

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : NON RELATED PARTY TRANSACTIONS MINDA GLOBAL BERHAD ("MINDA GLOBAL" OR "THE COMPANY") - DISPOSAL OF PROPERTIES

MINDA GLOBAL BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
Description	MINDA GLOBAL BERHAD ("MINDA GLOBAL" OR "THE COMPANY") - DISPOSAL OF PROPERTIES

The Board of Directors ("Board") of Minda Global Berhad wishes to announce that Asiamet (M) Sdn Bhd (Company No. 442341-P) ("Asiamet"), a wholly-owned subsidiary of Asiamet Education Group Sdn. Bhd. (Company No. 746920-M), which in turn is a wholly-owned subsidiary of the Company has on 25 February 2020 entered into a Main Sale and Purchase Agreement ("Main SPA") with Ascent Resource Holdings Sdn. Bhd. (Company No. 1076315-T), ("the Purchaser") for the disposal of institutional premises comprising fifteen (15) contiguous units of four (4) storey terraced shop offices/offices (Academic Block), a single storey auditorium, eleven (11) units of stratified ground floor shop offices/offices, five (5) units of stratified first floor shop offices/offices and three (3) units of stratified second floor shop offices/offices and a car park area (collectively referred to as "the Properties") for a total cash consideration of Ringgit Malaysia Thirty Million (RM30,000,000.00) only ("Disposal Consideration") ("Proposed Disposal").

Please refer to the attachment below.

Please refer attachment below.

Attachments

[Minda Global Berhad - Disposal of Cheras Properties \(25.02.2020\).pdf](#)
437.8 kB

Announcement Info

Company Name	MINDA GLOBAL BERHAD
Stock Name	MINDA
Date Announced	25 Feb 2020
Category	General Announcement for PLC
Reference Number	GA1-25022020-00083

**MINDA GLOBAL BERHAD (“MINDA GLOBAL” OR THE “COMPANY”)
-DISPOSAL OF PROPERTIES**

1.0 INTRODUCTION

The Board of Directors (“**Board**”) of Minda Global Berhad wishes to announce that Asiamet (M) Sdn Bhd (Company No. 442341-P) (“**Asiamet**”), a wholly-owned subsidiary of Asiamet Education Group Sdn. Bhd. (Company No. 746920-M), which in turn is a wholly-owned subsidiary of the Company has on 25 February 2020 entered into a Main Sale and Purchase Agreement (“**Main SPA**”) with Ascent Resource Holdings Sdn. Bhd. (Company No. 1076315-T), (“**the Purchaser**”) for the disposal of institutional premises comprising fifteen (15) contiguous units of four (4) storey terraced shop offices/offices (Academic Block), a single storey auditorium, eleven (11) units of stratified ground floor shop offices/offices, five (5) units of stratified first floor shop offices/offices and three (3) units of stratified second floor shop offices/offices and a car park area (collectively referred to as “**the Properties**”) for a total cash consideration of Ringgit Malaysia Thirty Million (RM30,000,000.00) only (“**Disposal Consideration**”) (“**Proposed Disposal**”).

Details of the Proposed Disposal are set out in the ensuing sections of this announcement.

2.0 DETAILS OF THE PROPOSED DISPOSAL

2.1 Information on the Properties

Description	Institutional premises comprising fifteen (15) contiguous units of four (4) storey terraced shop offices/offices (Academic Block), a single storey auditorium, eleven (11) units of stratified ground floor shop offices/offices, five (5) units of stratified first floor shop offices/offices and three (3) units of stratified second floor shop offices/offices and a car park area
Master Title No	Freehold Master Title GM 5105, Lot 13158 (formerly held under H.S. (M) 4900, P.T. 5707) in Tempat Batu 10, Jalan Ulu Langat, Mukim Hulu Langat, Daerah Hulu Langat, Negeri Selangor
Tenure of Master Title	Interest in perpetuity
Category of land use	Building
Express Conditions	Business Complexes/Shops
Postal Address	Jalan Kemacahaya 11, Taman Kemacahaya, 43200 Ulu Langat, Selangor Darul Ehsan

