

KPJ HEALTHCARE BERHAD (“KPJ” OR THE “COMPANY”)

PROPOSED ACQUISITION OF A PARCEL OF VACANT COMMERCIAL LAND HELD UNDER H.S.(D) 501209, LOT NO. PTD 163189, MUKIM OF TEBRAU, DISTRICT OF JOHOR BAHRU, JOHOR DARUL TAKZIM BY KUMPULAN PERUBATAN (JOHOR) SDN BHD (“KPJSB”), A WHOLLY-OWNED SUBSIDIARY OF KPJ, FROM JOHOR LAND BERHAD (“JLB” OR “VENDOR”), A SUBSIDIARY OF JOHOR CORPORATION (“JCorp” OR “REGISTERED OWNER”), FOR A TOTAL CASH CONSIDERATION OF RM45,000,000.00 (“PROPOSED ACQUISITION”)

1. INTRODUCTION

The Board of Directors of KPJ (“**Board**”) wishes to announce that JLB, a subsidiary of JCorp, had, in its letter dated 10 April 2012 (“**Offer Letter**”), offered KPJSB to purchase a parcel of vacant commercial land held under H.S.(D) 501209, Lot No. PTD 163189 located in Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim (“**Land**”) from JCorp, a major shareholder of KPJ, for a total cash consideration of RM45,000,000.00 (“**Offer**”). KPJSB had then via a letter to JLB dated 15 May 2012 accepted the Offer based on the terms and conditions therein, details of which are set out in Section 2 below.

For the avoidance of doubt, JLB’s issuance of the Offer Letter and KPJSB’s acceptance of the same is subject to the signing of a definitive sale and purchase agreement (“**SPA**”) between JLB and KPJSB (or its nominee company) (“**Purchaser**”) together with JCorp, as the registered owner of the Land, to undertake the Proposed Acquisition. Accordingly, the indicative terms and conditions of the Proposed Acquisition as set out in Section 2.4 of this announcement may be subject to change.

Further details of the Proposed Acquisition are set out in the ensuing sections.

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Background information on the Proposed Acquisition

The Proposed Acquisition involves the acquisition by KPJSB from JCorp of the Land on an “as is where is” basis, free from all encumbrances, liens, caveats and other restraints and with vacant possession and clear from any tenants for a total cash consideration of RM45,000,000.00 or RM832.81 per square meter (“**sq. mtr.**”) (“**Purchase Price**”).

2.2 Information on the Land

The Land is a freehold land and has a total land area of 54,034 sq. mtrs. or equivalent to approximately 13.352 acres. The Land is located at the junction of Jalan Bukit Mutiara and Jalan Dato’ Utama and to the immediate east of the Bandar Dato’ Onn interchange of North South Highway, Taman Bukit Mutiara, Johor Bahru, Johor Darul Takzim. It is sited approximately 15 kilometers due north-west of Johor Bahru city centre.

The Land is accessible from the Johor Bahru city centre via the Tebrau Highway, the North-South Highway and thereafter exiting at the Bandar Dato’ Onn interchange. From this point, access is continued via Jalan Dato’ Onn Utama travelling a short distance before turning right onto Jalan Bukit Mutiara. Alternatively, the Land is also accessible from the Johor Bahru city centre via the newly completed Eastern Dispersal Link which links to the North South Highway.

The date, cost of investment and net book value of the Land are not available as at the date of this announcement.

JCorp as the registered owner of the Land has authorised JLB to sell the Land to the Purchaser on behalf of JCorp.

Further details of the Land are set out in **Table 1** of this announcement.

2.3 Basis and justification of arriving at the Purchase Price

The Purchase Price was arrived at based on the Offer Letter subject to terms and conditions as well as schedule of payment stipulated in the Offer Letter.

Following the above, KPJ has appointed C H Williams Talhar & Wong Sdn Bhd ("**C H Williams**"), a firm of independent registered valuers, to ascertain the market value of the Land. C H Williams had on 16 April 2012, being the material date of valuation of the Land, assessed the market value of the Land at RM47,000,000.00 or approximately RM870.00 per sq. mtr. using the comparison method in its valuation report dated 18 April 2012 ("**Valuation Report**").

For illustrative purposes, the Purchase Price of RM45,000,000.00 represents a discount of RM2,000,000.00 or approximately 4.2% to the market value of the Land.

