

**Hap Seng Consolidated Berhad (“HSCB” or the “Company”)
Proposed acquisition of lands**

1.0 Introduction

Pursuant to paragraph 10.06 and 10.12(2)(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”), the Board of Directors of HSCB is pleased to announce that its wholly-owned subsidiary, Euro-Asia Brand Holding Company Sdn Bhd (379386-M) (“Euro-Asia” or “Purchaser”), has on even date entered into two (2) separate sale and purchase agreements to acquire all those parcels of freehold agricultural land together with oil palm trees planted thereon (“said Lands”) from the vendors (“Vendors”) described below, pursuant to the terms and subject to the conditions therein contained:

	Vendors	Particulars of Land	Consideration (RM)
a)	Shalimar (Malay) PLC (“Shalimar”)	All those twenty (20) parcels of freehold agricultural land held under: (1) GRN 46393 Lot 27; (2) GRN 30562 Lot 39; (3) GM 198 Lot 441 Jalan Kampung Kuantan; (4) GM 196 Lot 442 Kampung Kuantan; (5) GM 209 Lot 443 Jalan Kampong Kuantan; (6) GM 174 Lot 445 Bukit Rotan; (7) GM 201 Lot 446 Jalan Kampung Kuantan; (8) HSM 1076 Lot 447 Kampung Kuantan Road; (9) GM 200 Lot 448 Jalan Bukit Rotan; (10) GM 211 Lot 451; (11) GM 197 Lot 452 Jalan Ijuk; (12) GM 199 Lot 453 Jalan Bukit Rotan; (13) GM 202 Lot 454 Jalan Ijuk; (14) GM 210 Lot 455 Jalan Ijuk; (15) GM 203 Lot 1296; (16) GM 204 Lot 1297; (17) GM 205 Lot 1298; (18) GM 206 Lot 1299; (19) GM 207 Lot 1300; and (20) GM 208 Lot 1301 Mukim Pasangan, Daerah Kuala Selangor, Negeri Selangor Darul Ehsan measuring approximately 734.82 acres in total (“Proposed Acquisition A”)	121,543,528.40

	Vendors	Particulars of Land	Consideration (RM)
b)	Indo Malay PLC (“Indo Malay”)	<p>All those sixteen (16) parcels of freehold agricultural land held under:</p> <p>(1) GM 39 Lot 174; (2) GM 40 Lot 166; (3) GM 41 Lot 173; (4) GM 45 Lot 167, Sungai Batu Saoh, Rantau Panjang; (5) GM 43 Lot 162; (6) GM 47 Lot 163; (7) GM 162 Lot 164 Rantau Panjang; (8) GM 160 Lot 176; (9) GM 161 Lot 177 Batu Saoh; (10) GM 163 Lot 165; (11) GM 169 Lot 168; (12) GM 170 Lot 182; (13) GM 171 Lot 183; (14) GM 172 Lot 184, Batang Berjuntai Rubber; (15) GM 173 Lot 379, Batang Berjuntai Rantau Panjang All fifteen (15) under Mukim Bestari Jaya; and (16) GRN 44577 Lot 503 under Mukim Batang Berjuntai</p> <p>in Daerah Kuala Selangor, Negeri Selangor Darul Ehsan measuring approximately 714.704 acres in total (“Proposed Acquisition B”)</p>	107,205,600.00

(hereinafter Proposed Acquisition A and Proposed Acquisition B are collectively referred to as the “Proposed Acquisition”).

2.0 Details of the Proposed Acquisition

2.1 Date on which the terms of the Proposed Acquisition were agreed upon

The terms of the Proposed Acquisition A were agreed upon on even date with the execution of the sale and purchase agreement in respect thereof by both the Purchaser and Shalimar (“SPA A”).

The terms of the Proposed Acquisition B were agreed upon on even date with the execution of the sale and purchase agreement in respect thereof by both the Purchaser and Indo Malay (“SPA B”).

(hereinafter SPA A and SPA B are collectively referred to as the “said SPAs”).

3.0 Total consideration

The purchase consideration for the Proposed Acquisition A is Ringgit Malaysia One Hundred and Twenty One Million Five Hundred and Forty Three Thousand Five Hundred and Twenty Eight and Sen Forty (RM121,543,528.40) (“Acquisition A Consideration”) and the purchase consideration for the Proposed Acquisition B is Ringgit Malaysia One Hundred and Seven Million Two Hundred and Five Thousand and Six Hundred (RM107,205,600.00) (“Acquisition B Consideration”).

