

Circular/Notice to Shareholders

GUOCOLAND (MALAYSIA) BERHAD

Subject

Circular To Shareholders In Relation To: Part A Proposed Renewal Of And New Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature Part B Statement In Relation To The Proposed Renewal Of The Authority For The Purchase Of Own Shares By The Company

Please refer attachment below.

Attachments



[Circular-RRPT and Share Buyback.pdf](#)

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Announcement Info

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THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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CIRCULAR TO SHAREHOLDERS

IN RELATION TO

PART A

**PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

PART B

**STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF THE
AUTHORITY FOR THE PURCHASE OF OWN SHARES BY THE COMPANY**

The resolutions in respect of the above proposals will be tabled at the forthcoming Annual General Meeting (“AGM”) of GuocoLand (Malaysia) Berhad (“GLM”) to be held at the Theatre, Level 1, Wisma Hong Leong, 18 Jalan Perak, 50450 Kuala Lumpur on Wednesday, 11 November 2015 at 11.00 a.m. or at any adjournment thereof. The Notice of AGM and the Form of Proxy are set out in the 2015 Annual Report of GLM, which is despatched together with this Circular.

This Circular is dated 20 October 2015

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PART A

**PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout Part A of this Circular:

“Act”	:	Companies Act, 1965, as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board” or “Directors”	:	Board of Directors of GLM
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“ESS”	:	Executive Share Scheme of GLM
“GLLM”	:	GLL (Malaysia) Pte Ltd
“GLM” or “Company”	:	GuocoLand (Malaysia) Berhad
“GLM Group”	:	GLM and its subsidiaries
“Group Management And/Or Support Services”	:	Include services such as corporate advisory, secretarial and legal, treasury and risk management, internal audit, accounting and tax, share registration, nominees, custodian and ESS administration, fund management, human resources management, training, investment, support on corporate social responsibility initiatives and any other services as may be agreed between the parties from time to time
“HLCM”	:	Hong Leong Company (Malaysia) Berhad
“LPD”	:	30 September 2015, being the latest practicable date prior to the printing of this Circular
“Main Market Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
“Proposed Renewal of and New Shareholders’ Mandate”	:	Shareholders’ approval for a general mandate in relation to recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the GLM Group as set out in Section 2.3 herein
“Recurrent Related Party Transactions”	:	Related Party Transactions of a revenue or trading nature which are recurrent and necessary for the day-to-day operations of the GLM Group
“Related Party Transactions”	:	Transactions entered into by GLM or its subsidiaries which involve the interest, direct or indirect, of a related party
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Services”	:	Include investment and fund management services, sales and marketing services, security guard services, hotel-related management services, e-commerce and technology-related services and any other services as may be agreed between the parties from time to time
“Shares”	:	Ordinary shares of RM0.50 each in GLM

Registered Office:
Level 10, Wisma Hong Leong
18 Jalan Perak
50450 Kuala Lumpur

20 October 2015

DIRECTORS:

YBhg Tan Sri Quek Leng Chan (Chairman; Non-Executive/Non-Independent)
Mr Tan Lee Koon (Managing Director/Non-Independent)
YBhg Dato' Poh Yang Hong (Non-Executive/Non-Independent)
YBhg Dato' Ong Joo Theam (Non-Executive/Non-Independent)
YBhg Tan Sri Nik Mohamed bin Nik Yaacob (Non-Executive/Independent)
Mr Peter Ho Kok Wai (Non-Executive/Independent)
Mr Raymond Choong Yee How (Non-Executive/Non-Independent)

To: The Shareholders of GuocoLand (Malaysia) Berhad

Dear Sir/Madam

PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the Company's AGM held on 14 October 2014, the Company obtained mandates from its shareholders for the GLM Group to enter into Recurrent Related Party Transactions with related parties. The said mandates shall, in accordance with the Main Market Listing Requirements, expire at the conclusion of the forthcoming AGM of the Company to be held on Wednesday, 11 November 2015 at 11.00 a.m. ("Said AGM"), unless they are renewed at the Said AGM.

In connection thereto, on 16 October 2015, GLM announced that the Company proposes to seek its shareholders' approval for the Proposed Renewal of and New Shareholders' Mandate at the Said AGM.

The purpose of Part A of this Circular is to provide you with details of the Proposed Renewal of and New Shareholders' Mandate and to seek your approval for the proposed ordinary resolutions pertaining to the Proposed Renewal of and New Shareholders' Mandate to be tabled at the Said AGM.

The Notice of the Said AGM together with the Form of Proxy are set out in the 2015 Annual Report of GLM, which is despatched together with this Circular.

2. DETAILS OF THE PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE

2.1 Provisions under the Main Market Listing Requirements

Paragraph 10.09(2) of the Main Market Listing Requirements provides that a listed issuer may seek a mandate from its shareholders for related party transactions which are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of a listed issuer or its subsidiaries subject to, inter-alia, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1) of the Main Market Listing Requirements;
- (c) the listed issuer's circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain shareholder mandate, the relevant related party must comply with the requirements set out in paragraph 10.08(7) of the Main Market Listing Requirements; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a recurrent related party transaction entered into by the listed issuer, exceeds the estimated value of the recurrent related party transaction disclosed in the circular to shareholders by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured a shareholder mandate pursuant to the above, the provisions of paragraph 10.08 of the Main Market Listing Requirements will not apply with regard to transactions as detailed in Section 2.3 of Part A of this Circular.

The Company proposes to seek the Proposed Renewal of and New Shareholders' Mandate from its shareholders for the GLM Group to enter into Recurrent Related Party Transactions on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not detrimental to the minority shareholders.

The Proposed Renewal of and New Shareholders' Mandate, if approved at the Said AGM, will take immediate effect upon conclusion of the Said AGM and will continue to be in force until the conclusion of the next AGM of the Company or until the expiration of the period within which the next AGM is required by law to be held (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act), unless revoked or varied by the Company in a general meeting, whichever is the earlier.

2.2 Classes of related parties

Shareholders' approval is sought for the Proposed Renewal of and New Shareholders' Mandate involving recurrent related party transactions which are carried out by companies within the GLM Group with the following classes of related parties:

- HLCM (the ultimate holding company of GLM) and persons connected with HLCM ("Hong Leong Group") as listed in Appendix II of this Circular;
- The Directors and major shareholders of the GLM Group and persons connected with them; and

- Tower Real Estate Investment Trust (“Tower REIT”). The trustee and manager of Tower REIT are AmTrustee Berhad and GLM REIT Management Sdn Bhd (“GLM REIT Management”) respectively. GLM REIT Management is a wholly-owned subsidiary of GLM. YBhg Tan Sri Quek Leng Chan is a Director and major shareholder of GLM. As at LPD, certain subsidiaries of HLCM, namely, HLP Equities Sdn Bhd, Hong Leong Assurance Berhad, Hong Leong Bank Berhad, Hong Leong Investment Bank Berhad and Asia Fountain Investment Company Limited, which are persons connected with YBhg Tan Sri Quek Leng Chan, have a total of 54.13% in the units of Tower REIT. Mr Tan Lee Koon and YBhg Dato’ Poh Yang Hong are Directors of GLM REIT Management and GLM.

