AMCORP PROPERTIES BERHAD ("AMPROP")
- SHAREHOLDERS' AGREEMENT IN RELATION TO TEN ACRE (MAYFAIR) LIMITED

1. INTRODUCTION

The Board of Directors of AMPROP wishes to announce that AMPROP has today received confirmation from its solicitors in London that its wholly-owned subsidiary, Old Burlington Limited (**"OBL"**), had on 31 July 2012 entered into a shareholders' agreement ("**Shareholders' Agreement**") with NL (Pollen) Limited ("**NL Pollen**") and HPL (Mayfair) Pte Ltd ("**HPL Mayfair**") to form a joint-venture to purchase a freehold and income-producing property located at 29-30 Old Burlington Street, London W1, United Kingdom ("**Property**") ("**Joint Venture**"). The joint-venture entity, Ten Acre (Mayfair) Limited ("**Ten Acre**" or "**JV Entity**"), which is also a party to the Shareholders' Agreement, was incorporated for the purposes of undertaking the Joint Venture.

(OBL, NL Pollen and HPL Mayfair are collectively referred to as "**Shareholders**").

The Shareholders' Agreement governs the material aspects of the Joint Venture, the conduct of the business, terms on which Ten Acre will be operated and regulates the relationship between the Shareholders and Ten Acre.

2. DETAILS OF THE JOINT VENTURE

2.1 Joint Venture

Ten Acre is a company limited by shares incorporated under the laws of Jersey. Ten Acre has two wholly-owned subsidiaries, namely Ten Acre (Mayfair) One Limited ("**JCo1**") and Ten Acre (Mayfair) Two Limited ("**JCo2**"). Both JCo1 and JCo2 are companies limited by shares incorporated under the laws of Jersey.

Pursuant to the Shareholders' Agreement, the Shareholders shall each subscribe to their respective shares in the JV Entity in the agreed proportion ("**Agreed Proportions**") as follows:

Shareholders	**Agreed Proportion**
NL Pollen	10%
HPL Mayfair	65%
OBL	25%
Total	**100%**

JCo1 was incorporated for the principal purpose of acquiring the Property from Standard Life Assurance Limited for a consideration of £85 million ("**Acquisition**"). It is intended that following completion of the Acquisition by JCo1, the JV Entity shall further assess the Property's potential for residential re-development. A further £5 million will be payable on receipt of satisfactory planning permission to convert to residential use.

The Property is located between Old Burlington Street and Cork Street, in the heart of east Mayfair area, within the city of Westminster, central London. Mayfair is one of London's most prestigious retail and residential areas. The Mayfair area contains famous retail streets in the United Kingdom, including (New and Old) Bond Street and is well served by public transport with the Bond Street and Oxford Circus underground stations and numerous bus routes in the vicinity. Furthermore, the Property is well positioned for access to a number of high end retailers on Bond Street, Saville Row and Regent Street.

The Property comprises a mid-terraced, Mayfair office building totalling 83,024 square feet of commercial accommodation over basement, ground and eight upper floor levels. The ground and basement comprises restaurant and gallery tenants with office accommodation on the upper floors. The building was constructed in the 1930s, with a subsequent major refurbishment carried out in the 1980s. The site extends to 1,283 square metres (0.35 acres).

It is the intention of the Shareholders that Ten Acre will undertake the business of acquiring and managing the Property in accordance with a business plan agreed between the Shareholders with a view to maximising the investment return from the Joint Venture and to undertake the following business activities:

(a) secure planning for a high quality residential led scheme in respect of the Property ("**Stage 1**"); and
(b) subject to satisfactory approval, proceed with the development, marketing and sale of completed units at the Property ("**Stage 2**").