2.4 Salient terms of the Offer Letter

The salient terms and conditions as set out in the Offer Letter (which are subject to the signing of the SPA) are as follows:

2.4.1 Mode of payment

- (i) a deposit of 10% of the Purchase Price amounting to RM4,500,000.00 ("**Deposit**") shall be payable to JLB upon acceptance of the Offer Letter;
- (ii) the balance 90% of the Purchase Price amounting to RM40,500,000.00 ("**Balance Purchase Price**") shall be payable to JLB within thirty (30) days from the date of fulfillment by the Purchaser of the Condition Precedent, upon which the SPA shall become unconditional ("**the Effective Date**") and JLB shall have deposited the Balance Purchase Price with the appointed solicitors (as stakeholder), memorandum of transfer and other necessary documents required to effect the transfer of the Land ("**Completion Date**"); and
- (iii) an automatic extension of thirty (30) days ("**Extended Completion Period**") (and which date of full payment shall be referred to as "**Extended Completion Date**") shall be granted in the event the Purchaser fail to pay the Balance Purchase Price in accordance with item 2.4.1 (ii) above subject to payment of interest at the rate of eight percent (8%) per annum to be calculated on a daily basis on such amount of the Balance Purchase Price remaining unpaid from the commencement of the Extended Completion Period till the date of actual payment of the Balance Purchase Price by the Purchaser to JLB.

In the event the SPA is not executed within sixty (60) days (or within such other time as may be extended by the parties) from the date the Offer Letter due to any reason or in the event KPJSB is unable to fulfill the condition precedent in Section 2.4.2 below, JLB irrevocably undertakes to immediately refund the Deposit and/or monies paid pursuant to the Offer Letter free from any interest.

2.4.2 Condition Precedent

The Proposed Acquisition is subject to the approval from the shareholders of KPJ.

2.4.3 Apportionments

All outgoings relating to the Land shall be apportioned between the parties whereby JLB shall bear all such amounts payable including any penalty before vacant possession date and the Purchaser shall bear all such amounts after the vacant possession date.

2.4.4 Costs and expenses

Stamp duty in respect of the SPA and all expenses for subsequent transfer of the Land shall borne by the Purchaser. Each party shall however bear its own solicitors fees.

2.5 Source of funding

The Purchase Price will be funded through internally generated funds of the Company.

2.6 Liabilities to be assumed

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

3. INFORMATION ON THE VENDOR AND REGISTERED OWNER

3.1 Vendor

JLB is a company incorporated under the Companies Act, 1965 and is a subsidiary of JCorp. JLB is principally involved in property development, construction and investment holding company. The Land is situated adjacent to or within a mixed development being undertaken by JLB known as "Bandar Dato Onn".

JLB has been authorised by JCorp to sell the Land to the Purchaser in its capacity as the developer of Bandar Dato Onn.

As at 16 May 2012, the authorised share capital of JLB is RM500,000,000.00 comprising of 500,000,000 ordinary shares of RM1.00 each of which RM445,745,488.00 comprising of 445,745,488 ordinary shares of RM1.00 each have been issued and fully paid.

As at 16 May 2012, based on the Register of Substantial Shareholders, the substantial shareholders of JLB were as follows:-

Johor Corporation
OSK Noms (T) Sdn Bhd - A/C Johor Corporation
OSK Noms (T) Sdn Bhd - A/C Damansara Assets Sdn Bhd

The current directors of JLB are as follows:-

Kamaruzzaman Bin Abu Kassim
Datuk Ahmad Zaki Bin Zahid
Lukman Bin Hj Abu Bakar

Abdul Malek Bin Talib
Rozan Bin Mohd Sa'at
Yusof Bin Rahmat

3.2 Registered Owner

JCorp is a body corporate established under the Johor Corporation Enactment No. 4 of 1968 (as amended by Enactment No. 5 of 1995). JCorp is principally an investment holding entity and its subsidiaries are principally involved in palm oil and oleochemicals, specialist healthcare services, property development, food related activities and intrapreneur venture. JCorp's other principal business ventures include industrial property development, intrapreneur business development, unit trusts and fund management, commercial property management and the hospitality business.

JCorp is a state government agency, and hence, JCorp has no shareholders.

As at 16 May 2012, the Directors of JCorp are as follows:-

YAB Dato' Haji Abdul Ghani Bin Othman
Tuan Haji Kamaruzzaman Bin Abu Kassim
YB Datuk Haji Ahmad Zahri Bin Jamil
YB Dato' Haji Obet Bin Tawil
YB Datuk Abdul Rahman Putra Bin Dato' Haji Taha
YB Datin Paduka Zainon Binti Haji Yusof
YBhg Dato' Sri Dr Ali Bin Hamsa
YBhg Datuk Dr Rahamat Bivi Binti Yusoff
YBhg Datuk Dr Rebecca Fatima Sta Maria
YBhg Dato' Paduka Ismee Bin Ismail
YB Tuan Haji Marsan Bin Kassim

4. RATIONALE FOR THE PROPOSED ACQUISITION

The careful planning and continued growth strategy has seen the KPJ and its subsidiaries ("**KPJ Group**" or "**Group**") today having 21 hospitals in Malaysia and 1 hospital in Indonesia consistently contributing to its yearly revenue. The KPJ Group maintains the contentment of shareholders by ensuring the hospitals in operation provides quality healthcare services at the same time maintaining the continued sustainability of the business.

Coupled with the growing population and demand for quality healthcare services, KPJ Group acknowledges the hospitals operating under its management are vast reaching its full capacity. Overcoming the issue has led to KPJ Group to implement changes which mainly takes the form of physical expansion, acquisition and greenfield projects. Following the Proposed Acquisition, KPJ plans to construct a private specialist hospital on the Land

Premised on the Proposed Acquisition, the Board provides to shareholders its initiative in pursuing growth and sustainability of the business. The Board believes the Proposed Acquisition will lead to an expansion of the KPJ Group's customer base thus contributing positively to the Company's yearly financial performance.

5. RISK FACTORS IN RELATION TO THE PROPOSED ACQUISITION

5.1 Completion of the Proposed Acquisition

The Proposed Acquisition is still subject to the signing of the SPA and the fulfillment of the condition precedent as stated in the Offer Letter being fulfilled and/or waived as the case maybe. The timely completion is also dependent upon obtaining the approvals from the relevant authorities. Nevertheless, KPJ will take and continue to take all reasonable steps to ensure satisfaction and/or waiver, as the case may be, to ensure completion of the Proposed Acquisition.

5.2 Compliance and licensing risk

The healthcare division operation is administered by jurisdiction of the relevant authorities with respect to licensing and regulatory matters such as by the Ministry of Health (“**MOH**”), Majlis Bandaraya Johor Bahru (“**MBJB**”) as well as the Private Healthcare Facilities and Services Act, 1998. The proposed construction of a private specialist hospital on the Land will require the approval of the MBBJ on the development building plan for which JLB will be submitting upon the approval of the development order.

The Group works to ensure the entire regulatory framework is complied with through the legal advisers and compliance team to periodically monitor that these regulatory framework were not breached. However, no assurance can be given that future changes to the present regulations or introduction to new regulations by the relevant authorities will not have a material impact on our Group’s healthcare division.

5.3 Compulsory acquisition by the Government

The Malaysian Government has the power to compulsorily acquire any land in Malaysia pursuant to the provisions of the applicable legislation including the Land Acquisition Act 1960. In such event, the amount of compensation to be awarded is based on the fair market value of the property and is assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws. If the Land is acquired compulsorily by the Malaysian Government at a point in time when the market value of the Land is lower than the Purchase Price, the compulsory acquisition could adversely affect the financial results of the Group and/or the future expansion of the Group to build a specialist hospital on the Land.

6. PROSPECTS AND FUTURE PLANS OF THE PROPOSED ACQUISITION

The health sub-sector is the second largest recipient in the social services sector with an allocation of RM2.2 billion or 4.5% (2010: RM3.8 billion; 7.2%) of total development expenditure. The expenditure is for land acquisition; building, upgrading and maintenance of hospitals and health clinics; purchase of medical and health equipment; and enhancing hospital information and technology system; and skills training. Major ongoing projects include the construction, upgrading or expansion of hospitals in Kuala Lumpur, Taiping, Seremban, Kluang, Tampin, Kangar, Kuala Terengganu, Kota Bharu, Tampoi, Rompin and the Sabah Medical Centre. Other projects include the construction of nursing colleges, hostels and quarters for medical staff. To ensure better access to quality healthcare in urban areas, 50 1Malaysia Clinics will be opened under the RP1. Of this, 27 1Malaysia Clinics have commenced operations as of end-April 2011, bringing the total to 80 1Malaysia Clinics established since January 2010. To date, the Clinics have served more than 2.3 million patients. Under RP1, preliminary works on several new hospital projects in Lawas and Petra Jaya (Sarawak) as well as Tuaran (Sabah) and Kuala Krai (Kelantan) are underway. Substantial allocation is also provided to strengthen rural healthcare, including construction of health and dental clinics as well as upgrade rural health facilities nationwide.

