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Director

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

1.0 INTRODUCTION

The Board of Directors of Minda Global Berhad wishes to announce that Asiamet (M) Sdn Bhd (Company No. 442341-P) (“Asiamet”), a wholly-owned indirect subsidiary of the Company has on 31 December 2018 entered into eight (8) Sale and Purchase Agreements (collectively “SPAs”) with Koperasi NLFCS Berhad (“the Purchaser”) for the disposal of six (6) adjoining units of four (4) storey intermediate terraced shops/offices and two (2) units of four (4) storey corner terraced shops/offices for a total cash consideration of Ringgit Malaysia Fourteen Million Seven Hundred Thousand (RM14,700,000.00) only (“Disposal Consideration”) (“Proposed Disposal”).

2.0 INFORMATION ON THE PROPOSED DISPOSAL

2.1 Detail of the Properties

Description	Six (6) adjoining units of four (4) storey intermediate terraced shops/offices and two (2) units of four (4) storey corner terraced shops/offices
Title Nos. Town Lease	017545961, 017545970, 017545989, 017545998, 017546002, 017546011, 017546020 and 017546039, Likas in the District of Kota Kinabalu
Postal Address	Lots 33, 34, 35, 36, 37, 38, 39 and 40, Lorong Juta 5, Plaza Juta, Batu 4, Jalan Tuaran Likas, 88400 Kota Kinabalu, Sabah
Land area/Built-up area (sq ft)	14,166 / 56,664
Tenure	Leasehold for 99 years expiring on 31 December 2092
Approximate age of building	9 years
Date of Acquisition	25 August 2008
Audited Net Book Value as at 31 December 2017	RM11,380,000.00
Encumbrances	Charged to AmanahRaya Trustees Berhad
Original cost of investment	RM14,500,000.00
Market value	RM15,700,000.00

The Properties are currently being used by Asiamet (KK) Sdn Bhd (Company No.: 761491-U) ("Asiamet KK"), a wholly-owned subsidiary of the Company with permission of Asiamet as a college campus.

2.2 Information on the Purchaser

The Purchaser is a cooperative incorporated under the laws of Malaysia having its registered office at Wisma Tun Sambathan, Tingkat 10, Jalan Sulaiman, 50768 Wilayah Persekutuan Kuala Lumpur.

2.3 Basis of Arriving at the Disposal Consideration

The total Disposal Consideration of RM14,700,000.00 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 following:

- (i) Net book value of the Properties as at 31 December 2017 of RM11,380,000.00; and
- (ii) The market value of RM15,700,000.00 as appraised by Cheston International (KL) Sdn Bhd based on its valuation letter dated 31 December 2017.

The Disposal Consideration of RM14,700,000.00 represents a premium of approximately 29.2% to the net book value of the Properties as at 31 December 2017 of RM11,380,000.00 and a discount of 6.4% of the Properties' market value.

2.4 Disposal Consideration Payment Manner

The Disposal Consideration will be paid in the following manner:

- (i) Upon execution of the SPAs, the Purchaser shall pay a sum of **Ringgit Malaysia One Million Four Hundred Seventy Thousand (RM1,470,000.00)** only being ten per centum (10%) of the Purchase Price (hereinafter referred to as "**the Deposit**") by way of a banker'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 Thirteen Million Two Hundred Thirty Thousand (RM13,230,000.00)** only being ninety per centum (90%) of the Purchase Price (hereinafter referred to as "**the Balance Purchase Price**") shall be paid by the Purchaser to Asiamet's Solicitors as stakeholder within three (3) months from the date of the SPAs (hereinafter referred to as "**the Completion Period**") and the last date of the Completion Period shall be referred to as "**the Completion Date**").

- (iii) In the event the Purchaser is unable to pay the Balance Purchase Price on or before the Completion Date, Asiamet shall automatically grant the Purchaser an extension of one (1) month from the Completion Date (hereinafter referred to as “**the Extended Completion Period**” and the last day of the Extended Completion Period shall be referred to as the “**Extended Completion Date**”) to pay the Balance Purchase Price in consideration of which the Purchaser agrees to pay to Asiamet interest at the rate of eight per centum (8%) per annum (hereinafter referred to as “**the Late Payment Interest**”) on the outstanding sum due to Asiamet calculated on daily basis from the date next following the Completion Date until the receipt of the same in full by Asiamet’s Solicitors on or before the Extended Completion Date.

