

General Announcement

Reference No **GP-100622-64051**

Company Name : **GENTING PLANTATIONS BERHAD**
Stock Name : **GENP**
Date Announced : **22/06/2010**

Type : **Announcement**
Subject : **PROPOSED JOINT VENTURE TO ESTABLISH PREMIUM OUTLETS IN MALAYSIA**

Contents : **We refer to the announcements made by Genting Plantations Berhad (“GENP”) on 30 September 2009 and 29 March 2010 in relation to the proposed joint venture by Azzon Limited (“Azzon”) and Chelsea Malaysia, LLC (“Chelsea”) to establish Chelsea Premium Outlet Centres in Malaysia.**

The Board of Directors of GENP is pleased to announce that an Amended and Restated Joint Venture Agreement dated 21 June 2010 has been entered into by Azzon, Chelsea, Chelsea Genting Limited, Genting Chelsea Sdn Bhd and Genting Land Sdn Bhd (formerly known as Asiatic Properties Sdn Bhd).

Please refer to the attached announcement for further details.

This announcement is dated 22 June 2010.

Attachments : **[Announcement_Restated JVA.pdf](#)**

Announcement Details :



PROPOSED JOINT VENTURE TO ESTABLISH PREMIUM OUTLETS IN MALAYSIA

Contents:

We refer to the announcements made by Genting Plantations Berhad ("**GENP**") on 30 September 2009 and 29 March 2010 in relation to the proposed joint venture by Azzon Limited ("**Azzon**") and Chelsea Malaysia, LLC ("**Chelsea**") to establish Chelsea Premium Outlet Centres in Malaysia ("**Proposed JV**").

The Board of Directors of GENP is pleased to announce that an Amended and Restated Joint Venture Agreement dated 21 June 2010 ("**Amended JVA**") has been entered into by Azzon, Chelsea, Chelsea Genting Limited ("**Holdco**"), Genting Chelsea Sdn Bhd ("**Malaysian Co**") and Genting Land Sdn Bhd (formerly known as Asiatic Properties Sdn Bhd) ("**GLSB**").

Holdco, a company incorporated in the Isle of Man, is currently a wholly owned subsidiary of GENP. Upon completion of the Amended JVA, Holdco will become the joint venture company equally owned by Azzon and Chelsea.

Malaysian Co, a company incorporated in Malaysia, is a wholly owned subsidiary of Holdco.

GLSB will subscribe for Preference Shares (hereinafter defined) to be issued by Malaysian Co pursuant to the terms of the Amended JVA.

1. CHANGES IN THE SALIENT TERMS

Certain salient terms of the Joint Venture Agreement dated 29 September 2009 (as amended by the First Amendment to Joint Venture Agreement dated 29 March 2010) ("**Original JVA**") have been amended and supplemented by the Amended JVA, including, inter alia, the following:

1.1 Conditions precedent

The time period for the fulfilment of all conditions precedent under the Amended JVA, has been extended from 29 June 2010 to 29 September 2010 or such other period as may be mutually agreed between Azzon and Chelsea. The conditions precedent in the Original JVA remains unchanged.

1.2 Initial capital contribution

Upon fulfilment or waiver of the conditions precedent, Azzon and Chelsea shall subscribe for shares in Holdco and Holdco shall subscribe for shares in Malaysian Co, as follows:

- (i) An initial capital contribution in the aggregate amount of USD equivalent of RM12,500,000 shall be made by Chelsea in the Holdco. Azzon shall also subscribe for an initial capital contribution of USD equivalent of RM12,500,000 less the value of one (1) share in the Holdco which is currently already held by Azzon;

- (ii) Immediately thereafter, Azzon and Chelsea shall cause Holdco to subscribe for such number of ordinary shares in Malaysian Co equivalent to the aggregate initial capital of RM25,000,000 as stated in section 1.2(i) above.

1.3 Preference Shares

1.3.1 Subject to completion of the Amended JVA, GLSB shall subscribe for 19,178,160 redeemable cumulative convertible preference shares ("**Preference Shares**") in Malaysian Co in the following manner:

- a) 13,000,000 Preference Shares upon fulfilment of the Preference Shares conditions precedent more particularly set out in section 1.3.2 below or as soon thereafter as reasonably practicable; and
- b) the balance 6,178,160 Preference Shares on the date six (6) months after the completion of the Amended JVA;

or at such later time(s) as the shareholder of the Malaysian Co may agree.

1.3.2 Preference Shares conditions precedent include, inter alia, the following:

- (a) Completion of the Amended JVA;
- (b) Azzon and Chelsea contributing their respective initial capital contribution as set out in section 1.2(a) above;
- (c) The Malaysian Co, Azzon and Chelsea to obtain all necessary approvals from board of directors and shareholders to effect the subscription of the Preference Shares; and
- (d) The amendment of the memorandum and articles of association of Malaysian Co to be in form and substance reasonably acceptable by GLSB.

1.3.3 Salient features of the Preference Shares

- a) Subscription Price

The subscription price of RM1.00 per Preference Share, comprising a par value of RM1.00 with no premium.

- b) Dividend

The holders of the Preference Shares shall be entitled annual dividend equal to 10% per annum on the par value. Such dividends to holders of Preference Shares shall be cumulative and shall be paid prior to any dividends payable to ordinary shareholders.

- c) Voting Rights

The Preference shall have no voting rights at any general meetings of Malaysian Co but the approval of holders of the Preference Shares outstanding, voting as a class, is required for certain matters including, inter alia, any prepayment of borrowings by Malaysian Co and any entity controlled by Malaysian Co (collectively, "**Malaysian Co Group**"), any creation of encumbrances over any undertaking or assets of Malaysian Co Group, making of any loan or issue of any guarantee by Malaysian Co Group and any issue, grant or creation by Malaysian Co Group of any options or securities having priority over the Preference Shares.

d) Conversion Rights

The conversion rate for Preference Shares shall be at 1 new ordinary share for 1 Preference Share.

e) Redemption

The Preference Shares are redeemable in 5 equal annual tranches commencing one (1) year from the date that the Johor Premium Outlet is open for business to the public.

1.4 Information on GLSB

GLSB, a wholly owned subsidiary of GENP, was incorporated in Malaysia on 12 December 1980. As at 31 December 2009, its authorised share capital is 10,000,000 ordinary shares of RM1 each of which 4,138,560 have been issued and fully paid-up.

The principal activity of GLSB is property investment.

2. PERCENTAGE RATIO

The highest percentage applicable to the Proposed JV based on the Amended JVA pursuant to paragraph 10.02 (g) of the Main Market Listing Requirements is 3.48%.

3. DOCUMENTS FOR INSPECTION

The Amended JVA will be available for inspection at the registered office of the Company during normal office hours on any working day for a period of three (3) months commencing from the date of this announcement.

This announcement is dated 22 June 2010.