(Source: Economic Report 2011/2012; Ministry of Finance)

Prospects and future plans of the Proposed Acquisition

The Land to be acquired pursuant to the Proposed Acquisition is located within Taman Bukit Mutiara, which has an excellent access from the North-South Highway. Travel time from the Customs, Immigration and Quarantine complex (“**CIQ**”) and Johor Bahru to Taman Bukit Mutiara has significantly reduced with the recent opening of the Eastern Dispersal Link Expressway (“**EDL**”). It should be noted that the Land is situated adjacent or within a mixed development being undertaken by JLB known as the Bandar Dato’ Onn.

The improved accessibility as described above is expected to increase the interest of the properties and surrounding schemes in Taman Bukit Mutiara and Bandar Dato’ Onn. The demand for residential properties is expected to improve driven by the shortened travel time, subsequently boosting commercial activities in the area.

In relation to the proposed construction of new specialist private hospital on the Land, upon completion of the Proposed Acquisition, the newly constructed hospital will be the only specialist private hospital within Taman Bukit Mutiara and Bandar Dato Onn, with the next nearest hospital away from the vicinity are Kempas Specialist Hospital located in Kempas and Regency Hospital in Seri Alam.

The newly developed hospital is projected to cater for international as well as local market with Centre of Excellences facilities for outpatient and specialist practice for cardiac, geriatric, cancer, orthopedic and cosmetic.

The Proposed Acquisition will provide an avenue for KPJ to expand its existing operation to a newly constructed hospital, which enables the KPJ Group to cater for more comprehensive healthcare facilities with higher number of in-patient’s bed, specialist clinic and other healthcare offerings.

Premised on the above, the Board is of the view the Proposed Acquisition and the construction of the new hospital is in line with the KPJ Group’s plans for continued growth and the Board believes this initiative will contribute positively to the future earnings of the Group.

7. EFFECTS OF THE PROPOSED ACQUISITION

7.1 Share capital and shareholdings of substantial shareholders

The Proposed Acquisition will not have any effect on issued and paid-up share capital and substantial shareholders’ shareholding of KPJ as the Purchase Price for the Proposed Acquisition shall be fully satisfied via cash and does not involve any issuance of new ordinary shares in KPJ.

7.2 NA, NA per share and gearing

In view of the intended means of funding the Purchase Price as set out in Section 2.5 above, the Proposed Acquisition is not expected to have any effect on KPJ’s consolidated NA, NA per share and gearing of the KPJ Group.

7.3 Earnings and earnings per share (“EPS”)

The Proposed Acquisition is not expected to have any material impact on KPJ Group’s earnings and EPS for the financial year ending 31 December 2012.

Going forward, upon completion of the construction of a private specialist hospital on the Land, the potential profit contribution from the private specialist hospital is expected to enhance the earnings and the EPS of KPJ Group in the future.

8. APPROVALS REQUIRED

The Proposed Acquisition is subject to the following approvals:

- (i) the shareholders of KPJ at an Extraordinary General Meeting (“**EGM**”) to be convened; and
- (ii) any other regulatory consent or approval, if necessary.

The Proposed Acquisition is not conditional upon any other proposals/corporate exercises being undertaken by KPJ.

9. DIRECTORS AND MAJOR SHAREHOLDERS’ INTEREST

Save as disclosed below, none of the directors or major shareholders of KPJ or persons connected with them has any interest, direct or indirect, in the Proposed Acquisition:

9.1 Major Shareholder

As at 16 May 2012, JCorp is a major shareholder of the Company holding directly 88,756,505 ordinary shares of RM0.50 each in the Company (“**KPJ Shares**”) representing 14.35% of the equity interest in the Company. JCorp also has an indirect interest of 155,145,150 KPJ Shares representing 25.08% of the equity interest in the Company. JCorp is also the major shareholder of JLB.

As such, JCorp is deemed interested in the Proposed Acquisition.

