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General Announcement

Submitted by **ASIATIC DEVELOPMENT** on **04/01/2008 06:07:19 PM**

Reference No **AD-080104-1C7B8**

(Submitted)

RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE UP TO 30 JUNE 2008

1. INTRODUCTION

The Board of Directors of Asiatic Development Berhad (“Asiatic”) wishes to announce that Asiatic Centre for Genome Technology Sdn Bhd (“ACGT”), a wholly-owned subsidiary of Asiatic, will enter into a recurrent related party transaction of a revenue or trading nature, which is necessary for its day-to-day operations with SGSI-Asiatic Limited, a related party of Asiatic (“Recurrent Transaction”).

2. DETAILS OF THE RECURRENT TRANSACTION

ACGT is set up as a centre of excellence in genomic science that focuses on the application of genome technology for the improvement of oil palm and other crops.

ACGT in its ordinary course of business, enters into recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations with certain related parties of the Asiatic Group. The Recurrent Transaction will be carried out on an arm's length basis and on commercial terms which are not more favourable to the related parties than those generally available to the public and which will not be detrimental to the minority shareholders of the Company. The Recurrent Transaction is disclosed in Table 1.

3. RATIONALE FOR THE RECURRENT TRANSACTION

SGSI-Asiatic Limited (“SGSI-Asiatic”) is an equally owned joint venture entity by ACGT and Synthetic Genomics Inc (“SGI”).

SGSI-Asiatic is principally engaged in research and development activities on the use of genomics-based techniques and other methods or tools to increase the yield and profit stream principally from oil palm and other crops.

The Recurrent Transaction is in line with Asiatic Group’s long term strategy for sustaining profit in oil palm and agricultural business. ACGT would focus its research and development activities to develop and commercialise genomics-based solutions to produce improved planting materials that would increase yield and enhance value creation from oil palm and other crops. This would also contribute to the growth in the agriculture sector through innovations in biotechnology.

As stated under Section 2 above, the Recurrent Transaction will be carried out on an arm's length basis and on commercial terms which are not more favourable to the related parties than those generally available to the public and which will not be detrimental to the minority shareholders of the Company.

4. FINANCIAL EFFECTS OF THE RECURRENT TRANSACTION

The Recurrent Transaction will not have any effect on the issued and paid-up share capital and substantial shareholders' shareholdings of Asiatic, and is not expected to have a material effect on the net assets per share, earnings per share and gearing of the Asiatic Group.

5. DIRECTORS' AND MAJOR SHAREHOLDER'S INTERESTS

The interests of the Directors and major shareholders of Asiatic in the Recurrent Transaction are set out in Table 1. Save as disclosed in Table 1 and as far as the Directors are aware, none of the other Directors or major shareholders of Asiatic or persons connected to them has any interest, direct or indirect, in the Recurrent Transaction.

6. DIRECTORS' RECOMMENDATION

The Directors, excluding Tan Sri Lim Kok Thay who abstained due to his interest in the Recurrent Transaction, after due consideration of all aspects of the Recurrent Transactions, are of the opinion that the Recurrent Transaction are in the best interests of the Company.

7. COMPLIANCE WITH SECURITIES COMMISSION (“SC”) GUIDELINES

The Recurrent Transaction is in compliance with and there has been no departure from the Policies and Guidelines on Issue/Offer of Securities by the SC.

8. APPROVALS REQUIRED

The Recurrent Transaction is not subject to any approvals including approval from shareholders of the Company.

TAN SRI MOHD AMIN BIN OSMAN
Chairman
Asiatic Development Berhad

Details of Recurrent Related Party Transactions

Table 1

Item No.	Asiatic Development Bhd & or its subsidiaries	Transacting Party	Nature of Relationship	Nature of Transaction	Estimated Value up to 30 June 2008
1.	ACGT	SGSI-Asiatic	Tan Sri Lim Kok Thay -Director and shareholder of the Company -Director, shareholder and share option holder of Genting Berhad, the holding company. -Beneficiary of a trust which has 13.6% equity interest in SGI, which in turn has 50% interest in SGSI-Asiatic	Provision of genomic research services by SGSI-Asiatic to ACGT for the period up to 30 June 2008	USD15 million or RM49.66 million equivalent *
				Total value of transaction with SGSI-Asiatic	RM49.66 million

* Exchange rate at USD 1 : RM3.3107