



## GOODLAND GROUP LIMITED

Company Registration No.: 200405522N

### JOINT VENTURE AGREEMENT FOR REAL ESTATE DEVELOPMENT IN MYANMAR

#### INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of Goodland Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that the **Company**’s wholly-owned subsidiary, Goodland Glory Pte. Ltd. (“**GG**”) has on 7 February 2013, entered into a joint venture agreement (the “**Agreement**”) with KBS Construction (Myanmar) Pte. Ltd. (“**KBS**”) to undertake two (2) residential property development projects in Yangon, Myanmar (the “**Joint Venture**”).

#### INFORMATION ON THE JOINT VENTURE

**GG** and **KBS** (collectively, the “**Parties**”) are in the business of real estate development and have expertise in planning, design and construction of residential properties in Singapore and Myanmar respectively.

The Joint Venture will be undertaken by a 50% - 50% joint venture company to be incorporated in Singapore (the “**JV Co**”). The **JV Co** is a special purpose vehicle which will initially undertake the residential property development projects known as Golden Dragon Condominium Project (“**GDC**”) and Shwe Pyi Tan Complex Project (“**SPTC**”) (collectively, the “**Projects**”).

The shareholding structure of the **JV Co** shall be as follows:

Shareholders	Shareholdings
GG	50%
KBS	50%

**GG** shall provide general management, financial management and technical advice and expertise in relation to the **Projects**.

The initial working capital to be provided by **GG** to the **JV Co** shall be secured by titles on real properties as well as the economic benefits of such properties, to be provided by **KBS** to **GG** as collateral. The aggregate value of such titles and economic benefits shall be equivalent to or greater than the initial working capital to be provided by **GG**.

**GG** reserves the right to sell its interests to other entity or entities should **KBS** be in default under the **Agreement** at any time.

#### INFORMATION ON KBS

**KBS** is incorporated in Singapore and it is principally a general contractor. **KBS** holds exclusive development rights for the **Projects** and shall inject such development rights and exclusive land use (collectively, the “**Economic Benefits**”) to be procured by **KBS** of the **Projects** into the **JV Co**.



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**KBS** is significantly owned by Bo Sann, the founder and managing director of Ko Bo San Construction Company Ltd, incorporated in Myanmar (“**KBSM**”). Since its inception in 1998, **KBSM** has undertaken many quality residential development projects in Myanmar. These projects include:

- No. 117, AungZayYa Road
- No. 71, Ayeyarwady Road
- No. 75, Ayeyarwady Road
- No. 2, KwinKyung(3) Street
- No. 4, KwinKyung(3) Street
- No. 41/C Moesandar Road, Kamaryout
- No. 11, Parami Road
- No. 13, SetKwin Road
- No. 8, TagePan Street
- No. 41, 167-Street, Tarmway
- No. 80, TiRi(5) Road
- No. 100/B, TiRi(4) Street
- No. 9, Yarma Street

### INFORMATION ON THE PROJECTS

#### Shwe Pyi Tan Complex (“SPTC”)

**SPTC** is one of the largest residential property development nestled in the prime commercial hub and leading shopping destination next to Kabar Aye Pagoda Road within 10 km radius of Yangon City Hall. The large development is planned for six 12-storey tower blocks featuring approximately 259 apartments in total, with contemporary architectural design and modern layout. Development of **SPTC** is expected to commence in 2013.

#### Golden Dragon Condominium (“GDC”)

**GDC** is located next to Insein Road, a major thoroughfare of Yangon, situated at the upmarket downtown area within 10 km radius of Yangon City Hall. The sizeable 12-storey condominium comprising approximately 66 exclusive apartments, is one of the rare boutique residential developments in the city, with modernity and tranquility. Development of **GDC** is expected to commence in 2013.

### RATIONALE FOR THE JOINT VENTURE

The **Joint Venture** entails residential development projects for two (2) plots of land in Yangon, Myanmar, which is in line with the **Group**’s core business in residential property development. The **Joint Venture** offers a good and attractive opportunity for the Group to tap into Asia’s latest emerging market, leveraging on the knowledge, expertise and experience of **KBS**.

Myanmar has embarked on an ambitious set of reforms to realise its economy’s rich potential and reduce poverty in a sustainable manner. The government aims to comprehensively modernize the economy and integrate it with the global economy. Private sector development is a cornerstone of the Myanmar government’s growth strategy.



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### OTHER PRINCIPAL TERMS OF THE AGREEMENT

The other principal terms of the **Agreement** are as follows:

1. **GG** and **KBS** shall form a 50%-50% **JV Co** with equal representation from each party on the Board of Directors.
2. **KBS** shall obtain all relevant and necessary consents to conduct all activities to be carried out in connection with the **Projects**.
3. The **JV Co** may in its sole discretion appoint **Ko Bo San Construction Co. Ltd**, incorporated in Myanmar as the exclusive contractor to undertake all construction and property sale activities in relation to **GDC** and **SPTC**.
4. The **Agreement** shall be governed by and construed in accordance with the laws of Singapore. The **Parties** agree to submit to the non-exclusive jurisdiction of the courts of Singapore in all matters arising in connection with the **Agreement**.

### FINANCIAL EFFECTS OF THE JOINT VENTURE

The **Joint Venture** is not expected to have any material impact on the Group's earnings per share and/or net tangible assets per share for the financial year ending 30 September 2013.

### INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or substantial shareholders of the **Company** has any interest, directly or indirectly (other than through their shareholdings in the **Company**), in the **Joint Venture**.

### DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the **Agreement** is available for inspection during normal business hours at the registered office of the **Company** at 18 Roberts Lane, #02-01/02 Goodland Building, Singapore 218297 during normal business hours for three months from the date of this announcement.

The **Company** will update shareholders through announcements via SGXNET on any material developments relating to the **Joint Venture**.

### BY ORDER OF THE BOARD

Alvin Tan Chee Tiong  
Chief Executive Officer  
7 February 2013



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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.*