The details of the shareholdings of HLCM, YBhg Tan Sri Quek Leng Chan and the Directors of GLM in GLM are set out in Section 5 of Part A of this Circular.

2.3 Nature of Recurrent Related Party Transactions contemplated

The principal activities of GLM are investment holding and provision of management services. The principal activities of GLM’s subsidiaries are property development, property investment, hotel operations, investment holding, trading in securities, provision of management and property-related services, and operation of an oil palm estate. The subsidiaries undertaking these activities are set out in Appendix III of this Circular.

The Hong Leong Group is also involved in a diverse range of industries including, inter-alia, manufacturing, procuring and assembling of motorcycles, scooters, motorcycle engines and related parts and products; distribution of motorcycles and motorcycle components; provision of maintenance and repair services for motorcycles; manufacturing and sale of ceramic tiles; provision of research and development services for motorcycles and ceramic tiles; distribution of building materials; manufacturing and sale of newsprint and related paper products; manufacturing and sale of fibre cement and concrete roofing products; manufacturing, assembling, testing and sale of integrated circuits, semiconductor devices, electronic components and leadframes; manufacturing and sale of cement and cement-related products; manufacturing and sale of concrete and related products, and provision of research and development services for concrete products; design, manufacturing and supply of furniture and interior design fit-out works; manufacturing, sale and trading in billets, steel bars, wire rods, wire mesh, pre-stressed concrete bars and wires, hot-rolled steel coils, steel pipes, steel wires and fencing panels; commercial banking business and provision of related services which include Islamic banking business, real property investment, investment holding and nominee services; insurance and takaful businesses; investment banking, stockbroking business, futures broking and related financial services; nominees and custodian services; unit trust management, fund management and sale of unit trusts; and provision of management, training and security guard services. In view of the diversity of the Hong Leong Group’s businesses, it is envisaged that in the normal course of business of the GLM Group, transactions in respect of goods and/or services between companies in the GLM Group and the Hong Leong Group will occur with some degree of frequency from time to time and may arise at any time.

The Group Management And/Or Support Services are part of the shared services of companies within the Hong Leong Group. These shared services are provided in-house in order to align with the Hong Leong Group’s corporate objectives and management disciplines and to reduce operating cost and improve efficiency such as through economies of scale, better utilisation and allocation of resources, standardisation of processes and operating procedures and information technology. Accordingly, the Board considers it beneficial to enter into transactions in respect of the Group Management And/Or Support Services. The Group Management And/Or Support Services are carried out on commercial terms and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and which will not be, in the Company’s opinion, detrimental to the minority shareholders of GLM.

Details of Recurrent Related Party Transactions contemplated shall include, but not limited to, those described below:

(A) Recurrent Related Party Transactions with the Hong Leong Group are as follows:

Transaction	Vendor/ Provider	Purchaser/ Recipient	Directors' and major shareholders' interests	Estimated aggregate value as disclosed in the Circular to Shareholders dated 22 September 2014 ("Estimated Value") (RM'million)	Actual value transacted (from date of AGM on 14 October 2014 up to the LPD) ("Actual Value") (RM'million)	*Estimated aggregate value during the validity period of the Proposed Renewal of and New Shareholders' Mandate ("Current Estimated Value") (RM'million)
(a) Rental of properties such as:** (i) 3 KiaPeng service apartments, Jalan Kia Peng, Kuala Lumpur (ii) Menara Pandan, Persiaran MPAJ, Jalan Pandan Utama, Pandan Indah, Kuala Lumpur (iii) Office Tower B, Damansara City, Damansara Heights, Kuala Lumpur^ to the Hong Leong Group	GLM Group	Hong Leong Group	YBhg Tan Sri Quek Leng Chan, Mr Quek Leng Chye, HLCM, HL Holdings Sdn Bhd, Mr Kwek Leng Beng, Kwek Holdings Pte Ltd, Hong Realty (Private) Limited, Hong Leong Investment Holdings Pte Ltd ("HLIH"), Davos Investment Holdings Private Limited, Mr Kwek Leng Kee, GuocoLand Limited, GuocoLand Assets Pte Ltd, Guoco Group Limited, GuoLine Overseas Limited and GuoLine Capital Assets Limited (collectively referred to as "Upstream Shareholders of GLL (Malaysia) Pte Ltd ("GLLM")") and GLLM	1.00	0.05	1.00
(b) Provision of property-related services and management support services	GLM Group	Hong Leong Group	GLLM and Upstream Shareholders of GLLM	10.00	0.70	10.00
(c) Provision of services including as turnkey developer/contractor	GLM Group	Hong Leong Group	GLLM and Upstream Shareholders of GLLM	200.00	Nil	200.00

(A) Recurrent Related Party Transactions with the Hong Leong Group are as follows: *(cont'd)*

Transaction	Vendor/ Provider	Purchaser/ Recipient	Directors' and major shareholders' interests	Estimated aggregate value as disclosed in the Circular to Shareholders dated 22 September 2014 ("Estimated Value") (RM'million)	Actual value transacted (from date of AGM on 14 October 2014 up to the LPD) ("Actual Value") (RM'million)	*Estimated aggregate value during the validity period of the Proposed Renewal of and New Shareholders' Mandate ("Current Estimated Value") (RM'million)
(d) Sale of properties, including land or land-based property	GLM Group	Hong Leong Group	GLLM and Upstream Shareholders of GLLM	Up to 10% of any one of the percentage ratios	63.32#	Up to 10% of any one of the percentage ratios
(e) Rental of properties from the Hong Leong Group such as Wisma Hong Leong, Jalan Perak, Kuala Lumpur**	Hong Leong Group	GLM Group	GLLM and Upstream Shareholders of GLLM	1.00	0.12	1.00
(f) Receipt of Group Management And/Or Support Services	Hong Leong Group	GLM Group	GLLM and Upstream Shareholders of GLLM	6.00	2.12	6.00
(g) Payment for usage of the Hong Leong Group logo and trade mark	Hong Leong Group	GLM Group	GLLM and Upstream Shareholders of GLLM	0.10	0.03	0.10
(h) Purchase of goods such as building materials, motorcycles, furniture and other products	Hong Leong Group	GLM Group	GLLM and Upstream Shareholders of GLLM	15.00	0.25	15.00
(i) Receipt of Services	Hong Leong Group	GLM Group	GLLM and Upstream Shareholders of GLLM	10.00	2.98	10.00