Master Title land area	14,555 square metre (155,593 square feet)
Floor Area & Net Lettable Area	13,081.19 square metre (140,806 square feet)
Encumbrances	Specific Debenture in favour of Kenanga Investment Bank Berhad
Current Use	The Properties are currently tenanted to Anfal Education Sdn. Bhd. (Company No. 1275804-X) (“the Tenant”) vide a tenancy agreement dated 7 th day of May 2018 for monthly rental of RM100,000.00 per month.

2.2 Information on the Purchaser

The Purchaser is a private limited company incorporated under the laws of Malaysia having its registered office at Suite 1, 1st Floor, 484-B, Jalan Jambu Air Mawar, Jinjang Selatan, 52000 Kuala Lumpur and is in the business of providing teaching, study center and educational activities.

The current Directors of the Purchaser are Chow Wai Ping, Han Mei San, Loke Shir Lee and Joline Tang Imm Lee.

The Purchaser has an issued and paid up share capital of RM350.00 comprising 350 ordinary shares. Its shareholdings are as follows :

Name of shareholder	No. of ordinary shares held	Share equity (%)
Chow Wai Ping	14	4
Han Mei Shan	112	32
Loke Shir Lee	112	32
Joline Tang Imm Lee	112	32

2.3 Basis of Arriving at the Disposal Consideration

The total Disposal Consideration of RM30,000,000.00 was arrived at on a “willing buyer willing seller” basis based on the negotiation between the Purchaser and Asiamet and after taking into consideration of the market value of the Properties as appraised by Cheston International (KL) Sdn Bhd, a firm of independent valuers registered with the Board of Valuers, Appraisers and Estate Agents Malaysia (“**Valuer**”) as the material date of valuation of 31 December 2018.

The Valuer has adopted the comparison and investment methods of valuation in arriving the market value of the Properties.

2.4 Disposal Consideration Payment Manner

The Disposal Consideration will be settled in the following manner:

- (i) Upon execution of the Main SPA, the Purchaser has paid a sum of Ringgit Malaysia Three Million (RM3,000,000.00) only being ten per centum (10%) of the Purchase Price (as defined in the Main SPA) (**"the Deposit"**) by way of Purchaser's cheque drawn in favour of Asiamet, which shall form the deposit and part payment towards the account of the Purchase Price.
- (ii) A sum of Ringgit Malaysia Twenty Seven Million (RM27,000,000.00) only being ninety per centum (90%) of the Purchase Price (**"the Balance Purchase Price"**) shall be paid by the Purchaser to Asiamet's Solicitors as stakeholders within three (3) months from the date of the Main SPA or the Unconditional Date(as defined below),whichever shall be the later (**"the Completion Date"**).
- (iii) In the event that the Purchaser is unable to pay the Balance Purchase Price on or before the Completion Date, Asiamet agrees to grant to the Purchaser an extension to the Completion Date for a period of Thirty (30) days (**" the Extended Completion Date"**) to settle the Balance Purchase Price, in which event, the Purchaser shall pay to Asiamet an agreed interest at the rate of Eight per centum (8%) per annum (**"the Late Payment Interest"**) calculated on a daily basis on the unpaid balance from the first day of the Extended Completion Date to the date of full payment.

3.0 SALIENT TERMS OF THE SPA

3.1 Agreement for Sale

In consideration of the Disposal Consideration to be paid by the Purchaser to Asiamet, Asiamet agrees to sell and the Purchaser agrees to purchase the Properties on an **"as is where is"** basis together with the fixtures and fittings free from all and any encumbrances and with vacant possession to be delivered on or before 1st July 2020 or on the Completion Date or Extended Completion Date (as the case maybe, whichever is the later) (**"Delivery of VP Date"**) and subject to the execution of separate eighty (80) separate sale and purchase agreements and one car park agreement (**"the SPAs"**) for the Properties and upon the terms and conditions expressed or implied and such restriction-in-interest and conditions of title now or hereafter expressed on the title to the said Properties upon the terms and conditions as stated in the Main SPA.