Accordingly, the total purchase consideration of the Proposed Acquisition is Ringgit Malaysia Two Hundred and Twenty Eight Million Seven Hundred and Forty Nine Thousand One Hundred and Twenty Eight and Sen Forty (RM228,749,128.40) (“Purchase Consideration”).

- (a) the basis of arriving at the Purchase Consideration, other than on a “willing-buyer-willing-seller” basis. If based on net assets (“NA”), the year the NA was taken into consideration, quantifying the NA and stating whether it was based on audited financial statements**

The Acquisition A Consideration is arrived at based on a willing-buyer-willing-seller basis, calculated at the rate of RM165,400 per acre, after taking into consideration the estimated market value of the properties surrounding the said Lands.

The Acquisition B Consideration is arrived at based on a willing-buyer-willing-seller basis, calculated at the rate of RM150,000 per acre, after taking into consideration the estimated market value of the properties surrounding the said Lands.

- (b) the justification for the Purchase Consideration**

The Purchase Consideration is arrived at after taking into consideration the following:

Acquisition A Consideration

The sizeable area of 734.82 acres for the Proposed Acquisition A is with freehold tenure with oil palm trees planted thereon. It is facing the main road of Jalan Kuala Selangor and is easily accessible via LATAR Expressway. In addition, it is situated at a strategic location within close proximity to the Royal Kampung Kuantan Golf Club, world-renowned Kuala Selangor Fireflies, Ijok and Kuala Selangor towns.

Acquisition B Consideration

The sizeable area of 714.704 acres for the Proposed Acquisition B is with freehold tenure with oil palm trees planted thereon. It is facing the main road of Jalan Rawang, Batang Berjuntai and is easily accessible via LATAR Expressway. In addition, it is within close proximity to University of Selangor (“UNISEL”), and both Ijok and Batang Berjuntai towns.

(c) the manner in which the Purchase Consideration will be satisfied including the terms of any arrangement for payment on a deferred basis

The Purchase Consideration is to be settled by the Purchaser in the following manner:

- (i) Prior to the execution of the said SPAs, the Purchaser had deposited to the credit of an interest bearing account (“Escrow Account”) maintained by the Vendors’ solicitors for the account of the Vendors the sum equivalent to four percent (4%) of the Purchase Consideration (“Earnest Deposit”);
- (ii) The Purchaser has on even date, upon execution of the said SPAs, paid the following:
 - (a) three percent (3%) as part payment towards the Purchase Consideration to the Escrow Account (“Balance Deposit”); and
 - (b) three percent (3%) of the Purchase Consideration to the Purchaser’s solicitors to be retained in an interest bearing account for purpose of Real Property Gains Tax.
- (iii) The Purchaser shall pay to the Vendors’ solicitors to the credit of the Escrow Account maintained by the Vendors’ solicitors for the account of the Vendors ninety percent (90%) of the Purchase Consideration, (“Balance Purchase Price”) within ten (10) working days from the Unconditional Date (“Completion Date”).

4.0 Financial information on the assets which are the subject matter of the transaction, including but not limited to, net profits attributable to assets and net assets or net book value of the assets

The net book value (“NBV”) for the Proposed Acquisition A was Ringgit Malaysia Thirty Seven Million Five Hundred Seventy Five Thousand Five Hundred and Eighty (RM37,575,580) as at 31 March 2016.

The NBV for the Proposed Acquisition B was Ringgit Malaysia Thirty Six Million Four Hundred Seventy Nine Thousand and Eighty Seven (RM36,479,087) as at 31 March 2016.

5.0 Effects of the Proposed Acquisition on HSCB

5.1 Earnings per share (“EPS”)

The Proposed Acquisition would not have any material effect on the EPS of HSCB Group for the financial year ended 31 December 2015, assuming that the Proposed Acquisition had been effected at the beginning of that financial year.

Notwithstanding the above and barring unforeseen circumstances, the Proposed Acquisition is expected to contribute positively to the future earnings and EPS of HSCB Group.