Initial funding, to be used towards paying the deposit in request of the Acquisition and funding set-up costs, is to be met initially by way of Shareholder equity funding issued at par as follows:

Shareholder	**Subscription Shares**
NL Pollen	1,171,000 A ordinary shares
HPL Mayfair	7,611,500 B ordinary shares
OBL	2,927,500 C ordinary shares

The total Shareholder funding commitments in respect of the Joint Venture are as follows (the **"Funding Commitments"**):

NL Pollen	£6.5 million
HPL Mayfair	£42.25 million
OBL	£16.25 million (equivalent to approximately RM80.4 million, based on exchange rate of £1: RM4.95)

These Funding Commitments of £65 million are calculated on the basis that Ten Acre or JCo1 will secure bank financing for the amount of £35 million to part fund the Acquisition. If £35 million is not secured, then the equity funding required increases to £95 million and each Shareholder's Funding Commitment will be increased in order to fund the shortfall. The responsibility to fund the shortfall will be pro-rated based on the Agreed Proportions. Accordingly, the maximum funding commitment to be made by OBL is £23.75 million (equivalent to approximately RM117.6 million, based on exchange rate of £1: RM4.95)

2.2 Other salient features of the Shareholders' Agreement

The other salient features of the Shareholders' Agreement are as follows:

(a) Native Land Limited ("**Native Land**") is appointed (under a separate management appointment) as development manager in respect of the Property.

(b) Unless otherwise agreed in writing, all finance to be provided by the Shareholders is to be provided by way of equity funding for ordinary shares of £1 each in the capital of Ten Acre.

(c) The three classes of shares are labelled A, B and C shares in order to distinguish the shares held by the various Shareholders. The rights attaching to the share classes are otherwise the same.

(d) The obligation on the shareholders to provide funding is limited at the level of their Funding Commitments. However, if Ten Acre requires further funding in respect of the Joint Venture this funding can be sought from each of the Shareholders (**"Excess Funding"**). There is no obligation on any of the Shareholders to provide any Excess Funding.

(e) The holders of ordinary shares shall be entitled to appoint and remove a director for each multiple of 20% of the issued ordinary shares held by each of them. For so long as NL Pollen or any of its affiliates holds 10% or more (but less than 20%) of the ordinary shares in issue NL Pollen shall be entitled to appoint and remove up to one director. The Shareholders may appoint and remove up to two independent Jersey resident directors (the **"Joint Shareholder Directors"**).

(f) The day to day management of the Joint Venture shall be undertaken by the board which act by a majority of votes. Each director appointed by HPL Mayfair and OBL shall have three votes. Any director appointed by NL Pollen shall have two votes. The Joint Shareholder Directors shall have one vote each.

(g) The quorum for a board meeting shall be those directors appointed by the Shareholders who individually or in aggregate hold not less than 50% of Ten Acre's issued share capital, at least one director appointed by the holders of the A and C shares and not less than one Joint Shareholder Director.

(h) The quorum for a Shareholder's meeting shall be the representatives of the Shareholders who in aggregate hold not less than 50% of Ten Acre's issued share capital plus the representatives of at least one of the holders of the A and C shares. If the meeting is to consider certain fundamental decisions in respect of Ten Acre, a "Major Decision Item", then the quorum shall be those representatives of the Shareholders who hold at least 90.1% of Ten Acre's issued share capital. Such decisions include, inter alia:

(i) approval of any updated business plan and material departures from the agreed business plan;

(ii) entry into third party debt financing;

(iii) the employment of any person by Ten Acre or its subsidiaries.

(i) The contributions by the Shareholders will be entitled to a priority return which will accrue until distributed by agreement of the Shareholders.

(j) If the Shareholders decide to proceed with Stage 2 and within six years of the completion date of the Acquisition not all of the residential and commercial units comprised within the Stage 2 scheme in respect of the Property have been disposed of, any Shareholder may invoke the buyout process.

2.3 Information on other parties to the Shareholders' Agreement

(a) *OBL*

OBL was incorporated in the British Virgin Islands on 16 July 2012 as a private limited company under the BVI Business Companies Act, 2004 and is principally involved in investment holding. The issued and paid-up share capital of OBL is £1.00 comprising 1 ordinary share of £1.00 each, of which is held by AMPROP.

(b) *NL Pollen*

NL Pollen, a company limited by shares and incorporated in Jersey, is held by Native Land, Montrose Land & Developments Limited and Buccleuch Estates Limited.