3.0 SALIENT TERMS OF THE SPAs

The salient terms of the SPAs are as follows:

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 free from all and any encumbrances and with legal possession together with the Master Sub-Lease Agreement (as defined therein) 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 SPAs.

3.2 Conditional Purchase

The completion of the sale and purchase of the said Properties herein are conditional upon the disposal of all the commercial shops and/or offices as set out in Paragraph 2.1 above (hereinafter referred to as “**Parcels**”). The Parties agree that the execution of all the sale and purchase agreements for the said Parcels are inter-conditional with one another and that all of the said Parcels are sold together as a whole and not separately, and accordingly the assignment of all rights, titles and benefits in relation to all the said Parcels to the Purchaser shall, unless otherwise stated herein, be completed contemporaneously and in accordance with the terms in the SPAs. For the avoidance of doubt, termination or non-completion of the sale and purchase agreement of any of the said Parcels will automatically render the SPAs terminated, null and void, and neither party shall have any further claims against the other save for any antecedent breaches

3.3 Delivery of Possession

- (i) Upon receipt of the Balance Purchase Price and Late Payment Interest (if any) by Asiamet's Solicitors as stakeholder, the Purchaser shall be entitled to all rights, title, interest and legal possession to the said Property. The date of delivery of legal possession shall hereinafter be referred to as "**Delivery Date**".
- (ii) Upon execution of the SPAs, Asiamet shall prepare and the Purchaser shall execute a Master Sub-Lease Agreement on the terms and conditions to be mutually agreed between Asiamet (KK) Sdn Bhd (Company No.: 761491-U) (hereinafter referred to as "**the Lessee**") and the Purchaser (as lessor) (hereinafter referred to as "**the Master Sub-Lease Agreement**") in respect of the lease of the said Property and the Parcels.

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 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 within twelve (12) months from the completion of Proposed Disposal.

7.0 RISK FACTORS

The Proposed Disposal is conditional upon the fulfillment of the conditions precedent in the SPAs. 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.

8.0 EFFECTS OF THE PROPOSED DISPOSAL

8.1 Share Capital and Substantial Shareholders' Shareholding

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

8.2 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 ending 31 December 2018.

8.3 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 ending 31 December 2018.

9.0 APPROVAL REQUIRED

The Proposed Disposal is not subject to the approval of the shareholders of the Company.

10.0 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.

11.0 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.

12.0 ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed by first quarter of 2019.

13.0 HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 5.98%.

14.0 DOCUMENTS AVAILABLE FOR INSPECTION

The SPAs 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.

15.0 ADDITIONAL INFORMATION

Subsequent to the execution of the SPAs, Asiamet KK has entered into a Master Sub-Lease Agreement with the Purchaser (as defined above) for the tenancy of the Properties (as defined above) for a period of three (3) years ("Term") commencing from the completion of the Proposed Disposal.

Upon expiry of the initial Term, the Master Sub-Lease Agreement shall automatically be renewed for a term of three (3) years ("Second Term") and upon the expiry of the Second Term, the Master Sub-Lease Agreement shall automatically be renewed for a further term of four (4) years upon the same terms and conditions of the Master Sub-Lease Agreement.

Pursuant to the Master Sub-Lease Agreement, a Corporate Guarantee shall be executed by the Company in favour of the Purchaser to guarantee the performance and observance by Asiamet KK of all Asiamet KK's covenants, obligations, terms and conditions of the Master Sub-Lease Agreement and to indemnify the Purchaser against all losses and damage incurred and/or suffered by the Purchaser or to be incurred and/or suffered by the Purchaser arising from Asiamet KK's breach, non-observance or non-performance of the terms of the Master Sub-Lease Agreement.

This announcement is dated 31 December 2018.