5.2 NA per share

The Proposed Acquisition would not have any effect on the NA per share of HSCB Group based on the audited consolidated financial statements of HSCB Group as at 31 December 2015 and its accounting policies thereon, assuming that the Proposed Acquisition had been effected at the end of that financial year.

5.3 Gearing

The Proposed Acquisition would increase the gross gearing ratio of HSCB Group from 0.99 to 1.04 or net gearing ratio* from 0.87 to 0.92 based on the audited consolidated financial statements for the year ended 31 December 2015, assuming that the Proposed Acquisition had been effected at the end of that financial year.

**Net gearing ratio is computed after deducting money market deposits and cash and bank balances.*

5.4 Share Capital and substantial shareholders’ shareholdings of HSCB

The Proposed Acquisition will not have any effect on the issued and paid-up share capital of HSCB as it does not involve any issuance of new shares by HSCB. The Proposed Acquisition will be settled in full by cash.

The Proposed Acquisition will not have any effect on the substantial shareholders’ shareholdings in HSCB as the Proposed Acquisition does not involve any issuance of new shares by HSCB.

6.0 In the case of an acquisition:

6.1 where the Purchase Consideration is to be satisfied by cash, the source of fundings and its breakdown

The Purchase Consideration will be satisfied by bank borrowings.

6.2 details of the Vendors

6.2.1 Information on Shalimar

Shalimar is a public company limited by shares incorporated in Sri Lanka on 6 January 1909 and registered as a foreign company in Malaysia under the Malaysian Companies Act 1965 on 15 February 1973. Shalimar is a subsidiary of Goodhope Asia Holdings Ltd (“Goodhope”) and is principally involved in oil palm plantation.

As at the date hereof, Shalimar has a stated capital of Sri Lankan Rupee (Rs) 69,400,800 comprising 6,940,800 ordinary shares of Rs10.00 each.

6.2.2 Information on Indo Malay

Indo Malay is a public company limited by shares incorporated in Sri Lanka on 28 August 1906 and registered as a foreign company in Malaysia under the Malaysian Companies Act 1965 on 15 February 1973. Indo Malay is also a subsidiary of Goodhope and is principally involved in oil palm plantation.

As at the date hereof, Indo Malay has a stated capital of Sri Lankan Rupee (Rs) 69,984,000 comprising 6,998,400 ordinary shares of Rs10.00 each.

6.3 particulars of liabilities, including contingent liabilities and guarantees to be assumed by HSCB arising from the Proposed Acquisition

There are no liabilities, including contingent liabilities and guarantees, to be assumed by HSCB arising from the Proposed Acquisition.

7.0 Whether the Proposed Acquisition is subject to shareholders' approval and the relevant government authorities and the estimated time frame for submission of the application to the relevant authorities

The Proposed Acquisition shall be subject to the following conditions precedent ("Conditions Precedent"):

- (i) approval from the Estate Lands Board being obtained by the Vendors for the transfer of the said Lands to the Purchaser ("ELB Approval"); and
- (ii) approval from the Controller of Exchange, Central Bank of the Republic of Sri Lanka ("Exchange Control Approval") being obtained by the Vendors for sale of the said Lands.

The Proposed Acquisition is not subject to the shareholders' approval of HSCB to be obtained.

8.0 Whether the directors and/or major shareholders and/or persons connected with a director or major shareholder have any interest, direct or indirect, in the transaction and the nature and extent of their interests

None of the Directors and/or major shareholder nor persons connected to them have any interest, direct or indirect, in the Proposed Acquisition.

9.0 Rationale for the Proposed Acquisition including any benefit which is expected to accrue to the Company as a result of the Proposed Acquisition

The Proposed Acquisition is in line with the Company's strategy to strengthen its presence in West Malaysia. In addition, this will provide the Company with the opportunity to expand its current land bank in order to sustain its core business as a property developer as well as to enhance its future earnings.

Proposed Acquisition A will provide the Company with the opportunity to establish a dominant presence in the North-Western growth corridor of Selangor with 734.82 acres of freehold land. The proposed land is located 45km from the Kuala Lumpur city centre and 40 km from Petaling Jaya.

Proposed Acquisition A is adjacent to the Royal Kampung Kuantan Golf Club, the oldest Royal golf club in Selangor and is situated within close proximity to tourist attractions such as world-renowned Kuala Selangor Fireflies and Kuala Selangor Nature Park.