(B) Recurrent Related Party Transactions with the Directors and major shareholders of the GLM Group and persons connected with them are as follows:

Transaction	Vendor/ Provider	Purchaser/ Recipient	Directors' and major shareholders' interests	Estimated aggregate value as disclosed in the Circular to Shareholders dated 22 September 2014 ("Estimated Value") (RM'million)	Actual value transacted (from date of AGM on 14 October 2014 up to the LPD) ("Actual Value") (RM'million)	*Estimated aggregate value during the validity period of the Proposed Renewal of and New Shareholders' Mandate ("Current Estimated Value") (RM'million)
(a) Sale of properties, including land or land-based property	GLM Group	Directors and major shareholders of the GLM Group and persons connected with them	All Directors of GLM, GLLM and Upstream Shareholders of GLLM	Up to 10% of any one of the percentage ratios	Nil	Up to 10% of any one of the percentage ratios
(b) Purchase of properties, including land or land-based property	Directors and major shareholders of the GLM Group and persons connected with them	GLM Group	All Directors of GLM, GLLM and Upstream Shareholders of GLLM	Up to 10% of any one of the percentage ratios	Nil	Up to 10% of any one of the percentage ratios
(c) Rental of properties such as:** (i) 3 KiaPeng service apartments, Jalan Kia Peng, Kuala Lumpur (ii) Menara Pandan, Persiaran MPAJ, Jalan Pandan Utama, Pandan Indah, Kuala Lumpur to the Directors and major shareholders of the GLM Group and persons connected with them	GLM Group	Directors and major shareholders of the GLM Group and persons connected with them	All Directors of GLM, GLLM and Upstream Shareholders of GLLM	0.50	Nil	0.50

(C) Recurrent Related Party Transactions with Tower REIT are as follows:

Transaction	Vendor/ Provider	Purchaser/ Recipient	Directors' and major shareholders' interests	Estimated aggregate value as disclosed in the Circular to Shareholders dated 22 September 2014 ("Estimated Value") (RM'million)	Actual value transacted (from date of AGM on 14 October 2014 up to the LPD) ("Actual Value") (RM'million)	*Estimated aggregate value during the validity period of the Proposed Renewal of and New Shareholders' Mandate ("Current Estimated Value") (RM'million)
(a) Provision of management services	GLM Group	Tower REIT	GLLM and Upstream Shareholders of GLLM	6.00	2.90	6.00
(b) Rental of properties such as HP Towers, Jalan Gelenggang, Bukit Damansara, Kuala Lumpur**	Tower REIT	GLM Group	GLLM and Upstream Shareholders of GLLM	4.00	2.01	4.00

Notes:

* The Current Estimated Value of the transactions is based on the Actual Value transacted and/or management's estimate of the value to be transacted during the validity period of the Proposed Renewal of and New Shareholders' Mandate. The Current Estimated Value of these transactions may be subject to changes.

** The rental of properties will be for a tenure of up to three (3) years with option to renew and payment of rental is on monthly basis.

^ The transaction under item 2.3A(a)(iii) is a new transaction.

The highest ratio applicable to this transaction is 6.65%.

None of the Actual Value of the Recurrent Related Party Transactions as disclosed above has exceeded the Estimated Value by 10% or more.

2.4 Amount due and owing by related parties

The total outstanding receivables arising from the Recurrent Related Party Transactions of GLM Group which exceeded the credit term for the following periods as at 30 June 2015 is as follows:

	<u>Principal Sum</u> RM'000
A period of 1 year or less	702
A period of more than 1 to 3 years	-
A period of more than 3 to 5 years	-
A period of more than 5 years	-

There were no interest and late payment charges imposed on the overdue trade receivables as they were trade in nature.

Out of the above outstanding amount, RM532,000 has been recovered as of 6 October 2015. Management is monitoring the remaining outstanding amount, and will continue to follow up with the related transacting parties to pursue for early settlement of the outstanding amount due. The Board is of the opinion that it is fully recoverable.

2.5 Methods or procedures on which transaction prices are determined/review procedures for Recurrent Related Party Transactions

To ensure that the Recurrent Related Party Transactions which are in the ordinary course of business are conducted on commercial terms consistent with the GLM Group's usual business practices and policies and on transaction prices and terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders, the following principles will apply:

- (i) the sale or purchase of properties, including land or land-based property to the Hong Leong Group and the Directors and major shareholders of the GLM Group and persons connected with them; purchase of goods such as building materials, motorcycles and furniture-related products; receipt of Services; and provision of property-related and management services, shall be determined based on prevailing rates/prices of the goods or services (including where applicable, preferential rates/prices/discounts accorded to a class or classes of customers or for bulk purchases) according to commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations;
- (ii) the rental of properties shall be at the prevailing market rates for the same or substantially similar properties and shall be on commercial terms;
- (iii) the receipt of Group Management And/Or Support Services is based on commercial terms;
- (iii) the payment for usage of the Hong Leong Group logo and trade mark is based on commercial terms; and
- (iv) the provision of services as turnkey developer/contractor shall be based on commercial terms.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the Board Audit & Risk Management Committee of the Company, in its review of the Recurrent Related Party Transactions may, as it deems fit and whenever available, request for additional information pertaining to the transactions from independent sources or advisers.

To monitor, track and identify the Recurrent Related Party Transactions, the following review procedures have been implemented:

- (i) A register is maintained to record all Recurrent Related Party Transactions which are entered into pursuant to the Proposed Renewal of and New Shareholders' Mandate.
- (ii) The Board Audit & Risk Management Committee will undertake quarterly review of Recurrent Related Party Transactions to ensure that such transactions are undertaken on commercial terms and on transaction prices and terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders and are in the best interest of the GLM Group.

There are no specific thresholds for approval of Recurrent Related Party Transactions within the GLM Group. However, all Recurrent Related Party Transactions are subject to the approval of the Heads of the relevant operating companies or such persons to whom they may delegate such power subject always to any GLM Group's policies that may be issued from time to time.

The Board Audit & Risk Management Committee will review the existing procedures and processes, on an annual basis and as and when required, to ensure that the Recurrent Related Party Transactions are at all times carried out on commercial terms consistent with the GLM Group's usual business practices and policies.

The Board Audit & Risk Management Committee of the Company has reviewed the above procedures and is satisfied that the said procedures are adequate to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner and are sufficient to ensure that the Recurrent Related Party Transactions will be carried out on commercial terms consistent with the GLM Group's usual business practices and policies and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders. Any member of the Board Audit & Risk Management Committee who is interested in any transaction shall abstain from reviewing and deliberating on such transaction.