3.2 Special Condition

The completion of the sale and purchase of the said Properties herein are strictly and absolutely conditional upon :-

- (i) the execution of the individual SPAs of the Properties and the successful completion of the Main SPA and the successful completion of the assignment/transfer of the Properties to the Purchaser as referred to under the respective SPAs of the Properties;

- (ii) In the event that any default on the parties in respect of the any of the SPAs for any of the Properties, the Main SPA and the SPAs made between the Purchaser and Asiamet for any of the said individual Property shall be deemed terminated wherein the terms regarding the consequence of termination of the Main SPA and SPAs shall apply.

3.3 Conditions Precedent

The sale and purchase of the Properties is subject to and conditional upon:-

- (i) The Purchaser obtaining not less than the eighty per centum (80%) loan of the Purchase Price ("**the Loan**") from a licensed financial institution ("**the Purchaser's Financier**") to part finance the purchase of the Property not later than one (1) month from the date of the Main SPA ("**the Loan Approval Period**"). If at the expiry of the Loan Approval Period, the Purchaser still has not obtained the Loan, then Asiamet shall allow an extension of one (1) month from the expiry date ("**the Extended Loan Approval Period**") for the Purchaser to obtain the Loan.
- (ii) Asiamet having obtained within two (2) months from the date of the Main SPA ("**the Consent Period**") the written consent or approval of the Developer and Proprietor through its appointed liquidator, Radiant Consulting Asia Sdn. Bhd to the sale, transfer and assignment of the Property by Asiamet to the Purchaser ("**the Developer's Consent**").
- (iii) If at the expiry of Consent Period, Asiamet still has not obtained the Developer's Consent, the Purchaser shall allow an extension of one (1) month from the expiry date ("**the Extended Consent Period**") for Asiamet to obtain the Developer's Consent.
- (iv) If any of the above conditions precedent cannot be satisfied or fulfilled by the period stated therein, as the case may be or is rejected for any reason whatsoever, Asiamet shall within fourteen (14) working days upon demand and in the case of Purchaser's failing to obtain the Loan subject always to the Purchaser providing the proof of the rejection of at least two (2) financial institutions of the Loan to Asiamet, refund to the Purchaser the Deposit (less the agreed forfeiture sum of Ringgit Malaysia Two Hundred Fifty Thousand (RM250,00.00) in the case of loan rejection) free from interest, failing which late payment charges at the rate of Eight per centum (8%) per annum calculated on a daily basis shall be paid by Asiamet on such sums remain outstanding until the date of full settlement thereof. Thereafter the Main SPA and the SPAs shall be terminated and shall be of no further force or effect and neither party shall have any claim against the other in respect thereof save and except for any antecedent breach of the Main SPA and SPAs.
- (v) For the purpose of the Main SPA and SPAs, the obligation of the parties to complete the sale and purchase of the Properties under the Main SPA and SPAs shall become unconditional upon compliance of both above conditions (whichever is later) ("**the Unconditional Date**").

3.4 Delivery of Vacant Possession

- (i) Asiamet shall deliver the vacant possession (free from all debris and unwanted items) of the Properties to the Purchaser within five (5) days from the date the Balance Purchase Price and the Late Payment Interest, if any and apportioned lawful outgoings below are deposited with Asiamet's Solicitors OR on or before 1st July 2020 being the one day after the date the Tenant to vacate the Property ("**the Delivery of VP Date**") (whichever is later).
- (ii) Prior to the handover of vacant possession and release of the Balance Purchase Price to Asiamet, both Asiamet and the Purchaser shall arrange for a joint inspection on the Properties. Upon the joint inspection, the Parties agree that a listing of the fixtures and fittings shall be drawn out and the parties shall also ascertain if there are any material damage to the Properties as referred to under the Main SPA and the parties shall mutually agree the mechanism to remedy the material damage (if any).