Proposed Acquisition A enjoys good connectivity via LATAR Highway and will be enhanced by the upcoming West Coast Expressway, having interface with LATAR highway, and will connect to various existing highways such as South Klang Valley Expressway (SKVE) and North Klang Valley Expressway (NKVE) which will improve accessibility to the said Land upon its estimated completion by 2019.

To capitalize on its superb location and being adjacent to the Royal Kampung Kuantan Golf Club, the Company intends to develop sought-after modern guarded and gated lifestyle residential properties with commercial components. This will enable the Hap Seng Group to establish another dominant presence similar to its earlier township development, namely D'Alpinia in Puchong, Selangor.

Proposed Acquisition B provides the Company with 714.704 acres of freehold land situated within the North –Western growth corridor of Selangor and along Jalan Rawang, Batang Berjuntai. The Company intends to develop into mixed development township with affordable housing to meet the increasing demand for affordable properties, for first-time homeowners and students in UNISEL.

The different development concepts of the Proposed Acquisition A and Proposed Acquisition B will cater to a wider group of purchasers such as first-time homeowners, younger generation and upgraders. The Company will also benefit from the supplies of a broader product mix ranging from premium to affordable products which would sustain its property development activities during economic uncertainties.

10.0 Salient features of the said SPAs and the time and place where such documents may be inspected

10.1 Salient terms of the said SPAs

- (1) The Vendors shall deliver to the Purchaser's solicitors duly executed, unstamped memoranda of transfer in respect of the said Lands in favour of the Purchaser ("Transfer") upon execution of the said SPAs.
- (2) The completion of the sale and purchase of the said Lands shall be subject to the fulfilment of the Conditions Precedent as set out in section 7.0 above.
- (3) In the event that all or any of the Conditions Precedent are not fulfilled for any reasons whatsoever within a period of four (4) calendar months from the date of the said SPAs ("Initial Approval Period"), then the Initial Approval Period shall be automatically be extended by a further period of two (2) calendar months from the expiry of the Initial Approval Period. In the event that all or any of the Conditions Precedent are not for any reasons whatsoever fulfilled within a total period of six (6) calendar months from the date of the said SPAs or such further extended period of time as determined by the Purchaser but in any event not longer than a further period of twenty-four (24) months:

- (i) the said SPAs shall be deemed terminated forthwith and cease to be of any further legal effect; and
 - (ii) the Vendors' solicitors shall forthwith refund to the Purchaser, the Earnest Deposit and the Balance Deposit in full with all interest accrued thereon within seven (7) days from the termination of the said SPAs in exchange for the delivery of notices of withdrawal of the caveat which has been lodged by the Purchaser against the said Lands (together with the registration fees thereto) to the Vendors or the Vendors' solicitors.
- (4) The said SPAs will become unconditional on the date of the receipt by the Purchaser or the Purchaser's solicitors, the written confirmation from the Vendors or the Vendors' solicitors together with certified true copies of the ELB Approval and Exchange Control Approval confirming that the Conditions Precedent are fulfilled by the Vendors ("Unconditional Date").
- (5) On the Completion Date, the Purchaser shall pay to the Vendors' solicitors, the Balance Purchase Price to the Escrow Account maintained by the Vendors' solicitors for the account of the Vendors. Simultaneously therewith, the Vendors shall hand over (through the Vendors' solicitors) to the Purchaser's solicitors:
 - (i) the original title to the said Lands;
 - (ii) the original ELB Approval;
 - (iii) original quit rent and assessment receipts relating to the said Lands; and
 - (iv) all original certificates of registration, invoices, payment receipts and any other relevant original documents or certificate of ownership relating to the oil palm plants, fixtures, fittings, movable, and immovable assets as set out in the said SPAs and the Vendors shall at their own costs and expenses, take such steps as may be required to execute the necessary transfer documents and provide all reasonable assistance to effect transfer of the ownership relating to the oil palm plants, fixtures, fittings, movable, and immovable assets as set out in the said SPAs to the Purchaser on or before the Completion Date.
- (6) The Purchase Consideration shall be released by the Vendors' solicitors to the Vendors upon the expiry of seven (7) working days from the date of presentation of the Transfer provided always that the Purchaser or the Purchaser's solicitors shall not have received any notification from the relevant Land Offices and Registry of Titles on the rejection of the Transfer and simultaneous with the handover of vacant possession of the said Lands.

