

**TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS): NON RELATED PARTY TRANSACTIONS  
INSAS BERHAD ("INSAS" OR "THE COMPANY") - SUBSCRIPTION OF SHARES IN SPECIAL WINDFALL SDN  
BHD**

INSAS BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
Description	INSAS BERHAD ("INSAS" OR "THE COMPANY") - SUBSCRIPTION OF SHARES IN SPECIAL WINDFALL SDN BHD

The Board of Directors of Insas Berhad ("Insas" or "the Company") wishes to announce that its wholly-owned subsidiary, Topacres Sdn Bhd has on 6 May 2014 entered into a Subscription and Shareholders' Agreement with Tribeca Capital Sdn Bhd and Red Zone Development Sdn Bhd for the proposed subscription of 300,000 new ordinary shares of RM1.00 each and 2,700,000 new redeemable preference shares ("RPS") of RM0.01 each representing 60% of the enlarged share capital of Special Windfall Sdn Bhd for a total subscription price of RM3.0 million.

Please refer to the attachment for the full text of the announcement.

**Attachments**

[Announcement - Special Windfall \(06052014\).pdf](#)  
208 KB

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**Announcement Info**

Company Name	INSAS BERHAD
Stock Name	INSAS
Date Announced	6 May 2014
Category	General Announcement
Reference No	II-140505-61953

INSAS BERHAD ("INSAS" OR "THE COMPANY")

- SUBSCRIPTION OF SHARES IN SPECIAL WINDFALL SDN BHD

## 1. Introduction

The Board of Directors of Insas Berhad ("**Insas**" or "**the Company**") wishes to announce that its wholly-owned subsidiary, Topacres Sdn Bhd ("TSB") has on 6 May 2014 entered into a Subscription and Shareholders' Agreement with Tribeca Capital Sdn Bhd ("TC") and Red Zone Development Sdn Bhd ("RZD") for the proposed subscription of 300,000 new ordinary shares of RM1.00 each and 2,700,000 new redeemable preference shares ("RPS") of RM0.01 each representing 60% of the enlarged share capital of Special Windfall Sdn Bhd ("SWSB") for a total subscription price of RM3.0 million ("Proposed Subscription").

Upon completion of the Proposed Subscription, SWSB will become a 60% indirect subsidiary of Insas.

## 2. Information on TSB

TSB is a private limited company incorporated in Malaysia on 7 August 1993. The present authorized share capital of TSB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 2 shares have been issued and fully paid-up. TSB is a wholly-owned subsidiary of Insas and its principal activity is investment holding.

## 3. Information on TC

TC (formerly known as Mico Plantations Sdn Bhd) is a private limited company incorporated in Malaysia on 8 February 2013. The authorized share capital of TC is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 2 shares have been issued and fully paid-up. The principal activity of TC is investment holding.

## 4. Information on RZD

RZD is a private limited company incorporated in Malaysia on 6 April 2005. The authorized share capital of RZD is RM500,000 divided into 400,000 ordinary shares of RM1.00 each and 10,000,000 redeemable convertible preference shares ("RCPS") of RM0.01 each, of which 100,000 ordinary shares and 7,000,000 RCPS have been issued and fully paid-up. RZD is engaged in general trading, provision of corporate advisory and investment holding.

## 5. Information on SWSB

SWSB is a private limited company incorporated in Malaysia on 16 July 2012. The present authorized share capital of SWSB is RM100,000 divided into 100,000 ordinary shares of RM1.00 each of which 100 ordinary shares have been issued and fully paid-up. SWSB is presently a wholly-owned subsidiary of RZD and its principal activity is housing developer.

SWSB has on 26 February 2014 entered into (i) a Share Sale Agreement with Dato' Gan Kong Hiok and Gan Eng Hian to acquire the entire issued and paid-up share capital of Tahap Wawasan Sdn Bhd ("TWSB") at a consideration of RM9.52 million and; (ii) Repayment Agreement to repay TWSB's debts amounting to RM3.98 million. The Share Sale Agreement and Repayment Agreement are pending completion.

TWSB is a private limited company incorporated in Malaysia on 2 January 2003. The present authorized share capital of TWSB is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 100,000 ordinary shares have been issued and fully paid-up. The principal activity of TWSB is property holding and investment.

TWSB is the registered owner of a piece of freehold land held under Geran 200852 Lot 27736 Bandar Nilai Utama, Daerah Seremban, Negeri Sembilan ("Nilai Land") measuring approximately 41,476 square meters (10.2 acres). The Nilai Land has been valued by Chartwell ITAC International (Kajang) Sdn Bhd on 19 December 2013 at a market value of RM13 million.

## 6. Details of the Subscription and Shareholders' Agreement

Pursuant to the Subscription and Shareholders' Agreement, TSB, TC and RZD have agreed to subscribe for shares in SWSB as follows :

	Existing No. of ordinary shares of RM1.00 each	No. of new redeemable preference shares of RM0.01 each <sup>1</sup>	No. of new ordinary shares of RM1.00 each <sup>2</sup>	% of enlarged share capital in SWSB	Subscription price RM
TSB	-	2,700,000	300,000	60%	3,000,000
TC	-	900,000	100,000	20%	1,000,000
RZD	100	900,000	99,900	20%	1,000,000
Total	100	4,500,000	499,900	100%	5,000,000

<sup>1</sup> Issue price : RM1.00 per RPS.

<sup>2</sup> Issue price : RM1.00 per ordinary share.

SWSB will undertake the development of a residential project at the Nilai Land on a joint venture basis with TWSB. The Subscription and Shareholders' Agreement formalises the relationship and respective responsibilities of the parties in SWSB.

## 7. Source of Funding

The subscription price will be funded by the internally generated funds of the Company.

**8. Rationale**

The Proposed Subscription would enable Insas to participate in a residential development project in Nilai, Negeri Sembilan that is expected to generate a reasonable return on investment and provide platform for future investment in viable property development projects.

**9. Effects of the Proposed Subscription**

The Proposed Subscription will not have any effect on the share capital of the Company and will not have any material effect on the net assets and earnings per share of Insas Group for the financial year ending 30 June 2014. No liability will be assumed by TSB or Insas.

**10. Applicable Percentage Ratios**

The highest percentage ratio applicable to the Proposed Subscription pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 0.291%, based on the audited financial statements for the financial year ended 30 June 2013.

**11. Directors' and Major Shareholders' Interest**

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

**12. Statement by the Board of Directors**

The Board of Directors of Insas, after due consideration, is of the opinion that the Proposed Subscription is in the best interest of Insas.

**13. Approvals Required**

The Proposed Subscription is not subject to the approval of Insas shareholders and/or any government authority.

**14. Document for Inspection**

The Subscription and Shareholders' Agreement is available for inspection at Insas' registered office at No.45-5, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur during normal business hours from Mondays to Fridays for a period of three (3) months from the date of this announcement.

This announcement is dated 6 May 2014.