

**OTHERS INSAS BERHAD ("INSAS" OR "THE COMPANY") -
JOINT VENTURE AND SHAREHOLDERS AGREEMENT
BETWEEN INSAS, PRAC LOGISTICS SDN BHD AND
GREENTECH CATALYST SDN BHD**

INSAS BERHAD

Type	Announcement
Subject	OTHERS
Description	INSAS BERHAD ("INSAS" OR "THE COMPANY") - JOINT VENTURE AND SHAREHOLDERS AGREEMENT BETWEEN INSAS, PRAC LOGISTICS SDN BHD AND GREENTECH CATALYST SDN BHD

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

Please refer attachment below.

Attachments

Announcement - GreenTech (final - 30 Jun 16).pdf
196.3 kB

Announcement Info

Company Name	INSAS BERHAD
Stock Name	INSAS
Date Announced	30 Jun 2016
Category	General Announcement for PLC
Reference Number	GA1-29062016-00036

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

JOINT VENTURE AND SHAREHOLDERS' AGREEMENT BETWEEN INSAS, PRAC LOGISTICS SDN BHD AND GREENTECH CATALYST SDN BHD

1. INTRODUCTION

The Board of Directors of Insas wishes to announce that the Company and its 55% indirect subsidiary, PRAC Logistics Sdn Bhd ("**PRAC Logistics**"), had on 30 June 2016 entered into a Joint Venture and Shareholders' Agreement ("**JVSA**") with GreenTech Catalyst Sdn Bhd ("**GTC**") for the purpose of collaboration and to import Electric Vehicles ("**EVs**") through PRAC GreenTech Sdn Bhd (formerly known as PRAC Green Tech Sdn Bhd) ("**PRAC GreenTech**" or "**JV Company**") and to formalise the relationship and responsibilities of the respective Parties.

2. INFORMATION ON PRAC LOGISTICS

PRAC Logistics is a private limited company incorporated in Malaysia on 4 July 2012 and its authorized capital is RM5,000,000 divided into 5,000,000 ordinary shares of RM1.00 each, of which 1,500,000 ordinary shares have been issued and fully paid-up. The principal activities of PRAC Logistics include long term car lease, fleet management and limousine service.

PRAC Logistics is presently a 55% indirect subsidiary of Insas.

3. INFORMATION ON GTC

GTC is an indirectly 100% owned subsidiary of Malaysian Green Technology Corporation ("**MGTC**") which was incorporated in Malaysia on 15 October 2015. The existing issued and paid-up share capital of GTC is RM2, and the Board of GTC has approved the increase of its issued and paid up share capital to RM1,000,000. GTC was set up to expedite the adoption of green technology through the provision of advisory and business services in finance, entrepreneurship, standardisation and incentivisation.

MGTC is an organization under the purview of the Ministry of Energy, Green Technology and Water Malaysia, charged with catalysing green technology deployment. One of MGTC's four flagship projects is Electric Mobility, which aims to increase public and industry utilization of EVs.

4. INFORMATION ON PRAC GREENTECH

PRAC GreenTech is a private limited company incorporated in Malaysia on 29 April 2016 and its authorized capital is RM400,000 divided into 400,000 ordinary shares of RM1.00 each, of which 2 ordinary shares have been issued and fully paid-up. The principal activity of PRAC GreenTech is to promote the national green agenda in Malaysia.

5. DETAILS OF JVSA

5.1 Purpose of JVSA

- (i) The JVSA outlines the intention and agreement of the Parties so as to ensure that the Parties shall at all times act in good faith, with business efficacy and to the best of their ability to operate and manage the JV Company in the conduct of its business, subject to the terms and conditions of the JVSA.

- (ii) The purpose of the JV Company shall be to provide a platform to mobilise EVs in Malaysia and to support MGTC's initiatives in promoting awareness and understanding about electric mobility and promoting use of EVs in road transportation.
- (iii) The JVSA set forth the terms and conditions in respect of the organisation, management and operation of the JV Company, regulate the relationship between the Parties and the JV Company, and delineate the joint and respective roles, responsibilities, rights, powers, entitlements and liabilities of the Parties in the JV Company.

5.2 Share Capital of JV Company

The issued and paid up capital of the JV Company shall be increased from RM2 to RM100,000 divided into 100,000 ordinary shares of RM1.00 each, which shall be subscribed, fully paid-up and owned by the Parties as follows ("**Shareholding Ratio**") :

Shareholders	No. of shares held	% of shareholding
Insas	51,000	51%
PRAC Logistics	29,000	29%
GTC	20,000	20%
Total	100,000	100%

The Parties agree that their shareholdings in the JV Company shall at all times be in the Shareholding Ratio and shall be maintained accordingly throughout the duration of the JVSA.

Upon subscription of the ordinary shares, the JV Company will become a 66.95% indirect subsidiary of Insas.

5.3 Effective date

The JVSA shall be effective from 30 June 2016 and shall be terminated upon the occurrence of any of the termination events as stipulated in the JVSA.

6. **SOURCE OF FUNDING**

The subscription of ordinary shares in the JV Company is funded by the internally generated funds of Insas.

7. **RATIONALE**

By capitalizing on their shared expertise and resources, the Parties can achieve a first-mover advantage in obtaining the approved permits for the imports of EVs into Malaysia. The use of EVs offers strategic synergies for the car rental, long-term car-leasing and limousine operations managed by the Insas Group.

8. **EFFECTS OF JVSA**

The JVSA does not have any effect on the share capital or the substantial shareholders' shareholdings of Insas.

The JVSA will not have any material effect on the net assets, earnings and gearing of Insas Group for the financial year ending 30 June 2016.

9. APPLICABLE PERCENTAGE RATIOS

The highest percentage ratio applicable pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 0.005%, based on the audited consolidated financial statements of Insas for the financial year ended 30 June 2015.

10. MAJOR SHAREHOLDERS' AND DIRECTORS' INTERESTS

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

11. STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors of Insas is of the opinion that the JVSA is in the best interest of Insas.

12. APPROVAL REQUIRED

The JVSA is not subject to the approval of the shareholders of Insas and any regulatory authorities.

13. DOCUMENTS AVAILABLE FOR INSPECTION

The JVSA is available for inspection for 3 months from the date of this announcement during normal business hours at the Registered Office of Insas at No. 45-5, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

This announcement is dated 30 June 2016.