4.0 LIABILITIES TO BE ASSUMED BY THE PURCHASER

There is no liability to be assumed by the Purchaser arising from the Proposed Disposal.

5.0 RATIONALE FOR THE PROPOSED DISPOSAL

The Company is in the opinion that the Proposed Disposal is in the best interest of the Company as the Proposed Disposal will enable the Company to raise funds for the working capital requirements and/or repayment of borrowings of the Company and/or its subsidiaries.

6.0 COST OF INVESTMENT AND EXPECTED GAINS/LOSSES ON PROPOSED DISPOSAL

The original cost and date of investment, and the latest audited net book value of the Properties based on the latest audited consolidated financial statements of the Company as at 31 December 2018 are as follows :

Date of Acquisition	11 October 1999
Audited Net Book Value as at 31 December 2018	21,165,000
Original cost of investment	42,419,000

The Proposed Disposal is expected to result in a gain on disposal of derived as follows:

	RM
Disposal Consideration/proceeds	30,000,000
Disposal related expenses (estimated)	(2,315,000)
Net disposal proceeds	27,685,000
Net book value as at 31 December 2018 (audited)	(21,165,000)
Gain arising from the Proposed Disposal	6,520,000

7.0 UTILISATION OF PROCEEDS

The net proceeds arising from the Proposed Disposal are expected to be utilised for the working capital and/or repayment of borrowings of the Company and/or its subsidiaries, which the proportion has yet to be determined as this juncture. The net proceeds are expected to be fully utilised within twelve (12) months from the completion of Proposed Disposal.

8.0 RISK FACTORS

The Proposed Disposal is conditional upon the fulfillment of the conditions precedent in the Main SPA. There is no assurance that the conditions precedent will be obtained or fulfilled. Nevertheless, the Company will use its best endeavours to procure the conditions precedent in a timely manner to ensure parties proceeds with the completion of the Proposed Disposal.

9.0 EFFECTS OF THE PROPOSED DISPOSAL

9.1 Share Capital and Substantial Shareholders' Shareholding

The Proposed Disposal will not have any effect on the share capital and substantial shareholdings of the Company.

9.2 Net Assets Per Share and Gearing

The Proposed Disposal is not expected to have any material effect on the net assets per share and gearing of the Company for the financial year ended 31 December 2019.

9.3 Earnings Per Share

The Proposed Disposal is not expected to have any material effect on the earnings per share of the Company for the financial year ended 31 December 2019.

10.0 CASH COMPANY OR PRACTICE NOTE 17 (PN 17") COMPANY

The Proposed Disposal will not result in Minda Global becoming a cash company or a PN17 company as defined under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").

11.0 APPROVAL REQUIRED

The Proposed Disposal is not subject to the regulatory approval of any government authority or the approval of the shareholders of the Company.

12.0 INTEREST OF DIRECTORS, MAJOR SHAREHOLDER AND/OR PERSON CONNECTED TO THEM

None of the Directors, major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the Proposed Disposal.

13.0 DIRECTORS' STATEMENT

The Board having considered all aspects of the Proposed Disposal is of the opinion that the Proposed Disposal is in the best interest of the Company. The Proposed Disposal is fair, reasonable and on normal commercial terms which are not detrimental to the interest of the minority shareholders.

14.0 ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed by second quarter of 2020.

15.0 HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the MMLR is 12.97%.

16.0 DOCUMENTS AVAILABLE FOR INSPECTION

The Main SPA and the valuation letter are available for inspection at the registered office of the Company at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur, during normal working hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 25 February 2020