed Acquisition will enable GLM Group to enhance its earnings.

6. RISK FACTOR

GLM is not aware of any risk factor associated with the Proposed Acquisition, which could have a material effect on the business or financial position of GLM Group.

7. EFFECTS OF THE PROPOSED ACQUISITION

7.1 Share capital and major shareholders' shareholding

The Proposed Acquisition will not have any effect on the share capital and major shareholders' shareholding of GLM as the purchase consideration and Shareholders' Advances will be wholly satisfied by cash.

7.2 Earnings and net assets

The Proposed Acquisition is not expected to have any material effect on the earnings and net assets per share of the GLM Group for the financial year ending 30 June 2008.

7.3 Gearing

Based on the audited financial statements of GLM Group as at 30 June 2006, the Proposed Acquisition is expected to increase the gearing of GLM Group from 8% to 22%.

8. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

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

9. CONDITION OF THE PROPOSED ACQUISITION

The Proposed Acquisition is conditional upon the approval of the Foreign Investment Committee. Approval of the shareholders of GLM is not required for the Proposed Acquisition.

The Proposed Acquisition is expected to be completed by end September 2007.

10. DIRECTORS' OPINION

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

11. DOCUMENTS FOR INSPECTION

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

This announcement is dated 8 August 2007.

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: