

# TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : RELATED PARTY TRANSACTIONS Selling machinery and parts to related party related party, PT Banyuasin Nusantara Sejahtera

## MUAR BAN LEE GROUP BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) RELATED PARTY TRANSACTIONS
Description	Selling machinery and parts to related party related party, PT Banyuasin Nusantara Sejahtera

### 1. INTRODUCTION

Muar Ban Lee Group Berhad (“MBL” or “the Company”) wishes to announce the following related party transactions (“RPT”) of revenue and / or trading nature (“RRPT”) entered into between Muar Ban Lee Technology Sdn Bhd (“MBLT”), the wholly-owned subsidiary of the Company and the related party, PT Banyuasin Nusantara Sejahtera (“BNS”).

Name of related party	Nature of RPT	Amount (RM)
BNS	Selling machinery and parts	922,353.70

### 2. NATURE OF TRANSACTIONS

The RPT entered into by MBLT are in the ordinary course of business and occur frequently and arise at any time and from time to time. These RPT are made on arm’s length basis and on normal commercial terms which are not prejudicial to the interest of the minority shareholders and are on terms not more favourable to BNS than those generally available to the public.

### 3. INFORMATION OF MBLT

MBLT, (Company No. 664866-T), a company incorporated pursuant to the laws of Malaysia and having its business address at JR52, Lot 1818, Jalan Raja, Kawasan Perindustrian Bukit Pasir, 84300 Muar, Johor.

The Company is principally involved in manufacturer of automated kernel crushing plants and related parts.

The issued share capital of MBLT is RM1,000,000.00 comprising of 1,000,000 ordinary shares.

### 4. INFORMATION OF BNS

BNS (AHU-35861.A.H.01.01 Tahun 2011), a limited liability company existing under the laws of the Republic of Indonesia incorporated on date 19 July 2011 and its principal activities are dealing in manufacturing coconut oil, crude oil, crude palm oil, palm kernel oil and to market and distribute the said products manufactured.

The principal address of BNS is at Jalan Tanjung Siapi-api, Keseluruhan Karang Anyar, Kecamatan Muara Telang, Banyuasin, Sumatera Selatan, Indonesia.

Currently, the authorised and paid up share capital of BNS is IDR38,000,000,000 comprised of 38,000 ordinary shares of IDR1,000,000 per share.

BNS is an Associate Company of Muar Ban Lee Engineering Sdn Bhd, the wholly-owned subsidiary of the Company.

### 5. RATIONALE FOR THE RPT

The RPT allows MBL Group to take advantage of efficiency in business particularly competitive pricing and shorter delivery time as well as familiarity with the background, financial wellbeing and management of BNS.

### 6. FINANCIAL EFFECT OF THE RPT

The RPT is not expected to have material effect on the earnings per share, net assets per share and gearing of MBL Group and will have no effect on the share capital and substantial shareholders’ shareholding of MBL Group.

### 7. INTEREST OF THE DIRECTORS AND MAJOR SHAREHOLDERS

None of the directors and / or major shareholders and / or person connected with a director or major shareholders have any interest, direct or indirect in the RPT.

#### 8. STATEMENT BY AUDIT COMMITTEE AND THE BOARD OF DIRECTORS

The Audit Committee and the Board of Directors having considered the nature and rationale for the RPT, were of the view that the RPT is in the best interests of the Group, fair, reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders as the RPT is expected to contribute positively to the consolidated future earnings of MBL.

#### 9. PARAGRAPH 10.02(G) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The highest percentage ratio applicable to the RPT pursuant to Paragraph 10.02(g) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements is about 0.95%.

This announcement is dated 3 August 2017

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#### Announcement Info

<b>Company Name</b>	MUAR BAN LEE GROUP BERHAD
<b>Stock Name</b>	MBL
<b>Date Announced</b>	03 Aug 2017
<b>Category</b>	General Announcement for PLC
<b>Reference Number</b>	GA1-02082017-00077