2.6 Validity period of the Proposed Renewal of and New Shareholders' Mandate

The Proposed Renewal of and New Shareholders' Mandate, if approved at the Said AGM, shall take immediate effect and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

The Proposed Renewal of and New Shareholders' Mandate is subject to satisfactory review by the Board Audit & Risk Management Committee of the Company of its continued application to recurrent related party transactions.

2.7 Disclosure

Disclosure will be made in the Company's Annual Report of the breakdown of the aggregate value of the Recurrent Related Party Transactions made during the financial year, types of transactions made, names of the related parties involved and their relationships with the GLM Group pursuant to the Proposed Renewal of and New Shareholders' Mandate in accordance with paragraph 10.09(2) and Practice Note No. 12 of the Main Market Listing Requirements.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE

The rationale for and the benefits of the Proposed Renewal of and New Shareholders' Mandate to the GLM Group are as follows:

- (i) The Proposed Renewal of and New Shareholders' Mandate will facilitate transactions with related parties which are in the ordinary course of business of the GLM Group and undertaken on commercial terms and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;
- (ii) The Proposed Renewal of and New Shareholders' Mandate will enhance the GLM Group's ability to pursue business opportunities which are time-sensitive in nature and will eliminate the need for the Company to convene separate general meetings to seek shareholders' approval for each transaction;
- (iii) For certain transactions, where it is vital that confidentiality be maintained, it would not be viable to obtain shareholders' prior approval, as releasing details of the transactions prematurely may adversely affect and prejudice the GLM Group's interests and place the GLM Group at a disadvantage as compared to its competitors who may not require shareholders' approval to be obtained;
- (iv) The Proposed Renewal of and New Shareholders' Mandate will substantially reduce the expenses associated with convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow resources to be channelled towards attaining other corporate objectives; and
- (v) In respect of the Group Management And/Or Support Services, the Proposed Renewal of and New Shareholders' Mandate will enable the GLM Group to reduce operating cost and to improve efficiency, thereby improving business and administrative efficacy for the GLM Group.

4. CONDITION OF THE PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE

The Proposed Renewal of and New Shareholders' Mandate is subject to the approval of the shareholders of GLM at the Said AGM.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

HLCM is the ultimate holding company of GLM through GLLM. YBhg Tan Sri Quek Leng Chan is a director and major shareholder of GLM and HLCM. Mr Kwek Leng Beng is a director of HLCM and a major shareholder of GLM and HLCM. Mr Quek Leng Chye and Mr Kwek Leng Kee are major shareholders of GLM and HLCM. YBhg Tan Sri Quek Leng Chan and Mr Quek Leng Chye are brothers.

Mr Tan Lee Koon, YBhg Dato' Poh Yang Hong, YBhg Dato' Ong Joo Theam, YBhg Tan Sri Nik Mohamed bin Nik Yaacob, Mr Peter Ho Kok Wai and Mr Raymond Choong Yee How are Directors of GLM. YBhg Dato' Ong Joo Theam is also a shareholder of GLM.

The shareholdings of the interested Directors and major shareholders of GLM as at LPD are as follows:

	No. of Shares held			
	Direct	%	Indirect	%
Tan Sri Quek Leng Chan	19,506,780	2.78	455,698,596	65.06#
Tan Lee Koon	-	-	-	-
Dato' Poh Yang Hong	-	-	-	-
Dato' Ong Joo Theam	22,588	0.003	-	-
Tan Sri Nik Mohamed bin Nik Yaacob	-	-	-	-
Peter Ho Kok Wai	-	-	-	-
Raymond Choong Yee How	-	-	-	-
HLCM	-	-	455,198,596	64.99*
HL Holdings Sdn Bhd	-	-	455,198,596	64.99**
Kwek Leng Beng	-	-	455,698,596	65.06#
Kwek Holdings Pte Ltd	-	-	455,698,596	65.06#
Hong Realty (Private) Limited	-	-	455,698,596	65.06#
HLIH	-	-	455,698,596	65.06#
Kwek Leng Kee	-	-	455,698,596	65.06#
Davos Investment Holdings Private Limited	-	-	455,698,596	65.06#
Quek Leng Chye	-	-	455,698,596	65.06#
GLLM	455,130,580	64.98	-	-
GuocoLand Limited	-	-	455,130,580	64.98@
GuocoLand Assets Pte Ltd	-	-	455,130,580	64.98@
Guoco Group Limited	-	-	455,130,580	64.98@
GuoLine Overseas Limited	-	-	455,130,580	64.98@
GuoLine Capital Assets Limited	-	-	455,130,580	64.98@

Notes:

Held through HLCM and a company in which the major shareholder has interest

* Held through subsidiaries

** Held through HLCM

@ Held through GLLM

The directors concerned had abstained and will continue to abstain from deliberating and voting on the relevant resolutions pertaining to the Proposed Renewal of and New Shareholders' Mandate in which they are interested at the Board level.

GLLM, HLCM, and YBhg Tan Sri Quek Leng Chan will abstain and will ensure that persons connected with them will also abstain from voting, in respect of their direct and/or indirect interests, on the proposed Ordinary Resolutions 8, 9 and 10 at the Said AGM.

All the Directors of GLM, namely, YBhg Tan Sri Quek Leng Chan, Mr Tan Lee Koon, YBhg Dato' Poh Yang Hong, YBhg Dato' Ong Joo Theam, YBhg Tan Sri Nik Mohamed bin Nik Yaacob, Mr Peter Ho Kok Wai and Mr Raymond Choong Yee How, shall abstain from voting, in respect of their direct and/or indirect interests, on the proposed Ordinary Resolution 9 at the Said AGM. The Directors of GLM will ensure that persons connected with them will also abstain from voting, in respect of their direct and/or indirect interests, on the proposed Ordinary Resolution 9 at the Said AGM.

Save as disclosed above, none of the other Directors, major shareholders or persons connected with them, has any interest, direct or indirect, in the relevant resolutions pertaining to the Proposed Renewal of and New Shareholders' Mandate.

6. DIRECTORS' RECOMMENDATION

Your Board (except for YBhg Tan Sri Quek Leng Chan who had abstained from expressing any opinion and voting in relation to the proposed Ordinary Resolutions 8, 9 and 10 in view of his interests), having taken into consideration all aspects of the Proposed Renewal of and New Shareholders' Mandate, is of the opinion that the proposed Ordinary Resolutions 8 and 10 on the Proposed Renewal of and New Shareholders' Mandate are in the best interest of the GLM Group and accordingly, your Board (except for YBhg Tan Sri Quek Leng Chan) recommends that you vote in favour of the proposed Ordinary Resolutions 8 and 10 to be tabled at the Said AGM.