- (7) In the event of default by the Vendors, the Purchaser shall be entitled at the Purchaser's option to either:
- (i) take action to as may be available at law to enforce the remedy of specific performance of the sale of the said Lands pursuant to the provisions of the said SPAs and to other reliefs flowing therefrom; or
 - (ii) terminate the said SPAs by notice in writing to the Vendors whereupon:
 - (a) the Vendors shall within seven (7) days from the date of the notice of termination of the said SPAs, pay a sum equivalent to ten per cent (10%) of the Purchase Consideration to the Purchaser as agreed liquidated damages for the Vendor's default;
 - (b) simultaneous with the payment pursuant to section 7(ii)(a) above, all monies previously paid by the Purchaser to the Vendors' solicitors shall be forthwith refunded to the Purchaser together with all interest accrued thereon; and
 - (c) in exchange for the payment and refunds to be made by the Vendors, the Purchaser's solicitors shall return the original title to the said Lands and all documents incidental thereto (if already delivered to the Purchaser's solicitors) with the Vendors' interest in and title to the said Lands intact and notices of withdrawal of caveat lodged by the Purchaser against the said Lands (together with the registration fees thereto) to the Vendors' solicitors.
- (8) In the event of default by the Purchaser, the Vendors shall be entitled at the Vendors' option to either:
- (i) take action to as may be available at law to enforce the remedy of specific performance of the sale of the said Lands pursuant to the provisions of the said SPAs; or
 - (ii) terminate the said SPAs by notice in writing to the Purchaser whereupon:
 - (a) a sum equivalent to ten per cent (10%) of the Purchase Consideration shall be forfeited to the Vendors as agreed liquidated damages for the Purchaser's default;
 - (b) subject to deduction of the sum referred to in section 8(ii)(a) above, the Balance Purchase Price (if paid) shall be forthwith refunded by the Vendors' solicitors to the Purchaser together with all interest accrued thereon; and

- (c) in exchange for the refunds to be made by the Vendors, the Purchaser's solicitors shall return the original title to the said Lands and all documents incidental thereto (if already delivered to the Purchaser's solicitors) with the Vendors' interest in and title to the said Lands intact and notices of withdrawal of the caveat lodged by the Purchaser against the said Lands (together with the registration fees thereto) to the Vendors' solicitors.
- (9) In the event that the Transfer of any or all of the said Lands is rejected or suspended for registration for any reasons whatsoever and the cause or reason for the rejection or suspension cannot be rectified or remedied despite the compliance by the Parties of their obligations under the said SPAs, the Purchaser shall have the option by notice in writing to the Vendors, to terminate the said SPAs whereupon:
 - (i) all monies previously paid by the Purchaser towards payment of the Purchase Consideration shall be forthwith refunded by the Vendors to the Purchaser together with all interest accrued thereon; and
 - (ii) in exchange for the refund to be made by the Vendors, the Purchaser's solicitors shall return to the Vendors, the original title to the said Lands with the Vendor's interest in and title to the Said Lands intact.

10.2 Documents available for inspection

The said SPAs will be available for inspection at the registered address of HSCB at 21st Floor, Menara Hap Seng, Jalan P. Ramlee, 50250 Kuala Lumpur during normal business hours from Mondays to Fridays (except during public holidays) for a period of three (3) months from the date of this announcement.

11.0 Statement by the board of directors, excluding interested directors, stating whether the transaction is in the best interests of the listed issuer, and where a director disagrees with such statement, a statement by the director setting out the reasons and the factors taken into consideration in forming that opinion

The Board of Directors, having considered all aspects of the Proposed Acquisition (including but not limited to the rationale and financial effects), is of the view that the Proposed Acquisition is in the best interest of the Company.

12.0 Prospects of the said Lands

Proposed Acquisition A

The Proposed Acquisition A will provide opportunity for the Company to establish its presence at the upcoming North-Western growth corridor of Selangor neighbouring with prominent property developers. The Company intends to develop sought-after modern guarded and gated lifestyle residential properties and commercial components. In view of the connectivity via LATAR Highway, the Company intends to target local and neighbouring town population. The preliminary estimated gross development value (“GDV”) of the proposed development is approximately RM5 billion over a 15-year development period.