Accordingly, JCorp shall abstain from voting in respect of its direct and indirect shareholdings in KPJ on the resolution pertaining to the Proposed Acquisition at an EGM to be convened. In addition, JCorp will ensure that any persons connected with it will abstain, from voting in respect of their direct and/or indirect shareholdings in KPJ, if any, on the resolution on the Proposed Acquisition..

9.2 Interested Directors

Tuan Haji Kamaruzzaman Bin Abu Kassim, Datin Paduka Siti Sa’diah binti Sheikh Bakir, Tuan Haji Ahamad Bin Mohamad, Tuan Haji Abd Razak Bin Haron and Tuan Haji Rozan Bin Mohd Sa’at (collectively referred to as the “**Interested Directors**”). The Interested Directors are deemed interested in the Proposed Acquisition by virtue of them being persons connected with JCorp as they are directors of KPJ as well as also the senior management of JCorp.

Accordingly, the Interested Directors have abstained and will continue to abstain from all deliberations and voting in respect the Proposed Acquisition at the relevant Board meetings of KPJ. The Interested Directors will abstain and have undertaken to ensure that persons connected to them will abstain from voting in respect of their respective direct and/or indirect shareholdings in KPJ, if any, on the resolution pertaining to the Proposed Acquisition at an EGM to be convened for the Proposed Acquisition.

The shareholdings of JCorp and the Interested Directors as at 16 May 2012 are as follows:

	<u>Direct</u>		<u>Indirect</u>	
	<u>No. of KPJ Shares</u>	<u>%</u>	<u>No. of KPJ Shares</u>	<u>%</u>
Interested major shareholder:				
JCorp	88,756,505	14.35	155,145,150	25.08
Interested Directors:				
Tuan Haji Kamaruzzaman Bin Abu Kassim	-	-	-	-
Datin Paduka Siti Sa'diah Sheikh Bakir	1,118,250	0.18	12,500	-
Tuan Haji Ahamad bin Mohamad	750	-	-	-
Tuan Haji Abd Razak Bin Haron	-	-	-	-
Tuan Haji Rozan bin Mohd Sa'at	500	-	-	-

10. DIRECTORS' STATEMENT

The Board, save for the Interested Directors, having considered all the relevant factors in respect of the Proposed Acquisition, is of the opinion that the Proposed Acquisition is in the best interest of the Company and will be beneficial to the business of the KPJ Group.

11. PERCENTAGE RATIOS UNDER THE MMLR

Pursuant to Paragraph 10.02(g) of the MMLR, the highest percentage ratio applicable to the Proposed Acquisition is 4.51%, based on the latest audited financial statements of KPJ for the FYE 31 December 2011.

12. TOTAL AMOUNT TRANSACTED WITH THE SAME RELATED PARTY FOR THE PRECEDING 12 MONTHS

Save as disclosed below, there is no other transaction with JCorp and its group of companies for the twelve (12) months preceding the date of this announcement.

<u>Date of transactions</u>	<u>Nature of transactions</u>	<u>Transacting parties</u>	<u>RM</u>	<u>Completion date</u>
30 January 2012	Disposal of 15,369 redeemable preference shares of RM0.01 each in Intrapreneur Development Sdn Bhd	JCorp and KPJSB	1,536,900	30 January 2012]
8 February 2012	Acquisition of eight units of service apartments located in Pulau Tioman, Pahang	JCorp Hotels and Resorts Sdn Bhd (a wholly-owned subsidiary of JCorp)	1,934,880	8 February 2012
23 March 2012	Accepted an offer from JCorp to purchase 16,000 ordinary shares of Rupiah 1,000,000 each or equivalent to 80% equity in PT KPJ Medika (“ KPJ Medika Offer ”) for a total cash consideration of RM15,840,000.00. The KPJ Medika Offer is subject to conditional sale of shares agreement to be entered into by JCorp and KPJSB	JCorp and KPJSB	15,840,000	Pending completion

13. RELATED PARTY TRANSACTION

The Proposed Acquisition is a related party transaction pursuant to Paragraph 10.08 (2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**MMLR**”) in view of the interests of the interested major shareholder and Interested Directors as set out in Section 9 of this announcement.

The highest percentage ratio applicable to the Proposed Acquisition is 4.51%. However, the Company has entered into various transactions with JCorp and its group of companies (“**JCorp Group**”) as described in Section 12 above of this announcement for the preceding 12 months from the date of this announcement. Pursuant to Paragraph 10.12 of the MMLR, if the terms of the transactions were agreed upon within a period of 12 months, Bursa Malaysia Securities Berhad may aggregate the separate transactions and treat such transactions as if they were one transaction. Therefore, the highest aggregate of percentage ratios of the Proposed Acquisition and the transactions between the Company and JCorp Group as described in Section 12 of this announcement is 6.5 %, based on the latest audited financial statements of KPJ for the FYE 31 December 2011.

