

UEM LAND HOLDINGS BERHAD (“ULHB” OR THE “COMPANY”)

- I. SALE AND PURCHASE AGREEMENT DATED 14 DECEMBER 2012 BETWEEN UEM LAND BERHAD (“UEM LAND” OR THE “VENDOR”), A WHOLLY-OWNED SUBSIDIARY OF ULHB, BANDAR NUSAJAYA DEVELOPMENT SDN BHD (“BNDSB” OR THE “PROPRIETOR”), A WHOLLY-OWNED SUBSIDIARY OF UEM LAND, AND LIBERTY BRIDGE SDN BHD (“LBSB” OR THE “PURCHASER”) FOR THE DISPOSAL BY UEM LAND OF APPROXIMATELY 28.979 ACRES IN COMMERCIAL NORTH, PUTERI HARBOUR, NUSAJAYA, JOHOR DARUL TAKZIM TO LBSB FOR A CASH CONSIDERATION OF RM211,154,356.00; AND
- II. SALE AND PURCHASE AGREEMENT DATED 8 JANUARY 2013 BETWEEN UEM LAND, BNDSB AND LBSB FOR THE DISPOSAL BY UEM LAND OF ADDITIONAL LAND PARCELS MEASURING APPROXIMATELY 14.659 ACRES IN COMMERCIAL NORTH, PUTERI HARBOUR, NUSAJAYA, JOHOR DARUL TAKZIM TO LBSB FOR A CASH CONSIDERATION OF RM189,641,331.00

1. INTRODUCTION

The Company wishes to announce that its wholly-owned subsidiaries, UEM Land and BNDSB, had, on 14 December 2012 and 8 January 2013, entered into the following agreements:-

- (a) Sale and Purchase Agreement dated 14 December 2012 between UEM Land, BNDSB and LBSB for the disposal by UEM Land of approximately 28.979 acres of land in Commercial North, Puteri Harbour, Nusajaya, Johor Darul Takzim (“**Lands 1**”) to LBSB for a cash consideration of RM211,154,356.00 (“**SPA 1**”); and
- (b) Sale and Purchase Agreement dated 8 January 2013 between UEM Land, BNDSB and LBSB for the disposal by UEM Land of additional land parcels measuring approximately 14.659 acres in Commercial North, Puteri Harbour, Nusajaya, Johor Darul Takzim (“**Lands 2**”) to LBSB for a cash consideration of RM189,641,331.00 (“**SPA 2**”).

(SPA 1 and SPA 2 are collectively referred to as the “**Agreements**”. The transactions set out in the Agreements are collectively referred to as the “**Proposed Disposal**”).

2. DETAILS OF THE PROPOSED DISPOSAL

2.1. The salient terms of the SPA 1 are as follows:

- (a) The details of the Lands 1 are as follows:-

Parcel	PTD No	HSD No	Approximate Acreage (Ac)
CN1-1	166934	458109	3.808
CN1-2	166939	458114	3.788
CN1-3	166935	458110	3.601
CN1-4	166938	458113	2.300
CN4-1	166940	458115	4.892
CN4-2	166943	458118	4.890
CN4-3	166941	458116	3.200
CN4-4	166942	458117	2.500
TOTAL			28.979

- (b) The purchase consideration of RM211,154,356.00 shall be satisfied in accordance to the following payment schedule:-

Percentage (%)	Value (RM)	Payment Terms
10	21,115,435.60	Upon execution of SPA 1
50	105,577,178.00	3 months from Delivery Date
40	84,461,742.40	6 months from Delivery Date

- (c) The following approvals are to be obtained within seven (7) months from the date of the SPA with an automatic 3-months extension or such extended period to be mutually agreed by the parties. The date the last of the approvals obtained is defined as the **"Delivery Date"**:-
- (i) The approval in writing from the Economic Planning Unit of the Prime Minister's Office in respect of the purchase of the Lands 1 by the Purchaser from the Vendor;
 - (ii) The approval in writing from the State Authority of Johor for the purchase of the Lands 1 by the Purchaser from the Vendor pursuant to Section 433B of the National Land Code, 1965; and
 - (iii) The issuance of new land titles for Lands 1 by the State Authority of Johor reflecting the conversion of the category of land use for the Lands 1 from "Agriculture" to "Building" (**"New Titles For Lands 1"**).
- (d) Any development to be undertaken by the Purchaser on Lands 1 must be in compliance with the Urban Design Guidelines for Puteri Harbour as approved by the State Authority (**"UDG"**).
- (e) It is a condition of SPA 1 that construction works for the first phase of Lands 1 must commence no later than 24 months from the Completion Date of the SPA or from such other earlier date as may be agreed upon by the parties in writing.
- (f) The Lands 1 are sold free from encumbrances but subject to conditions of title whether expressed or implied and restrictions-in-interest endorsed on the New Titles For Lands 1.