By virtue that all the Directors of GLM may be interested in the proposed Ordinary Resolution 9, your Board had refrained from any recommendation and opinion in relation to the proposed Ordinary Resolution 9. However, it is to be noted that the Recurrent Related Party Transactions contemplated under the proposed Ordinary Resolution 9 will be undertaken on commercial terms and on terms not more favourable to the related parties than those generally available to and/or from the public, where applicable.

7. RESOLUTIONS ON THE PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE AND AGM

The proposed ordinary resolutions on the Proposed Renewal of and New Shareholders' Mandate will be tabled at the Said AGM to be held at the Theatre, Level 1, Wisma Hong Leong, 18 Jalan Perak, 50450 Kuala Lumpur on Wednesday, 11 November 2015 at 11.00 a.m. or at any adjournment thereof. The said resolutions are set out in the 2015 Annual Report of GLM.

The Notice of the Said AGM and the Form of Proxy are enclosed in the 2015 Annual Report of GLM, which is despatched together with this Circular.

If you are unable to attend the Said AGM in person and wish to appoint other person(s) to be your proxy, please complete the Form of Proxy and deposit it at the Registered Office of GLM at Level 10, Wisma Hong Leong, 18 Jalan Perak, 50450 Kuala Lumpur, so as to arrive not later than forty-eight (48) hours before the time appointed for holding of the Said AGM or at any adjournment thereof.

The completion and deposit of the Form of Proxy will not preclude you from attending and voting at the Said AGM in person should you wish to do so. The Form of Proxy should be completed strictly in accordance with the instructions contained therein.

8. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix IV of this Circular for further information.

Yours faithfully
For and on behalf of the Board

TAN SRI NIK MOHAMED
BIN NIK YAACOB
Independent Non-Executive Director

PART B

**PROPOSED RENEWAL OF THE AUTHORITY FOR THE PURCHASE OF OWN SHARES BY
THE COMPANY**

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout Part B of this Statement:

“Act”	:	Companies Act, 1965, as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Board” or “Directors”	:	Board of Directors of GLM
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Code”	:	Malaysian Code on Take-Overs and Mergers 2010, as amended from time to time and any re-enactment thereof
“GLM” or “Company”	:	GuocoLand (Malaysia) Berhad
“GLM Group”	:	GLM and its subsidiaries
“Main Market Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
“NA”	:	Net assets
“Proposed Share Buyback”	:	Proposal to enable GLM to purchase and/or hold up to ten per cent (10%) of its own Shares
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Shares”	:	Ordinary shares of RM0.50 each in GLM

SHARE BUYBACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF THE AUTHORITY FOR THE PURCHASE OF OWN SHARES BY THE COMPANY (“STATEMENT”)

1. INTRODUCTION

At the Company’s AGM held on 14 October 2014, your Directors obtained shareholders’ authorisation for the Company to purchase and/or hold up to ten per centum (10%) of the issued and paid-up ordinary share capital of GLM for the time being (“Authorisation”).

In accordance with Chapter 12 of the Main Market Listing Requirements, the Authorisation will lapse at the conclusion of the forthcoming AGM of the Company scheduled to be held on Wednesday, 11 November 2015 at 11.00 a.m. (“Said AGM”), unless the Authorisation is renewed.

In connection thereto, on 16 October 2015, the Company announced that your Directors propose to seek shareholders’ approval for renewal of the authority to undertake the Proposed Share Buyback at the Said AGM.

The purpose of this Statement is to provide you with details of the Proposed Share Buyback and to seek your approval for the proposed ordinary resolution pertaining to the Proposed Share Buyback to be tabled at the Said AGM.

The Notice of the Said AGM together with the Form of Proxy are set out in the 2015 Annual Report of GLM, which is despatched together with this Statement.

SHAREHOLDERS OF GLM ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE PROPOSED RESOLUTION PERTAINING TO THE PROPOSED SHARE BUYBACK

2. DETAILS OF THE PROPOSED SHARE BUYBACK

Your Directors proposes to seek the renewal of the Authorisation from the shareholders of the Company for the Company to purchase and/or hold up to ten per cent (10%) of the issued and paid-up share capital of GLM for the time being. The current issued and paid-up share capital of the Company is RM350,229,259 divided into 700,458,518 Shares. The maximum number of Shares which may be purchased and/or held as treasury shares by the Company is 70,045,851 Shares.

The funding of the Proposed Share Buyback will be from internally generated funds and/or borrowings, the proportion of which will depend on the quantum of Shares purchased, the purchase consideration as well as the availability of funds of the GLM Group at the time of purchase(s). In the event that the Proposed Share Buyback is funded by bank borrowings, the amount of bank borrowings will depend on the amount of Shares purchased by the Company and its repayment capabilities. Your Directors will ensure that the Company is able to meet the repayment of such borrowings, if any. The Company’s net cashflow may decline to the extent of the interest costs associated with such borrowings. The maximum fund to be allocated by the Company for the Proposed Share Buyback will be made wholly out of retained profits and/or share premium account. As at 30 June 2015, the audited retained profits and share premium account of the Company were RM271.70 million and RM35.09 million respectively.

The Proposed Share Buyback will be effective immediately upon the passing of the proposed ordinary resolution relating to the Proposed Share Buyback at the Said AGM up to the conclusion of the next AGM of GLM, unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting or the expiration of the period within which the next AGM after the date on which the authority conferred by the resolution is required by law to be held, whichever occurs first.

In accordance with the Main Market Listing Requirements, GLM may only purchase the Shares on Bursa Securities at a price which is not more than fifteen per cent (15%) above the weighted average market price for the Shares for the five (5) market days immediately before the purchase(s) and the Company may only resell treasury shares on Bursa Securities at:

- (i) a price which is not less than the weighted average market price for the Shares for the five (5) market days immediately before the resale; or
- (ii) a discounted price of not more than 5% to the weighted average market price for the Shares for the five (5) market days immediately before the resale provided that the resale takes place not earlier than thirty (30) days from the date of purchase and the resale price is not less than the cost of purchase of the Shares being resold.

The Proposed Share Buyback will allow your Directors to exercise the power of the Company to purchase its own Shares at any time within the abovementioned time period. The actual number of Shares to be purchased, the total amount of funds involved for each purchase and the timing of the purchase will depend on the prevailing market conditions and sentiments of the stock market as well as the financial resources available to the Company.

The Directors may deal with the Shares so purchased in the following manner:

- (i) cancel the Shares so purchased;
- (ii) retain the Shares so purchased as treasury shares;
- (iii) retain part of the Shares so purchased as treasury shares and cancel the remainder; or
- (iv) distribute all or part of the treasury shares as dividends to shareholders, and/or resell on Bursa Securities, and/or cancel all or part of them.

