

**TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS): NON RELATED PARTY TRANSACTIONS** The Board of Directors of Grand Central Enterprises Berhad ("GCE" or "the Company") wishes to announce that the Company's wholly owned subsidiary company, Grand Central Enterprises (Perak) Sdn. Bhd. (Company No. 246809-X) ("GCE Perak") had on 11 May 2012 entered into a Sale and Purchase Agreement to dispose a piece of vacant land held under Geran 55104 Lot No. 2636S in Bandar Ipoh (S), Daerah Kinta, Negeri Perak Darul Ridzuan ("the Property") to an unrelated party, Ilham Embun Sdn. Bhd. (Company No. 641536-M) ("Purchaser" or "IESB") for the total consideration of RM6,562,836 (Ringgit Malaysia Six Million Five Hundred Sixty Two Thousand Eight Hundred and Thirty Six) only ("the said Consideration") for cash ("the said Disposal"). Please refer the attached file on full announcement.

GRAND CENTRAL ENTERPRISES BHD

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Type	Announcement
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Description	The Board of Directors of Grand Central Enterprises Berhad ("GCE" or "the Company") wishes to announce that the Company's wholly owned subsidiary company, Grand Central Enterprises (Perak) Sdn. Bhd. (Company No. 246809-X) ("GCE Perak") had on 11 May 2012 entered into a Sale and Purchase Agreement to dispose a piece of vacant land held under Geran 55104 Lot No. 2636S in Bandar Ipoh (S), Daerah Kinta, Negeri Perak Darul Ridzuan ("the Property") to an unrelated party, Ilham Embun Sdn. Bhd. (Company No. 641536-M) ("Purchaser" or "IESB") for the total consideration of RM6,562,836 (Ringgit Malaysia Six Million Five Hundred Sixty Two Thousand Eight Hundred and Thirty Six) only ("the said Consideration") for cash ("the said Disposal").  Please refer the attached file on full announcement.

#### Attachments

[GCE - Disposal of Property by GCE \(Perak\).pdf](#)

318 KB

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#### Announcement Info

Company Name	GRAND CENTRAL ENTERPRISES BHD
Stock Name	GCE
Date Announced	15 May 2012
Category	General Announcement
Reference No	CA-120515-56357

**GRAND CENTRAL ENTERPRISES BERHAD (“GCE” or “the Company”)  
- DISPOSAL OF PROPERTY BY GRAND CENTRAL ENTERPRISES (PERAK) SDN. BHD.**

**1. INTRODUCTION**

The Board of Directors of Grand Central Enterprises Berhad ("GCE" or "the Company") wishes to announce that the Company's wholly owned subsidiary company, Grand Central Enterprises (Perak) Sdn. Bhd. (Company No. 246809-X) (“GCE Perak”) had on 11 May 2012 entered into a Sale and Purchase Agreement to dispose a piece of vacant land held under Geran 55104 Lot No. 2636S in Bandar Ipoh (S), Daerah Kinta, Negeri Perak Darul Ridzuan (“the Property”) to an unrelated party, Ilham Embun Sdn. Bhd. (Company No. 641536-M) (“Purchaser” or “IESB”) for the total consideration of RM6,562,836 (Ringgit Malaysia Six Million Five Hundred Sixty Two Thousand Eight Hundred and Thirty Six) only (“the said Consideration”) for cash (“the said Disposal”).

**2. INFORMATION ON GCE Perak**

GCE Perak was incorporated in Malaysia on 14 August 1992. The authorised capital is RM10,000,000 divided into 10,000,000 ordinary shares of RM1 each and the issued and paid up capital is RM5,100,000 divided into 5,100,000 ordinary shares of RM1 each.

GCE Perak is engage in all aspects of the hotel business. GCE Perak has not commenced operations since the date of incorporation.

**3. INFORMATION ON THE PURCHASER**

IESB was incorporated in Malaysia on 7 February 2004. The authorised capital is RM500,000 divided into 500,000 ordinary shares of RM1 each and the issued and paid up capital is RM500,000 divided into 500,000 ordinary shares of RM1 each.

The principal activity of IESB is investment holding.

**4. CONSIDERATION**

The Consideration was arrived at on a willing-buyer willing-seller basis, after taking into consideration of the prevailing market value of the Property. No valuation was carried out on the Property.

5. **INFORMATION OF THE PROPERTY**

The Property is a freehold vacant land.

6. **RATIONALE FOR THE SAID DISPOSAL**

The land was vacant for some years and the Company has no intention to develop the land. The disposal will realise the land value at current market rate.

7. **MODE OF PAYMENT/SALIENT TERMS OF THE AGREEMENT**

The Consideration of RM6,562,836 shall be paid in the following manner:

- a. The sum of RM656,283.60 only paid by the Purchaser as deposit and part payment to the Consideration for the Property.
- b. the balance of the Consideration of RM5,906,552.40 shall be paid by the Purchaser to GCE Perak's solicitors as stakeholders within three (3) months from the date of Agreement ("Completion Date").

In the event the Purchaser fails to pay the balance of the Consideration within the Completion Date, the Purchaser shall be entitled without request to one (1) month of extension of time ("the Extended Completion Date") to pay the balance of Consideration and the Interest at ten per centum (10%) per annum calculated on a day to day basis on the actual balance sum due to GCE Perak for such extension of time.

8. **COMPLETION DATE**

The said Disposal is expected to be completed by third quarter of the financial year 2012.

9. **ORIGINAL COST OF INVESTMENT**

The Property was acquired in 1992 at the cost of RM3,150,140. The net book value as of 31 December 2011 for the Property was RM4,278,443.

10. **EXPECTED GAIN**

The expected net gain from the said Disposal is approximately RM2.284 million. The sale proceeds will be reserved for working capital purpose.

11. **FINANCIAL EFFECT**

**Earnings per Share**

Upon completion of the said Disposal, GCE Group is expected to realize an estimated gain after tax of approximately RM2.284 million or RM0.01 per share for the financial year ending 31 December 2012.

The said Disposal is not expected to have any material effect on the earnings per share of GCE Group for the financial year ending 31 December 2012.

**Net Assets per Share and Gearing**

Upon completion, the said Disposal will result in an increase of RM0.01 net asset per share and will not have any material effect on the gearing of GCE Group for the financial year ending 31 December 2012.

**Share Capital and Substantial Shareholders Shareholding**

The said Disposal will have no effect on the share capital and substantial shareholders' shareholding of the Company.

12. **HIGHEST PERCENTAGE RATIO APPLICABLE TO THE TRANSACTION PURSUANT TO PARAGRAPH 10.02(g)**

The highest percentage ratio applicable to the said Disposal is 2.99%.

13. **APPROVAL**

No shareholders approval is required.

14. **INTEREST OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND CONNECTED PERSONS**

None of the Directors and Substantial Shareholders, persons connected to the Directors or Substantial Shareholders of the Company and its subsidiaries or persons connected thereto have any interest, direct or indirect in the said Disposal.

15. **DIRECTORS' RECOMMENDATION**

The Directors of the Company are of the opinion that the said disposal is in the best interest of the Group.

This announcement is dated 15 May 2012.