

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTION GRAND CENTRAL ENTERPRISES BERHAD - DISPOSAL OF PROPERTY BY GRAND CENTRAL ENTERPRISES (MALACCA) SDN. BHD

GRAND CENTRAL ENTERPRISES BHD

Type	Reply to query
Reply to Bursa	KA-120925-42553
Malaysia's Query Letter - Reference ID	
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTION GRAND CENTRAL ENTERPRISES BERHAD - DISPOSAL OF PROPERTY BY GRAND CENTRAL ENTERPRISES (MALACCA) SDN. BHD
Description	Please refer the attached file on reply to Bursa Malaysia Securities Bhd's query letter dated 25 September 2012.
Query Letter Contents	We refer to the Company's announcement dated 24 September 2012 in respect of the aforesaid matter.

In this connection, kindly furnish Bursa Securities with the following additional information for public release:-

1. The basis and justification on the purchase consideration of RM21,500,000
2. Revenue/income per annum arising from hotel operation.
3. Details of the properties as stated in Appendix 10A Part C:-
 - (a.) Age of the building
 - (b.) Whether any valuation was carried out on the properties; if so, the name of the independent registered valuer, date and method of valuation and quantification of the market value.
 - (c) The net book value.
 - (d.) The encumbrances, if any.
4. The time frame for full utilisation of proceeds.
5. Particulars of all liabilities to be assumed by the purchaser arising from

the transaction.

6. To explain whether the deposit is refundable in the event of termination of the SSA.

Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.

Yours faithfully

KHOO KAY KWAN
Head, Issuers
Listing Division
Regulation

Attachments

[GCE-Query.pdf](#)
184 KB

Announcement Info

Company Name	GRAND CENTRAL ENTERPRISES BHD
Stock Name	GCE
Date Announced	26 Sept 2012
Category	General Announcement
Reference No	CA-120925-60139

GRAND CENTRAL ENTERPRISES BERHAD
- DISPOSAL OF PROPERTY BY GRAND CENTRAL ENTERPRISES (MALACCA) SDN.
BHD.

We refer to your query letter dated 25 September 2012 and wish to provide the additional information in respect of disposal of property by the Company's wholly owned subsidiary company, Grand Central Enterprises (Malacca) Sdn. Bhd. ("Vendor") on 24 September 2012 as follows:-

- (1) The basis and justification on the purchase consideration of RM21,500,000

The Consideration was arrived at on a "willing-buyer willing-seller" basis, after taking into consideration of the prevailing market value of the property in the surrounding areas.

- (2) Revenue/income per annum arising from the hotel operation

The revenue/income per annum for the financial year ended 31 December 2011 was RM3,843,953.

- (3) Details of the properties

- (a) Age of building : Approximately 27 years.
- (b) Valuation of property : No valuation was carried out on the property for this disposal purpose.
Last valuation done on 14 July 2008 by Rahim & Co. based comparison method and profit method. The property was valued at RM17,000,000 at that time.
- (c) Net Book Value : As at 31 December 2011 the net book value of the property was RM12,539,223.
- (d) Encumbrances : The property is free from any encumbrances save and except for a lease in favour of Tenaga Nasional Berhad over of the property and the existing Tenancy Agreement with Deluxe Spa & Fitness.

- (4) Time frame for full utilisation of proceeds

There is no specific time frame for utilization of the proceeds as it will be reserved for working capital purpose.

- (5) Particulars of all liabilities to be assumed by Cangkat Mulia Sdn. Bhd. ("Purchaser")

There is no liability to be assumed by the Purchaser.

- (6) Deposit in the event of termination of the Agreement

In the event of default by the Purchaser, the Vendor shall be entitled to forfeit the Deposit as liquidated damages.

In the event of default by the Vendor, the Vendor shall refund the Deposit to the Purchaser free of interest and to pay a sum equivalent to Deposit as liquidated damages. Alternatively, the Purchaser may ask for Specific Performance as per the terms and conditions of the Agreement.

This announcement is dated 26 September 2012.