Upon each purchase of Shares, an immediate announcement will be made to Bursa Securities in respect of the intention of the Directors whether to cancel the Shares so purchased, retain them as treasury shares or a combination of both. An immediate announcement will also be made to Bursa Securities of any resale or cancellation of Shares.

In considering how the Shares so purchased will be dealt with, the Directors will take into consideration, inter alia, factors such as prevailing market price of the Shares, the intrinsic value of the Shares and effects on the earnings and NA of the GLM Group.

Your Directors will ensure that the Proposed Share Buyback and/or the resale of treasury shares will be conducted in accordance with laws prevailing at the time of the purchase and/or resale and will not engage in speculative trading activities.

3. RATIONALE/POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUYBACK

The Proposed Share Buyback will enable GLM to utilise its financial resources to purchase its own Shares in order to enhance the return on equity through the resultant reduction of share capital base.

The Shares to be purchased by the Company pursuant to the Proposed Share Buyback may be retained as treasury shares which can be resold in the market subsequently. In this respect, the Proposed Share Buyback may provide an opportunity for the Company to purchase its own Shares when the market prices of the Shares are below the intrinsic value in order to realise potential capital gains in the event that the market prices of the Shares appreciate in future. Therefore, the Proposed Share Buyback may enhance the value of shareholder wealth. In the event that the treasury shares are distributed as dividend by GLM, the distribution may then serve as a reward to the shareholders of the Company.

The Proposed Share Buyback will reduce the financial resources of GLM and may result in GLM foregoing any investment opportunities which may emerge in the future or any interest income that may be derived from depositing such funds with interest bearing instruments.

However, the financial resources of GLM will increase upon the resale of the Shares purchased which are held as treasury shares.

The Board will consider the interest of the Company and its shareholders when undertaking the purchase of the Company's own Shares.

4. EFFECTS OF THE PROPOSED SHARE BUYBACK

The effects of the Proposed Share Buyback on the share capital, earnings, NA and working capital of GLM are set out below:

4.1 Share Capital

On the assumption that the Proposed Share Buyback is carried out in full and the Shares so purchased are fully cancelled, the effects of the Proposed Share Buyback on the issued and paid-up share capital of the Company are as follows:

	No. of Shares	RM
Existing issued and paid-up share capital as at 30 September 2015	700,458,518	350,229,259.00
No. of Shares reduced (Assuming the Shares so purchased are fully cancelled)	70,045,851	35,022,925.50
Upon completion of the Proposed Share Buyback	630,412,667	315,206,333.50

Pursuant to the Act, if the shares so purchased are treated as treasury shares, the rights attached to them as to voting, dividends and participation in other distribution and otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the company for any purposes, including, without limiting the generality of this provision, the provisions of any laws or requirements of the articles of association of the company or the listing rules of a stock exchange on substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

4.2 Earnings

The effect of the Proposed Share Buyback on the earnings of the GLM Group will depend on the actual number of Shares purchased and the purchase price(s).

4.3 NA and Working Capital

The Proposed Share Buyback may increase or decrease the NA per Share depending on the purchase price(s) of the Shares to be purchased. The NA per Share of the GLM Group is likely to increase if the purchase price is less than the NA per Share of the GLM Group and decrease if the purchase price exceeds the NA per Share of the GLM Group at the time when the Shares are purchased.

The Proposed Share Buyback will reduce the working capital of the GLM Group, the quantum of which will depend on the purchase price(s) and the number of Shares that will be purchased pursuant to the Proposed Share Buyback.

5. DIRECTORS' SHAREHOLDINGS

The shareholdings of the Directors according to the Register of Directors' Shareholdings of the Company as at 30 September 2015, before and after the Proposed Share Buyback, are as follows:

	← Before Proposed Share Buyback →				← After Proposed Share Buyback @@ →			
	No. of Shares		No. of Shares		No. of Shares		No. of Shares	
	Direct	%	Indirect	%	Direct	%	Indirect	%
Tan Sri Quek Leng Chan	19,506,780	2.78	455,698,596	65.06#	19,506,780	3.09	455,698,596	72.29#
Dato' Ong Joo Theam	22,588	0.003	-	-	22,588	0.004	-	-

Notes:

Held through Hong Leong Company (Malaysia) Berhad and a company in which YBhg Tan Sri Quek Leng Chan has interest

@@ Assuming the Proposed Share Buyback is implemented in full and all the Shares so purchased are either kept as treasury shares or fully cancelled

Save as disclosed above, none of the other Directors of GLM hold any Shares as at 30 September 2015.

6. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The substantial shareholders and their respective shareholdings according to the Register of Substantial Shareholders of the Company as at 30 September 2015, before and after the Proposed Share Buyback, are as follows:

	←Before Proposed Share Buyback→				←After Proposed Share Buyback @@→			
	No. of Shares held		No. of Shares held		No. of Shares held		No. of Shares held	
	Direct	%	Indirect	%	Direct	%	Indirect	%
Hong Leong Company (Malaysia) Berhad ("HLCM")	-	-	455,198,596	64.99*	-	-	455,198,596	72.21*
HL Holdings Sdn Bhd	-	-	455,198,596	64.99**	-	-	455,198,596	72.21**
Tan Sri Quek Leng Chan	19,506,780	2.78	455,698,596	65.06#	19,506,780	3.09	455,698,596	72.29#
Kwek Leng Beng	-	-	455,698,596	65.06#	-	-	455,698,596	72.29#
Kwek Holdings Pte Ltd	-	-	455,698,596	65.06#	-	-	455,698,596	72.29#
Hong Realty (Private) Limited	-	-	455,698,596	65.06#	-	-	455,698,596	72.29#
Hong Leong Investment Holdings Pte Ltd	-	-	455,698,596	65.06#	-	-	455,698,596	72.29#
Kwek Leng Kee	-	-	455,698,596	65.06#	-	-	455,698,596	72.29#
Davos Investment Holdings Private Limited	-	-	455,698,596	65.06#	-	-	455,698,596	72.29#
Quek Leng Chye	-	-	455,698,596	65.06#	-	-	455,698,596	72.29#
GLL (Malaysia) Pte Ltd ("GLLM")	455,130,580	64.98	-	-	455,130,580	72.20	-	-
GuocoLand Limited	-	-	455,130,580	64.98@	-	-	455,130,580	72.20@
GuocoLand Assets Pte Ltd	-	-	455,130,580	64.98@	-	-	455,130,580	72.20@
Guoco Group Limited	-	-	455,130,580	64.98@	-	-	455,130,580	72.20@
GuoLine Overseas Limited	-	-	455,130,580	64.98@	-	-	455,130,580	72.20@
GuoLine Capital Assets Limited	-	-	455,130,580	64.98@	-	-	455,130,580	72.20@

Notes:

* Held through subsidiaries

** Held through HLCCM

Held through HLCCM and a company in which the substantial shareholder has interest

@ Held through GLLM

@@ Assuming the Proposed Share Buyback is implemented in full and all the Shares so purchased are either kept as treasury shares or fully cancelled

7. PUBLIC SHAREHOLDING SPREAD

The Proposed Share Buyback is subject to compliance with Section 67A of the Act and any prevailing laws, rules and regulations, orders, guidelines and requirements issued by the relevant authorities at time of the purchase, including compliance with the twenty-five per cent (25%) public shareholding spread as required by Bursa Securities.

