

**General Announcement**

Reference No **II-110503-64120**

Company Name : **INSAS BERHAD**  
Stock Name : **INSAS**  
Date Announced : **03/05/2011**

Type : **Announcement**  
Subject : **TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS)  
NON RELATED PARTY TRANSACTIONS**

Description : **INSAS BERHAD (“Insas” or “the Company”)  
Share Sale Agreement for the Proposed Disposal of 51% Equity Interest in  
J&C Pacific Sdn Bhd**

Attachments : [☞Share Sale Agreement Announcement.pdf](#)

Announcement Details/Table Section :

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Share Sale Agreement for the Proposed Disposal of 51% Equity Interest in J&C Pacific  
Sdn Bhd**

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**1. INTRODUCTION**

We refer to our announcement dated 24 March 2011 and are pleased to announce that following the signing of a Memorandum of Understanding between Insas Technology Berhad (“ITB”), a wholly-owned subsidiary of Insas and Mint Wireless Limited (“Mint”), the parties have signed a Share Sale Agreement (“**the Share Sale Agreement**”) on 30 April 2011 for the proposed sale and purchase of 637,500 ordinary shares of RM1.00 each representing 51% of equity interest in J & C Pacific Sdn Bhd (“**J&C**”) (“**Sale Shares**”) for a total sale consideration of RM4.0 million or A\$1,311,475 (“**Sale Price**”) to be satisfied by Mint by the issuance of 43,715,833 new ordinary shares in Mint (“**Consideration Shares**”) at the issue price of A\$0.03 per ordinary share.

The proposed Share Sale and the proposed issuance of the Consideration Shares are collectively referred to as the “**Proposed Transactions**”.

**2. INFORMATION ON MINT AND J&C**

Mint was incorporated under the laws of Australia and is a technology based company listed on the Australian Securities Exchange (ASX: MNW). The existing total issued ordinary shares of Mint are 175,937,500 ordinary shares. The core businesses of Mint are the development of innovative payment solutions and consumer technology products and services.

J&C is a private limited company incorporated in Malaysia under the Companies Act 1965. The total issued and paid up share capital of J&C is RM1,250,001 comprising 1,250,000 ordinary shares of RM1.00 each and 1 redeemable preference share of RM1.00 each. J&C is presently a 51% owned subsidiary company of ITB, and the principal activity of J&C is the provision of total communication services, solutions and products, including those for airtime reload and transfer.

**3. SALIENT TERMS AND CONDITIONS OF THE SHARE SALE AGREEMENT**

The salient terms of the Share Sale Agreement are :

- 3.1 ITB agrees to sell and Mint agrees to purchase the Sale Shares, on a willing buyer willing seller basis, free from any security interest and with all rights attaching thereto and accruing as at and from the completion date at the Sale Price and upon the terms and conditions contained in the Share Sale Agreement.
- 3.2 The Sale Price will be satisfied by Mint by the issuance of 43,715,833 new ordinary shares in Mint at an issue price of A\$0.03 per ordinary share, representing no more than 19.9% of the total issued ordinary shares of Mint. The new ordinary shares will rank pari passu in all respects with all the ordinary shares of Mint already in issue at the date of the allotment except that such shares will not rank for any dividends, on or before the date of allotment of such shares.

3.3 The Proposed Transactions are conditional, inter-alia, upon :

- (a) The approval of the board of directors and shareholders on Mint for the purchase of the Sale Shares and for the issuance of the Consideration Shares;
- (b) The approval of the board of directors and shareholders of ITB for the sale of the Sale Shares;
- (c) The completion of due diligence of the affairs and business of J&C to the satisfaction of Mint;
- (d) The completion of due diligence of the affairs and business of Mint to the satisfaction of ITB; and
- (e) The approvals of any other relevant authorities.

3.4 The completion of the Proposed Transactions shall be sixty (60) days from the date the Share Sale Agreement becomes unconditional upon satisfaction or fulfilment of all conditions precedent.

#### **4. BASIS OF ARRIVING AT THE SALE PRICE**

The Sale Price of RM4.0 million was arrived at through arm's length negotiation on a willing buyer willing seller basis after taking into consideration the net tangible assets and future earning potential of J&C.

#### **5. ORIGINAL COST OF INVESTMENT**

The original cost of investment by ITB in J&C is RM1.91 million.

#### **6. LIABILITIES TO BE ASSUMED**

There are no liabilities to be assumed by ITB or Insas arising from the Proposed Transactions.

#### **7. RATIONALE FOR THE PROPOSED TRANSACTIONS**

Mint's existing mobile payment business are geared primarily towards large, developed and sophisticated card based payment markets like the UK, Europe, USA and Australia, whereas J&C has developed mobile terminal based airtime reload and transfer platform. The core businesses of Mint and J&C are complimentary and synergistic to each other, and the combined entity will be able to leverage on the core competence and extensive networks of both parties towards multichannel and multinational expansion in emerging and developing mobile micro transaction payment markets in Asia and around the world.

The Proposed Transactions securitise our investment in J&C into Mint shares and ITB will become a significant substantial shareholder holding 19.9% equity interest in Mint, which is listed on the Australian Securities Exchange.

#### **8. FINANCIAL EFFECTS**

The Proposed Transactions will not have any effect on the issued and paid-up share capital of Insas. On completion of the Proposed Transactions, ITB will recognise a capital gain on disposal amounting to approximately RM2.0 million.

#### **9. APPROVALS REQUIRED**

The Proposed Transactions are not subject to the approval of shareholders of Insas. The highest percentage ratio applicable to the Proposed Transactions pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 0.70%.

#### **10. MAJOR SHAREHOLDERS' AND DIRECTORS' INTERESTS**

None of the Directors and substantial shareholders or persons connected with a director or substantial shareholders of Insas has any interest, direct or indirect, in the Proposed Transactions.

#### **11. DIRECTORS' STATEMENT**

The Directors of Insas are of the opinion that the Proposed Transactions are in the best interest of the Insas, and to the best of their knowledge, the Proposed Transactions have not departed from the Policies and Guidelines on Issue/Offer of Securities of the Securities Commission.

#### **12. DOCUMENTS AVAILABLE FOR INSPECTION**

The Share Sale Agreement is available for inspection for three (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 3 May 2011.