

## General Announcement

Reference No **II-100505-56494**

Company Name : **INSAS BERHAD**  
Stock Name : **INSAS**  
Date Announced : **05/05/2010**

Type : **Announcement**  
Subject : **PROPOSED SUBSCRIPTION OF 51% EQUITY INTEREST IN J & C PACIFIC SDN BHD ("J&C")**

Contents : **1. Introduction**

The Board of Directors of Insas Berhad ("Insas") is pleased to announce that Insas Technology Berhad ("ITB"), a wholly-owned subsidiary of Insas had on 4 May 2010 entered into a conditional Subscription Agreement for the proposed subscription of 637,500 new ordinary shares of RM1.00 each representing 51% equity interest in the enlarged share capital in J&C for a total subscription price of RM1,912,500 ("Proposed Subscription").

### 2. Information on J&C

J&C was incorporated on 14 April 1997 as a private limited company under the Companies Act 1965. The present authorised share capital of J&C is RM500,000 comprising 500,000 ordinary share of RM1.00 each of which 500,000 ordinary shares have been fully issued and fully paid-up. The principal activity of J&C is provision of total communication services, solutions and products.

### 3. Information on the Proposed Subscription

Pursuant to the Subscription Agreement, ITB shall subscribe in cash for 637,500 new ordinary shares of RM1.00 each representing 51% of the enlarged share capital in J&C for a total subscription price of RM1,912,500. The new shares shall rank pari passu with the existing shares in issue. The Proposed Subscription is conditional upon all the conditions precedent being fulfilled (or waived by ITB) within sixty (60) days from the date of the Subscription Agreement.

### 4. Basis in Arriving at the Subscription Price

The total subscription price of RM1,912,500 was arrived at on a willing buyer-willing seller basis after taking into consideration of the net assets and future earnings potential of J&C.

### 5. Rationale of the Proposed Subscription

The Proposed Subscription will provide a good opportunity for ITB to strengthen its market presence in the telecommunications industry in Malaysia and region in the near future.

#### 6. Financial Effects

The Proposed Subscription will not have any effect on the net tangible assets and issued share capital but is expected to contribute positively to the future earnings of Insas. No liability will be assumed by ITB or Insas.

#### 7. Approvals Required

The Proposed Subscription is not subject to the approval of shareholders of Insas. 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 0.805%.

#### 8. Major Shareholders' and Directors' Interests

None of the Directors and substantial shareholders of Insas or persons connected to them, has any interest, direct or indirect, in the Proposed Subscription.

#### 9. Directors' Statement

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

#### 10. Documents available for inspection

The Subscription 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.

Announcement Details :