As at 30 September 2015, the public shareholding spread of the Company was 31.69%. The public shareholding spread is expected to be reduced to 24.10% assuming the Proposed Share Buyback is implemented in full with the purchase of Shares from public shareholders and all the Shares so purchased, are either held as treasury shares or cancelled.

The Company has yet to determine the actual percentage of its own Shares to be purchased pursuant to the Proposed Share Buyback. However, the Company will use its best endeavours in purchasing its own Shares to such an extent that it will not result in the Company being in breach of the minimum public shareholding spread of 25%.

8. PURCHASE OF SHARES OR RESALE OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS

The Company had not made any purchase of its own Shares or resale of its treasury shares in the previous twelve (12) months preceding the date of printing of this Statement. There is no cancellation of the Shares purchased or treasury shares made in the preceding twelve (12) months preceding the date of printing of this Statement.

9. IMPLICATION OF THE CODE

Based on the Company's Register of Substantial Shareholders of GLM as at 30 September 2015, it is unlikely that the provisions on mandatory takeovers under the Code will be triggered by any shareholder of GLM solely by reason of the Proposed Share Buyback being carried out in full.

10. CONDITION OF THE PROPOSED SHARE BUYBACK

The Proposed Share Buyback is subject to the approval of the shareholders of GLM at the Said AGM.

11. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save for the proportionate increase in the percentage shareholdings and/or voting rights of the shareholders in the Company, none of the Directors and substantial shareholders and/or persons connected with them, has any interest, direct or indirect, in the Proposed Share Buyback or any resale of treasury shares.

12. DIRECTORS' RECOMMENDATION

Your Directors, having taken into consideration all aspects of the Proposed Share Buyback, are of the opinion that the Proposed Share Buyback is in the best interest of the Company and accordingly, your Directors recommend that you vote in favour of the proposed ordinary resolution pertaining to the Proposed Share Buyback to be tabled at the Said AGM.

DEFINITIONS PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS

- “related party(ies)”
- (a) in relation to a corporation, means a director, major shareholder or person connected with such director or major shareholder; or
 - (b) in relation to a business trust means:
 - (i) the trustee-manager or person connected with the trustee-manager;
 - (ii) a director, major shareholder of the trustee-manager or person connected with such director or major shareholder; or
 - (iii) major unit holder or person connected with the major unit holder of the business trust; or
 - (c) in relation to a closed-end fund, in addition to subparagraph (a) above, means:
 - (i) the Manager or person connected with the Manager; or
 - (ii) a director, major shareholder of the Manager, or person connected with such director or major shareholder.

For the purpose of this definition, “director”, “major shareholder” and “major unit holder” have the meanings given in paragraph 10.02 of the Main Market Listing Requirements and “Manager” has the meaning given in paragraph 1.01 of the Main Market Listing Requirements.

- “director”
- has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon:
- (a) a director of the listed issuer, its subsidiary or holding company;
 - (b) a chief executive of the listed issuer, its subsidiary or holding company;
 - (c) in relation to a special purpose acquisition company (“SPAC”), a member of the SPAC’s management team;
 - (d) in relation to a business trust, a director or chief executive of the trustee-manager, its subsidiary or holding company; and
 - (e) in relation to a closed-end fund, in addition to a director or chief executive of the closed-end fund, a director or chief executive of the Manager, its subsidiary or holding company.

- “major shareholder”
- includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a person who has an interest or interests in one or more voting shares in a corporation and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:

- (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or
- (b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation

(For the purpose of this definition, “interest in shares” has the meaning given in Section 6A of the Act).

“person connected”

- (a) in relation to a director or major shareholder of a corporation;
- (b) in relation to a member of the management team of a SPAC;
- (c) in relation to a trustee-manager, director or major shareholder of the trustee-manager, or major unit holder of a business trust, or
- (d) in relation to a Manager, director or major shareholder of the Manager,

(each person mentioned under (a), (b), (c) and (d) above is referred to as “said Person”),

means such person who falls under any one of the following categories:

- (i) a family member of the said Person;
- (ii) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
- (iii) a partner of the said Person, or a partner of a person connected with that said Person;
- (iv) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
- (v) a person in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;
- (vi) a body corporate or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
- (vii) a body corporate or its directors whose directions, instructions or wishes the said Person is accustomed or under an obligation, whether formal or informal, to act;
- (viii) a body corporate in which the said Person, or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or
- (ix) a body corporate which is a related corporation.

PERSONS CONNECTED WITH HLCM AS AT LPD

Company	Interest of HLCM as at LPD (%)	Nature of business
1. HL Management Co Sdn Bhd and its subsidiaries and/or its related corporations	100.00	Provision of management and training services; investment holding; and provision of fund management, nominees and custodian services
2. Hong Leong Share Registration Services Sdn Bhd	100.00	Provision of share registration services
3. Guardian Security Consultants Sdn Bhd	20.00	Provision of security guard services
4. GuoLine Group Management Co Limited and its subsidiary	100.00	Investment holding and provision of management services
5. GuoLine Intellectual Assets Limited	100.00	Intellectual properties holding company
6. GuoLine eMarketing Sdn Bhd	100.00	E-commerce and technology-related services
7. Hong Leong Manufacturing Group Sdn Bhd and its unlisted subsidiaries and associated corporations	100.00	Investment holding and provision of management services
8. Hong Leong Financial Group Berhad and its unlisted subsidiaries and associated corporations	77.31	Investment holding; provision of services to its subsidiaries to enhance group value; and life and general insurance businesses and takaful businesses
9. Hong Leong Bank Berhad and its subsidiaries and associated corporations	64.52	Commercial banking business and provision of related services which include Islamic banking business, real property investment, investment holding and nominee services
10. Hong Leong Capital Berhad and its subsidiaries and associated corporations	81.33	Investment holding; investment banking, stockbroking business, futures broking and related financial services; nominees and custodian services; and unit trust management, fund management and sale of unit trusts