2.2. The salient terms of the SPA 2 are as follows:

- (a) The details of the Lands 2 are as follows:-

Parcel	PTD No	HSD No	Approximate Acreage (ac)
CN2-1	166936	458111	4.324
CN2-2	166937	458112	4.100
CN3-1	166965	458140	3.316
CN3-2	166966	458141	2.919
TOTAL			14.659

- (c) The purchase consideration of RM189,641,331.00 shall be satisfied in accordance to the following payment schedule:-

Percentage (%)	Value (RM)	Payment Terms
10	18,964,133.10	Upon execution of SPA 2
50	94,820,665.50	3 months from Delivery Date
40	75,856,532.40	6 months from Delivery Date

- (d) The following approvals are to be obtained within six (6) months from the date of the SPA 2 with an automatic 3-months extension or such extended period to be mutually agreed by the parties. The date the last of the approvals obtained is defined as the **"Delivery Date"**:-
 - (i) The approval in writing from the Economic Planning Unit of the Prime Minister's Office in respect of the purchase of the Lands 2 by the Purchaser from the Vendor;
 - (ii) The approval in writing from the State Authority of Johor for the purchase of the Lands 2 by the Purchaser from the Vendor pursuant to Section 433B of the National Land Code, 1965; and
 - (iii) The issuance of new land titles for some of the Lands 2 by the State Authority of Johor reflecting the conversion of the category of land use from "Agriculture" to "Building" (**"New Titles For Lands 2"**).
- (e) Any development to be undertaken by the Purchaser on the Lands 2 must be in compliance with the UDG.
- (f) It is a condition of the SPA 2 that construction works for the first phase of the development of Lands 2 or the second phase of the development of Lands 1 must commence within 36 months from Completion Date of the SPA 2.
- (g) The Lands 2 are sold free from encumbrances but subject to conditions of title whether expressed or implied and restrictions-in-interest endorsed on the New Titles For Lands 2.

2.3. LBSB will not assume any liabilities arising from the Proposed Disposal.

3. INFORMATION ON LANDS 1 AND LANDS 2 (COLLECTIVELY KNOWN AS "CN LANDS")

The CN Lands are located in Commercial North, Puteri Harbour, Nusajaya, Johor Darul Takzim. The particulars of the CN Lands are set out in **Table 1**.

The cash considerations of RM211,154,356.00 and RM189,641,331.00 for SPA 1 and SPA 2 respectively were agreed upon between UEM Land and LBSB after taking into consideration of the prevailing market value of the land in Puteri Harbour area and the overall zoning plan approval for the CN Lands together with other improvement and infrastructure works delivered or to be delivered by UEM Land to the boundary of the CN Lands. No independent valuation was carried out on the CN Lands for the purposes of the Proposed Disposal.

The CN Lands were acquired by BNDSB between May 1994 and June 1995 at a total cost of approximately RM4.05 million. The total net book value of the CN Lands based on the latest audited financial statements of ULHB as at 31 December 2011 is approximately RM159.71 million.

4. INFORMATION ON UEM LAND

UEM Land was incorporated in Malaysia under the Act on 7 October 1982 as a public limited company under the name of Renong Berhad. It was listed on Bursa Malaysia Securities Berhad ("**Bursa Securities**") on 27 January 1984 and subsequently delisted from the Main Board of Bursa Securities on 14 November 2003. It was also listed on the Stock Exchange of Singapore Ltd on 31 January 1984 and subsequently delisted from the Official List of the Stock Exchange of Singapore Ltd on 1 January 1990.

On 27 December 2003, it was converted into a private limited company following a group wide restructuring scheme by its holding company, UEM Group Berhad. On 9 April 2008, UEM Land was re-converted into a public company.

The present authorised share capital of UEM Land is RM2,500,000,000 comprising 2,450,000,000 ordinary shares of RM1.00 each and 50,000,000 redeemable convertible preference shares of RM1.00 each, and the issued and paid up share capital of UEM Land is RM464,468,113 comprising 464,468,113 ordinary shares of RM1.00 each.

The principal activities of UEM Land are property development, project investment, project procurement and management, and strategic investment holding.

5. INFORMATION ON BNDSB

BNDSB was incorporated on 19 November 1992 under the name of Pembangunan Lintasan Kedua Sdn Bhd and subsequently changed its name to Prolink Development Sdn Bhd on 3 May 1994. On 13 August 2004, it assumed its present name.

The present authorised share capital of BNDSB is RM600,000,000 comprising 150,000,000 ordinary shares of RM1.00 each and 450,000,000 Redeemable Convertible Preference Shares of RM1.00 each. The issued and paid up share capital of BNDSB is RM550,000,000 comprising 100,000,000 ordinary shares of RM1.00 each and 450,000,000 Redeemable Convertible Preference Shares of RM1.00 each.

The principal activities of BNDSB are investment holding, property development and land trading and as agent for its subsidiaries.

6. INFORMATION ON LBSB

LBSB was incorporated in Malaysia on 11 January 2011 as a private limited company under the Companies Act, 1965. LBSB's ultimate beneficial shareholders are YBhg Tan Sri Dato' Surin Upatsoon @ Lau Kim Khoo, YBhg Tan Sri Nik Awang @ Wan Azmi bin Wan Hamzah, YBhg Tan Sri Lee Oi Hian and Mr Wee Ee Chao, with each controlling a 25% equity stake in LBSB. The principal activities of LBSB are investment holding and general trading.

