

OTHERS NOTICE OF ASSESSMENT FOR THE YEAR OF ASSESSMENT 2016 RECEIVED FROM THE INLAND REVENUE BOARD OF MALAYSIA

GUOCOLAND (MALAYSIA) BERHAD

Type	Announcement
Subject	OTHERS
Description	NOTICE OF ASSESSMENT FOR THE YEAR OF ASSESSMENT 2016 RECEIVED FROM THE INLAND REVENUE BOARD OF MALAYSIA

GuocoLand (Malaysia) Berhad (“**GLM**” or the “**Company**”) writes to inform that GLM Real Estate Holdings Sdn Bhd (“**GLMREH**”), a wholly-owned subsidiary of the Company, had on 12 October 2020 received from the Inland Revenue Board of Malaysia (“**IRB**”) a notice of assessment for the year of assessment 2016 (“**Notice**”) of RM82,589,751.74 comprising income tax of RM56,259,819.84 and penalty of RM26,329,931.90.

The income tax and penalty were imposed by the IRB pursuant to its view that the gains made by GLMREH from the disposal of its wholly-owned subsidiary (being shares in a real property company) (“**Disposal**”) are chargeable under the Income Tax Act 1967 instead of the Real Property Gains Tax Act, 1976 (“**RPGTA**”). As GLMREH had previously paid real property gains tax totalling RM12,376,600, the potential net tax impact to the Company is RM70,213,151.74.

Upon consultation with our tax solicitors, the Company is of the view that there are reasonable grounds to challenge the basis and validity of the Notice and the penalty imposed as the Company takes the view that the Disposal is a capital transaction which falls under the purview of RPGTA.

GLMREH will appeal and contest the Notice.

This announcement is dated 13 October 2020.

Announcement Info

Company Name	GUOCOLAND (MALAYSIA) BERHAD
Stock Name	GUOCO
Date Announced	13 Oct 2020
Category	General Announcement for PLC
Reference Number	GA1-13102020-00089