

TITIJAYA LAND BERHAD ("TITIJAYA" OR "COMPANY")

ACQUISITION OF THE REMAINING 70% EQUITY INTEREST IN PREMSDALE DEVELOPMENT SDN. BHD.

1. INTRODUCTION

Pursuant to paragraph 9.19(23) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors of Titijaya wishes to announce that the Company had on 26 April 2017, acquired the remaining 70% equity interest in Premsdale Development Sdn. Bhd. (Company No. 1121985-U) ("**Premsdale Development**") by way of acquisition of 175,000 ordinary shares in Premsdale Development ("**Sale Shares**") from Muhidin Bin Mohd Shari ("**Vendor**") for a total cash consideration of RM175,000.00 ("**Acquisition**").

With this Acquisition, Premsdale Development is now a wholly-owned subsidiary of Titijaya.

2. INFORMATION ON PREMSDALE DEVELOPMENT

Premsdale Development was incorporated on 9 December 2014 as a private company limited by shares under the Companies Act 2016. The issued and paid-up capital of Premsdale Development is RM250,000 comprising 250,000 ordinary shares.

Premsdale Development is principally engaged in property development. Prior to the completion of the Acquisition, Premsdale Development was a 30%-associate company of Titijaya.

As at the date of this announcement, the Directors of Premsdale Development are Tan Sri Dato' Lim Soon Peng, Group Managing Director of Titijaya and Mr. Lim Poh Yit, Deputy Group Managing Director of Titijaya.

3. FINANCIAL INFORMATION OF PREMSDALE DEVELOPMENT

Based on the latest audited financial statements of Premsdale Development for the year ended 30 June 2016, Premsdale Development recorded a loss after taxation of RM338,826.00 and net liabilities position of RM340,354.00.

4. BASIS OF ARRIVING AT THE PURCHASE PRICE

The total purchase price for the Sale Shares was arrived at on a willing-buyer willing-seller basis, after taking into consideration the net asset value of Premsdale Development as at 30 June 2016 and the Vendor's cost of investment in the Sale Shares.

5. RATIONALE FOR THE ACQUISITION

The Acquisition is in line with the strategies and plans for rationalisation of Titijaya Group's business and to facilitate project implementation.

6. FINANCIAL EFFECTS

The Acquisition will have no material effect on the earnings per share, net assets per share, gearing, share capital and the substantial shareholders' shareholdings of Titijaya for the financial year ending 30 June 2017.

7. FINANCIAL RISKS

The purchase price will be funded through internally generated funds.

The financial risks associated with entering into the Acquisition are expected to be limited to the Titijaya's investment in Premsdale Development via the acquired shares.

8. APPROVALS REQUIRED

The Acquisition is not subject to the approvals of any authority and/or the shareholders of the Company.

9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

Tan Sri Dato' Lim Soon Peng and Mr. Lim Poh Yit are Directors and Major Shareholders of Titijaya. They are also Directors of Premsdale Development.

Save for Tan Sri Dato' Lim Soon Peng and Mr. Lim Poh Yit who are deemed interested in the Acquisition, none of the Directors and/or Major Shareholders of Titijaya and/or persons connected to them, have any interests, direct or indirect in the above Acquisition.

Accordingly, Tan Sri Dato' Lim Soon Peng and Mr. Lim Poh Yit have abstained and will continue to abstain from all Board deliberations and voting in respect of the Acquisition.

10. STATEMENT BY DIRECTORS

After having considered all aspects of the Acquisition, the Board (save for Tan Sri Dato' Lim Soon Peng and Mr. Lim Poh Yit), is of the opinion that the Acquisition is in the best interest of Titijaya, fair, reasonable and on normal commercial terms, and not detrimental to the interest of the minority shareholders of Titijaya.

11. APPLICABLE PERCENTAGE RATIOS

The highest percentage ratio applicable to the Acquisition pursuant to paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is negligible, based on the latest audited consolidated financial statements of Titijaya for the financial year ended 30 June 2016.

This announcement is dated 26 April 2017.