Company	Interest of HLCM as at LPD (%)	Nature of business
11. Hong Leong Industries Berhad and its subsidiaries and associated corporations	75.17	Investment holding; manufacturing, procuring and assembling of motorcycles, scooters, motorcycle engines and related parts and products; distribution of motorcycles and motorcycle components; provision of maintenance and repair services for motorcycles; manufacturing and sale of ceramic tiles; provision of research and development services for motorcycles and ceramic tiles; distribution of building materials; manufacturing and sale of newsprint and related paper products; and manufacturing and sale of fibre cement and concrete roofing products
12. Malaysian Pacific Industries Berhad and its subsidiaries and associated corporations	55.40	Investment holding; and manufacturing, assembling, testing and sale of integrated circuits, semiconductor devices, electronic components and leadframes
13. Hume Industries Berhad (formerly known as Narra Industries Berhad) and its subsidiaries and associated corporations	72.78	Investment holding; manufacturing and sale of cement and cement-related products; manufacturing and sale of concrete and related products, and provision of research and development services for concrete products; and design, manufacturing and supply of furniture and interior design fit-out works
14. Southern Steel Berhad and its subsidiaries and associated corporations	69.66	Investment holding; and manufacturing, sale and trading in billets, steel bars, wire rods, wire mesh, pre-stressed concrete bars and wires, hot-rolled steel coils, steel pipes, steel wires and fencing panels
15. Guoco Group Limited and its non-Malaysian subsidiaries and associated corporations	71.88	Investment holding; investment management; principal investment; property development and investment; and hospitality and leisure business as well as financial services, including stock and commodity broking, bullion trading, corporate advisory services, banking and financing as well as insurance
16. Lam Soon (Hong Kong) Limited and its subsidiaries and associated corporations	57.53	Investment holding; importing, processing and trading of flour products; manufacturing, processing and trading of edible oils; and processing and trading of detergent products

ACTIVITIES OF THE GLM GROUP AS AT LPD

Name of Company	Effective % Held	Principal Activities
Subsidiaries		
Guoman Hotel & Resort Holdings Sdn Bhd (“GHRH”) and its subsidiaries:	70.00	Investment holding
PD Resort Sdn Bhd	70.00	Property investment and development and hotel operations
Kiapeng Development Sdn Bhd	70.00	Property development and property investment
JB Parade Sdn Bhd (“JBP”) and its subsidiary:	49.00*	Investment holding and hotel operations
JB Parade Condominium Sdn Bhd	49.00#	Property development
Bedford Development Sdn Bhd and its subsidiaries:	100.00	Investment holding and property development
Hong Leong Housing Sdn Bhd	100.00	Provision of construction management services
Bedford Industrial Development Sdn Bhd	100.00	Property development
Pembinaan Sri Jati Sdn Berhad and its subsidiary:	100.00	Investment holding and property development
Continental Estates Sdn Bhd	68.00	Property development and operation of an oil palm estate
Ace Acres Sdn Bhd	100.00	Property development
Sabna Development Sdn Bhd	100.00	Property development
Hong Leong Real Estate Holdings Sdn Bhd and its subsidiaries:	100.00	Investment holding
Damansara City Sdn Bhd	100.00	Property development and property investment
DC Tower Sdn Bhd	100.00	Property investment
DC Town Square Sdn Bhd	100.00	Property investment
DC Parking Sdn Bhd	100.00	Car park operations and property investment

Name of Company	Effective % Held	Principal Activities
Subsidiaries		
Bedford Land Sdn Bhd and its subsidiaries:	100.00	Investment holding
Guobena Development Sdn Bhd	100.00	Property investment
BLV Fashions Sdn Bhd	100.00	Property investment
DC Offices Sdn Bhd	100.00	Property investment
DC Hotel Sdn Bhd	100.00	Hotel operations
HLP Equities Sdn Bhd	100.00	Investment holding
HLL Overseas Limited and its subsidiary:	100.00	Investment holding and trading in securities
Positive Vision Labuan Limited	100.00	Investment holding
Hong Leong Real Estate Management Sdn Bhd	100.00	Property investment
GLM Property Services Sdn Bhd	100.00	Provision of property management services
GLM Property Management Co Sdn Bhd	100.00	Provision of property management services
GLM REIT Management Sdn Bhd	100.00	Provision of management services
Raikon Building Management Co Sdn Bhd	100.00	Provision of property-related services
Astute Modernization Sdn Bhd and its subsidiary:	100.00	Investment holding
Titan Debut Sdn Bhd	100.00	Acquisition, enhancement and resale of properties
GLM Alam Damai Sdn Bhd (formerly known as Wonderful Space Sdn Bhd)	100.00	Property development and property investment
PJ City Development Sdn Bhd	100.00	Property development and property investment
PJ Corporate Park Sdn Bhd	100.00	Property development

Notes:

* GLM holds 70% interest in GHRH which in turn holds 70% interest in JBP

A wholly-owned subsidiary of JBP

FURTHER INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular had been seen and approved by the Directors of GLM who collectively and individually accept full responsibility for the accuracy of the information given and confirm that, having made all reasonable enquiries and to the best of their knowledge and belief, there are no other material facts, the omission of which would make any statement herein misleading.

2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, GLM Group is not engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Directors are not aware of any proceeding pending or threatened against the GLM Group or any facts likely to give rise to any proceeding which might materially and adversely affect the business and financial position of the GLM Group.

3. MATERIAL CONTRACTS

Save as disclosed below, there are no other contracts which are material (not being contracts entered into in the ordinary course of business) which have been entered into by the GLM Group within the two (2) years immediately preceding the date of this Circular:

- (i) Conditional Share Sale Agreement dated 3 July 2015 entered into between Hong Leong Real Estate Holdings Sdn Bhd, a wholly-owned subsidiary of GLM, and Hong Leong Bank Berhad for the proposed disposal of the entire issued and paid-up share capital of DC Tower Sdn Bhd for an indicative cash consideration of RM189,333,000.
- (ii) Conditional Sale and Purchase Agreements both dated 10 September 2015 entered into between:
 - (a) BLV Fashions Sdn Bhd, an indirect wholly-owned subsidiary of GLM, and Mayapada Capital Sdn Bhd ("MCSB") for the proposed disposal of certain commercial office and car park parcels in Blocks C and D of Menara Pandan, Pandan Indah, Kuala Lumpur for a cash consideration of RM33,000,000; and
 - (b) Guobena Development Sdn Bhd, an indirect wholly-owned subsidiary of GLM, and MCSB for the proposed disposal of certain commercial office and car park parcels in Blocks C and D of Menara Pandan, Pandan Indah, Kuala Lumpur for a cash consideration of RM33,000,000.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents 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) from the date of this Circular to the date of the Said AGM:

- (i) Memorandum and Articles of Association of GLM;
- (ii) audited consolidated financial statements of GLM for the past two (2) financial years ended 30 June 2014 and 2015; and
- (iii) material contracts referred to in Section 3 above.