Montrose Land & Developments Limited is a shareholder in Native Land.

Buccleuch Estates Limited is the parent company of the Buccleuch Group which is engaged in, *inter alia*, property development and investment.

Native Land is a specialist property development company operating in the prime central London market.

(c) *HPL Mayfair*

HPL Mayfair, a company limited by shares and incorporated in Singapore, is a wholly-owned subsidiary of Hotel Properties Limited, a public listed company on the Singapore Stock Exchange. Its principal activity is investment holding.

(d) *Ten Acre*

Ten Acre was incorporated in Jersey on 11 June 2012 as a holding company. The authorised share capital of Ten Acre is £100,000,000 comprising of (a) 10,000,000 A ordinary shares of £1.00 each, (b) 65,000,000 B ordinary shares of £1.00 each and (c) 25,000,000 C ordinary shares of £1.00 each.

The issued and paid-up share capital of Ten Acre as at the date of this announcement is £11,710,000 comprising (a) 1,171,000 A ordinary shares of £1.00 each, (b) 7,611,500 B ordinary shares of £1.00 each and (c) 2,927,500 C ordinary shares of £1.00 each, held by NL Pollen, HPL Mayfair and OBL respectively.

3. RATIONALE FOR THE JOINT VENTURE

Judging on the profitability of the Group's foray into the London property market in recent years, the Board continues to drive forward its strategy to further expand its property portfolio in central London. On the back of these successes as well as its experience in London property investments, the Group is now confident to undertake larger property investments in prime central London and the Joint Venture presents such an opportunity to the Group.

4. SOURCE OF FUNDING

The capital contributions will be funded by advances from AMPROP. AMPROP intends to finance its portion of the capital contributions via internally generated funds of AMPROP and its subsidiaries.

5. LIABILITIES TO BE ASSUMED

There is no liability to be assumed by AMPROP arising from the Joint Venture.

6. PROSPECTS

The Joint Venture is expected to contribute positively to the future earnings and growth of AMPROP Group.

7. RISK FACTORS

Save for general economic risk and joint venture risk commonly associated with investment in joint venture, there are no significant risk factors involved in relation to the Joint Venture.

8. EFFECTS OF THE JOINT VENTURE

8.1 Share capital and substantial shareholders' shareholding

The Joint Venture will not have any effect on the issued and paid-up share capital and substantial shareholders' shareholding of AMPROP.

8.2 Net assets

The Joint Venture is not expected to have any material effect on the net assets per share of AMPROP Group for the financial year ending 31 March 2013.

8.3 Earnings

The Joint Venture is not expected to have a material effect on the earnings per share of AMPROP Group for the financial year ending 31 March 2013. However, it is expected to contribute positively to the future earnings of AMPROP Group in the longer term.

8.4 Gearing

The Joint Venture will not have any effect on the gearing of AMPROP Group for the financial year ending 31 March 2013.

9. APPROVALS REQUIRED

The Joint Venture is not subject to the approval of the shareholders of AMPROP nor any other relevant government authorities.

10. PERCENTAGE RATIO

The highest percentage ratio applicable to the Joint Venture pursuant to paragraph 10.02(g) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements is 17.8% based on the latest audited financial statements of AMPROP for the financial year ended 31 March 2012.

11. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and/or major shareholders of AMPROP and/or persons connected to them have any interest, direct or indirect, in the Joint Venture.

12. STATEMENT BY DIRECTORS

Having considered all aspects of the Joint Venture, the Board of Directors of AMPROP is of the opinion that the Joint Venture is in the best interest of AMPROP Group.

13. ESTIMATED TIMEFRAME FOR COMPLETION

The Joint Venture takes effect from the date of the execution of the Shareholders' Agreement.

14. DOCUMENTS AVAILABLE FOR INSPECTION

The Shareholders' Agreement will be made available for inspection at the registered office of the Company during normal office hours from Mondays to Fridays (except public holidays) at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur for a period of three (3) months from the date of this announcement.

This announcement is dated 31 July 2012.