7. RATIONALE FOR THE PROPOSED DISPOSAL

7.1 The Company, via its subsidiaries and joint venture companies, is currently developing or planning to develop a significant portion of the lands within Puteri Harbour, centred around the Commercial South and Private Marina precincts. The Proposed Disposal would allow the Company to focus its resources in developing the abovementioned land parcels.

7.2 The participation of other developers in Commercial North would help accelerate development momentum in Puteri Harbour and the economic activities created are expected to result in spillover benefits for the Company's remaining lands in Nusajaya.

8. EFFECTS OF THE PROPOSED DISPOSAL

8.1 Issued and paid-up share capital and shareholdings of substantial shareholders

The Proposed Disposal will not have any effect on the issued and paid-up share capital of ULHB and the shareholdings of ULHB's substantial shareholders in ULHB.

8.2 Earnings and gearing

The Proposed Disposal is expected to contribute to the ULHB Group's revenue, gross profit, earnings and earnings per share as follows:

Financial year ending	31 December 2013
Revenue (RM million)	400.8
Gross profit (RM million)	240.2
Earnings (RM million)	180.1
Earnings per share ⁽¹⁾ (sen)	0.02

Notes:

⁽¹⁾ Based on ULHB's issued and paid-up ordinary share capital as at 31 December 2011 of 4,323,618,000 shares.

The Proposed Disposal is not expected to have a material effect on the gearing of the ULHB Group.

8.3 Utilisation of Proceeds

The proceeds from the Proposed Disposal will be utilised to meet the ULHB Group's working capital requirements.

9. APPROVALS REQUIRED

The Proposed Disposal does not require shareholders' approval. However, the completion of the transactions under the SPA 1 and SPA 2 will be subject to various regulatory approvals including but not limited to the approval for the transfer of the CN Lands to the Purchaser and the approval for the conversion of the category of land use for the majority of the CN Lands from "Agriculture" to "Building". The application to the authorities will be made as and when required in accordance with the terms of the respective agreements.

10. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and major shareholders of ULHB and/or persons connected to them have any interest, direct or indirect, in the Proposed Disposal.

11. DIRECTORS' STATEMENT

ULHB's Board, after having considered all aspects of the Proposed Disposal (including the rationale for the Proposed Disposal as set out in Section 7 above), is of the opinion that the Proposed Disposal is in the best interest of ULHB and its shareholders.

12. ESTIMATED TIMEFRAME FOR COMPLETION

The Proposed Disposal is expected to be completed by 31 December 2013.

13. HIGHEST PERCENTAGE RATIO APPLICABLE TO THE PROPOSED DISPOSAL

The highest percentage ratio applicable to the Proposed Disposal pursuant to paragraphs 10.02(g) and 10.12 of the Main Market Listing Requirements of Bursa Securities is set out below:

	Lands 1	Lands 2	Aggregated
Highest percentage ratio	4.37%	3.92%	8.29%

14. DOCUMENTS FOR INSPECTION

The Agreements will be made available for inspection at ULHB's registered office at 19-2, Mercu UEM, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, during normal business hours from Mondays to Fridays (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 8 January 2013.

TABLE 1

(a) Identification of the Lands	Parcel	PTD/HSD No	Acreage (acres)
	CN1-1	166934/458109	3.808
	CN1-2	166939/458114	3.788
	CN1-3	166935/458110	3.601
	CN1-4	166938/458113	2.300
	CN2-1	166936/458111	4.324
	CN2-2	166937/458112	4.100
	CN3-1	166965/458140	3.316
	CN3-2	166966/458141	2.919
	CN4-1	166940/458115	4.892
	CN4-2	166943/458118	4.890
	CN4-3	166941/458116	3.200
	CN4-4	166942/458117	2.500
		TOTAL	43.638
(b) Land measurement	all located in Mukim Pulai, Daerah Johor Bahru, Negeri Johor Darul Takzim Approximate area of 43.638 acres		
(c) Land category	Parcel	PTD/HSD No	Land Category
	CN1-1	166934/458109	Agriculture
	CN1-2	166939/458114	Agriculture
	CN1-3	166935/458110	Agriculture
	CN1-4	166938/458113	Agriculture
	CN2-1	166936/458111	Agriculture
	CN2-2	166937/458112	Agriculture
	CN3-1	166965/458140	Building
	CN3-2	166966/458141	Building
	CN4-1	166940/458115	Agriculture
	CN4-2	166943/458118	Agriculture
	CN4-3	166941/458116	Agriculture
	CN4-4	166942/458117	Agriculture
(d) Existing use of land	Vacant		
(e) Terms of tenure	<ul style="list-style-type: none"> • Freehold 		
(f) Book value ⁽¹⁾	<ul style="list-style-type: none"> • RM159.71 million 		

Notes:

⁽¹⁾ Based on the audited financial statements of ULHB as at 31 December 2011