



PRESS RELEASE

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CHINA STATE-OWNED COMPANY INVESTS IN ISKANDAR MALAYSIA

Greenland Group buys 14-acre site in Danga Bay for RM600m.

SHANGHAI, Wed. (April 16, 2014): The Greenland Group, one of China's biggest state-owned companies, is making its first foray into Malaysia by acquiring prime waterfront land in Iskandar Malaysia.

The high-profile property conglomerate today signed a Sales and Purchase Agreement with Johor-based Iskandar Waterfront Holdings Sdn Bhd (IWH) for the purchase of 13.96 acres in Danga Bay for RM600 million.

The site, located close to the Johor Bahru city centre, has been earmarked for a mixed integrated joint-venture development with IWH. This prestigious project, with a Gross Development Value (GDV) of RM2.2 billion, is to be completed within five-years.

The Shanghai-based Group is keen to expand its land bank in Johor and is finalising talks with IWH and its associated companies for two or three more land acquisitions soon. This follows a fact-finding visit in late February by a high-powered company delegation to explore investment possibilities in the booming southern growth corridor.

Greenland Group chairman Zhang Yuliang and vice president Xu Jing today signed the land purchase agreement at the company's corporate headquarters in Shanghai today. IWH was represented by its managing director Tan Sri Lim Kang Hoo and Group executive director Lim Chen Heng.

Greenland, which was ranked 359 in the Fortune Global 500 company survey last year, has been on a buying spree in recent years, acquiring big real-estate projects in New York, Los Angeles, Sydney, London and South Korea.

The company, which is the builder of the world's tallest residential tower at 131 floors in Wuhan in Hubei Province in China, is also building another iconic 88-storey tower in Nanjing, making it the seventh tallest building in the world.

"We are very happy to forge a partnership with IWH and share ideas on the development of land in Iskandar Malaysia. We believe this investment, by virtue of its strategic location and proximity to Singapore, will offer good returns on our investment.

“We also believe through this joint-venture with IWH, both Malaysia and China can reap the benefits of economic cooperation for the mutual benefit of our people,” said Zhang Yuliang.

IWH plans to leverage on Greenland’s forte in mixed commercial development, including high-end hotels and residential towers, to help transform Danga Bay in Johor into an integrated international waterfront city.

“We believe Greenland Group will pave the way for more China State-owned companies to invest in outstanding property projects in Iskandar Malaysia and IWH’s extensive waterfront landbank in Johor Bahru,” said Lim Chen Heng.

IWH, a public-private partnership involving the State and Federal governments and local investors, is the master developer of some 1,620ha (4,000-acres) of waterfront land on the eastern and western sides of the Johor Causeway.

The centerpiece of this development is Danga Bay, a burgeoning new growth Centre within Flagship “A” of Iskandar Malaysia, which is being transformed into Malaysia’s first integrated waterfront city.

This premier waterfront site has drawn strong interests from major property players from around the world, several of whom have already launched landmark projects.

“To date 16 local and foreign companies have committed investments to develop properties in joint-venture with IWH with a cumulative GDV of RM125 billion,” said Tan Sri Lim

Other international property players who have already secured a foothold in Danga Bay include Singapore’s Temasek and CapitalLand, Australia’s Walker Group and China’s Country Garden Holdings and Hao Yuan Investment.

Leading Malaysian companies with on-going projects comprise of Tropicana Corp Bhd and Brunsfield Group.

At least four other major China developers are also negotiating with IWH for integrated mixed property developments featuring exclusive waterfront properties here.

“This massive influx of Foreign Direct Investment is a boom for Malaysia and Johor, in particular, because of the economic spillover and the thousands of job opportunities these projects will generate,” noted Tan Sri Lim.

He said IWH was pleased to contribute to the Economic Transformation Programme as envisaged by Prime Minister Datuk Seri Najib Tun Razak through these property developments in Danga Bay.

“There will be manifold tangible and intangible economic returns and benefits when these projects come on-stream within the next three to five years,” he noted.

He stressed that IWH, together with its joint-venture partners, was committed to developing Danga Bay into an integrated waterfront city and the transformation of Johor Bahru into an international destination.

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