

OTHERS MUAR BAN LEE GROUP BERHAD (MBL OR THE COMPANY) ADDITIONAL INVESTMENT IN SPA HIDAYAH ENTERPRISE SDN BHD (SPA) BY ITS WHOLLY-OWNED SUBSIDIARY, MBL PLANTATION SDN BHD (MBLP)

MUAR BAN LEE GROUP BERHAD

Type	Announcement
Subject	OTHERS
Description	MUAR BAN LEE GROUP BERHAD (MBL OR THE COMPANY) ADDITIONAL INVESTMENT IN SPA HIDAYAH ENTERPRISE SDN BHD (SPA) BY ITS WHOLLY-OWNED SUBSIDIARY, MBL PLANTATION SDN BHD (MBLP)

Announcement Details :

1.INTRODUCTION

The Board of Directors of Muar Ban Lee Group Berhad ("MBL") is pleased to announce that MBL Plantation Sdn. Bhd ("MBLP"), a wholly-owned subsidiary of MBL, had on 5th July 2017 acquired additional 199,998 new ordinary shares of SPA for a total consideration of RM199,998/- at an issue price of RM1.00 each.

2.INFORMATION ON SPA

SPA was incorporated on 18 April 2013 under the Companies Act 1965 as a private limited company and is a wholly owned subsidiary of MBLP. From the additional 199,998 ordinary shares issued to MBLP, the issued share capital of SPA was increased from RM2 to RM200,000 comprising 200,000 ordinary shares.

The Company has not commenced business operations since the date of its incorporation SPA intends to involve in the logging activities and cultivating trees and plants.

3. INFORMATION ON MBLP

MBLP was incorporated on 29 February 2012 under the Companies Act 1965 as a private limited company and is a wholly owned subsidiary of MBL. The issued share capital of MBLP is RM400,000 comprising 400,000 ordinary shares.

MBLP is an investment holding company involving in agricultural industry.

4. SOURCE OF FUNDING

The total consideration for the additional investment is proposed to be wholly satisfied by cash through internally-generated funds of MBLP.

5. FINANCIAL EFFECTS

i) Share Capital and substantial shareholders' shareholding

The additional investment does not have any effect on the share capital of MBL and the shareholdings of its substantial shareholders.

ii) Earnings

The additional investment is not expected to have any material impact on the earnings of MBL for the current financial year ending 31 December 2017.

iii) Net Assets

The additional investment is not expected to have any material effect on the net assets per share of MBL for the current financial year ending 31 December 2017.

iv) Gearing

The additional investment is not expected to have any material effect on the gearing of the MBL Group.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Dato' Chua Ah Ba @ Chua Eng Ka, Mr. Chua En Hom, Mr. Chua Eng Hui, Mr. Chua Heok Wee and Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai declared that they are directors of MBLP and hence regarded as interested in the additional investment. Mr. Chua Eng Hui also the director of SPA.

7. APPROVALS REQUIRED

MBLP's investment in SPA does not require the approval of shareholders of MBL and the relevant government authorities.

8. DIRECTORS' RECOMMENDATION

The Board of Directors is of the opinion that the additional investment is in the best interest of MBL, fair, reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders.

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

The highest percentage ratio pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad applicable to the additional Investment is 0.19 % calculated based on total value of the consideration of the Proposed Acquisition compared with the net assets of MBL Group.

This announcement is dated 5th July 2017.

Announcement Info

Company Name	MUAR BAN LEE GROUP BERHAD
Stock Name	MBL
Date Announced	05 Jul 2017
Category	General Announcement for PLC
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