Accordingly, AFFIN Investment has been appointed to act as the Independent Adviser to comment as to whether the Proposed Acquisition is fair and reasonable, whether they are to the detriment of the non-interested shareholders of KPJ, whether the non-interested shareholders of KPJ should vote in favour of the resolution pertaining to the Proposed Acquisition and take all reasonable steps to satisfy itself that it has reasonable basis to make the aforementioned comments and advice.

14. STATEMENT BY THE AUDIT COMMITTEE

The Audit Committee of KPJ, after having considered all aspects of the Proposed Acquisition, including but not limited to the rationale for the Proposed Acquisition, the basis and justification for the Purchase Price, salient terms of the Offer Letter, the prospects and effects of the Proposed Acquisition and the advice from AFFIN Investment Bank Berhad (“**AFFIN Investment**”) as the Independent Adviser in relation to the Proposed Acquisition, is of the view that:

- (i) the Proposed Acquisition is fair, reasonable and on normal commercial terms;
- (ii) the Proposed Acquisition is in the best interest of KPJ; and
- (iii) the Proposed Acquisition is not detrimental to the interests of the non-interested shareholders of KPJ.

15. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Acquisition is expected to be completed within the fourth quarter of 2012.

16. DOCUMENTS AVAILABLE FOR INSPECTION

The Offer Letter and the Valuation Report are available for inspection at the registered office of the Company at Suite 12B, Level 12, Menara Ansar, No. 65, Jalan Trus, 80000 Johor Bahru, Johor during normal business hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 16 May 2012.

Table I – Further details of the Land

Further details of the Land as set out in the Valuation Report by C H Williams are set out below:

Title No.	:	H.S(D) 501209
Lot No.	:	PTD 163189
Mukim/District/State	:	Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim
Land area	:	54,034 sq. mtrs or approximately 13.352 acres
Description	:	A parcel of vacant commercial land
Tenure	:	Term in perpetuity (Freehold)
Use of land	:	Vacant
Express Conditions	:	<p>The Land shall be used for a multi-storey building for commercial purposes, erected in accordance with plans approved by the relevant Local Authority.</p> <p>All dirt and pollution/contamination from the above activities shall be discharged/chanelled to areas designated by the relevant Local Authority.</p> <p>The registered proprietor shall comply with all policies and conditions that have been fixed and enforced by the relevant Local Authority.</p>
Restriction in interest	:	<p>The registered proprietor is prohibited from selling parcels of the building that will be erected on the land unless the building was erected in accordance with the plans approved by the relevant Local Authority.</p> <p>Building parcels erected on the land upon change of ownership to a Bumiputera/Bumiputera Company shall not thereafter be sold, leased or transferred in any manner to a non-Bumiputera individual/non-Bumiputera company, without the approval from the State Authority.</p> <p>Building parcels erected on the land shall not be sold, leased or transferred in any way to a non-citizen/foreign company without the approval from the State Authority.</p>
Category of Land Use	:	Building
Registered Owner	:	JCorp
Planning Provisions	:	It is designated for commercial building use as per the express condition in the document title. Based on the District of Johor Bahru Local Plan, 2020 (Amendment), the Land is also zoned for commercial use. Based on the approved layout plan dated 11 October 2010, the Land has been approved for commercial plot (private hospital) use
Market value as at 16 April 2012	:	RM47,000,000.00

Valuations : An independent valuation was conducted by C H Williams in its Valuation Report, which applied the comparison method to arrive at a market value of RM47,000,000.00.

The basis of valuation adopted for the Land is the market value which is defined in the Malaysian Valuation Standard as “the estimated amount for which an asset should exchange on the date of valuation between “a willing buyer and a willing seller” in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The Land is valued using the comparison method of valuation. The comparison method entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, visibility, size, tenure, title restrictions if any and other relevant characteristics to arrive at the market value.

C H Williams has adopted the comparison method as the only method of valuation as the Land is a parcel of vacant commercial land with an approved layout for private hospital. Other methods of valuation are deemed inappropriate in this valuation.

(Source: Valuation Report by C H Williams)