Proposed Acquisition B

The Proposed Acquisition B will provide the opportunity for the Company to develop the said Lands into a mixed development township to meet the increasing demand for affordable properties. The preliminary estimated GDV is approximately RM4.3 billion over a 15-year development period.

The Proposed Acquisition therefore represents an opportunity for the Company to strengthen its presence in the West Malaysia property market, which is also in line with the Company’s plan to reposition its development properties in strategic location to achieve sustainable long term growth and visibility.

13.0 Risk factors in relation to the Proposed Acquisition including risk factors of the assets or interest to be acquired

13.1 Non-completion of the Proposed Acquisition

There is no assurance that the transactions contemplated under the said SPAs can be completed in accordance with the terms and conditions contained therein.

However, in the event that the Purchaser fails to effect payment of the Balance Purchase Price in accordance with the terms of the said SPAs, the Vendors will not transfer the said Lands to the Purchaser whereupon the sum of Ringgit Malaysia Twenty Two Million Eight Hundred and Seventy Four Thousand Nine Hundred and Twelve and Sen Eighty Four (RM22,874,912.84) representing ten percent (10%) of the Purchase Consideration which had been paid to the Vendors shall be forfeited in favour of the Vendors.

Save as disclosed below, the Proposals will not expose HSCB Group to any other new business and operational risks as the Company is already involved in the property development business.

13.2 Failure or delay in the approval from relevant authorities and/or parties

The Proposal Acquisition is conditional upon the approvals to be obtained from the relevant authorities as stipulated in the CPs stated in Section 10.1 of this announcement. In the event that any of these approvals is not obtained within the stipulated period, the parties may either mutually extend the stipulated period or, terminate the Proposal Acquisition.

13.3 Development risks

The proposed development is subject to certain risks inherent to property development, such as oversupply of the properties, changes in demand for types of residential and commercial properties, labour and material supply shortages, deterioration in prevailing market conditions and fluctuation in prices in building materials and costs of labour, satisfactory performance of the appointed building contractors and tightening of credit availability under prudential lending guidelines.

However, the Company will seek to mitigate such risks by closely monitoring the progress of the development projects and endeavor to promptly come up with solutions. The Company will continuously keep abreast with the latest developments in the property development market and will leverage on its capabilities and dedicated management team to manage these risks.

13.4 Interest rate risks

The Company intends to finance the Proposed Acquisition via bank borrowings. As such, fluctuations in interest rates could affect interest charges incurred on the bank borrowings used to finance the Purchase Consideration and future development costs. Fluctuations in interest rates may also affect the demand for the proposed development, as higher interest rates may lead to an increase in borrowing costs for prospective buyers.

In mitigating this risk, the Group actively reviews its debt portfolio taking into account the level and nature of borrowings in order to optimise its cost effective capital structure and will review the pricing strategy of the Project in order to ensure that the proposed development are competitively priced.

13.5 Political, regulatory and economic risks

The property market can be characterised as cyclical in nature and is somewhat correlated to the general economic conditions of Malaysia. Adverse developments in political, regulatory and economic conditions in Malaysia could materially affect the property industry in the country. Political, regulatory and economic uncertainties include changes in labour laws, interest rates, fiscal and monetary policies, risks of expropriation of land by authorities and methods of taxation.

In mitigating such risk, the Group will continue to review its business development strategies in response to the changes in political, regulatory and economic conditions. Nonetheless, no assurance can be given that any change to these factors would not have any material adverse impact on the Group's financial performance in the future.

14.0 Estimated time frame to complete the Proposed Acquisition

Barring unforeseen circumstances, the Proposed Acquisition is expected to be completed in the third quarter of 2016.

15.0 Highest percentage ratio applicable to the Proposed Acquisition pursuant to paragraph 10.02(g) of the Listing Requirements

Pursuant to paragraph 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Acquisition A is 2.86%.

Pursuant to paragraph 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Acquisition B is 2.53%.

However, by applying the rule of aggregation pursuant to paragraph 10.12(2)(a) of the Listing Requirements as the Proposed Acquisition was entered into with parties connected to one another, the highest percentage ratio thereof pursuant to paragraph 10.12(2)(a) of the Listing Requirements is 5.39%.

This announcement is dated 15 June 2016.

cc: Securities Commission