

## **TIGER SYNERGY BERHAD ("TIGER" or "the Company")**

### **- SALE OF PROPERTY BY MHB PROPERTY DEVELOPMENT SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF TIGER SYNERGY BERHAD TO DATO' TAN WEI LIAN**

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#### **1. INTRODUCTION**

Pursuant to Paragraph 10.08 (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors of TIGER wishes to announce that MHB Property Development Sdn Bhd ("**MHB**" or "**Vendor**"), a wholly-owned subsidiary of TIGER, had on 6 January 2017 entered into a Sale and Purchase Agreement ("**SPA**") with Dato' Tan Wei Lian ("**TWL**" or "**Purchaser**") for the disposal of two (2) pieces of freehold vacant land held under Geran Mukim 4320, Lot 56100, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan measuring approximately 491 square meters and Geran Mukim 4322, Lot 56102, Mukim Kuala Lumpur, Wilayah Persekutuan measuring approximately 487 square meters (collectively known as "**the Properties**"), for a total consideration of RM4,400,000.00 ("Proposal Disposal").

The details of the Purchase Price is as follows:-

(a) Geran Mukim 4320, Lot 56100, Mukim Kuala Lumpur	RM2,200,000.00
(b) Geran Mukim 4322, Lot 56102, Mukim Kuala Lumpur	RM2,200,000.00

#### **2. INFORMATION OF THE DISPOSAL**

##### **2.1 INFORMATION ON THE VENDOR**

**MHB** is a private limited company incorporated in Malaysia with an authorised share capital of RM500,000.00 comprising 500,000 ordinary shares of RM1.00 each and the issued and paid-up capital is RM250,000.00 of which 250,000 shares had been fully issued and paid-up. **MHB** is 100% wholly-owned by **TIGER**. The principal activity of **MHB** is property development.

The Directors of **MHB** are Dato' Tan Wei Lian and Datin Sek Chian Nee.

##### **2.2 INFORMATION ON THE PURCHASER**

Dato' TWL is the Executive Chairman and major shareholder of **TIGER** with a direct shareholding of 19.19% as at 09.01.2016. In addition, he also holds a directorship of **MHB**, a wholly-owned subsidiary of **TIGER**. Accordingly, **TWL** is deemed interested in the Proposed Disposal of the Properties.

##### **2.3 INFORMATION ON THE LANDS**

**MHB** is the registered and absolute beneficial owner of the Properties. Further information on the Properties is as follows:

No.	Lot No.	GRN Mukim No.	Land Area (Square metres)	Restriction-in-interest
1.	56100	4320	491	None
2.	56102	4322	487	None

### 3. BASIS AND JUSTIFICATION OF THE SALES CONSIDERATION

The Sales Consideration was arrived on a "willing-buyer willing-seller" basis as well as the valuation report commissioned by **TWL**.

The justification for the consideration is arriving from the prevailing market value of the Properties from the valuation report conducted by the independent valuer, HASB Consultants (Selangor) Sdn Bhd. The valuer adopted the comparison method of valuation in arriving the consideration as follows: -

No.	Lot No.	Valued Amount
1.	56100	RM2,220,000
2.	56102	RM2,200,000

### 4. SALIENT TERMS OF THE DISPOSAL

The salient terms of the **SPA** include, amongst others, the following:

#### 4.1 PAYMENT TERMS OF THE SALES CONSIDERATION

The Sales Consideration shall be payable in the following manner:

- i. Upon the execution of the SPA, the Purchaser agrees to pay the sum of RM440,000.00 as deposit and part payment of the Sales Consideration ("Deposit") in the following manner:
  - (a) the sum of Ringgit Malaysia Eighty Eight Thousand (RM88,000-00) only had paid by the Purchaser to the Vendor ; and
  - (b) the sum of Ringgit Malaysia Three Hundred Fifty Two Thousand (RM352,000-00) only now paid by the Purchaser to the Vendor upon the execution of the **SPA**.
- ii. The balance of the Purchase Price amounting to Ringgit Malaysia Three Million Nine Hundred Sixty Thousand (RM3,960,000-00) only (hereinafter referred to as "the Balance Purchase Price") shall be paid or caused to be paid by the Purchaser to the Purchaser's Solicitors as stakeholders within four (4) months from the date of the SPA (hereinafter referred to as the "Completion Period" and the actual date of receipt by the Purchaser's Solicitors shall hereinafter be referred to as the "Completion Date") provided However that if the Purchaser shall be unable to pay the Balance Purchase Price or any part thereof upon expiry of the completion period, the Vendor shall grant to the Purchaser an extension of the completion period for a period of two (2) months commencing from the expiry of the Completion Period (hereinafter referred to as "the Extended Completion Period and the expression "Completion Date" shall include the date of receipt of the full Balance Purchase Price by the Purchaser's Solicitors within the Extended Completion Period) to pay the Balance Purchase Price or any outstanding part thereof during which extension period the Purchaser shall pay to the Vendor interest at the rate of Eight per centum (8%) per annum on the Balance Purchase Price or the unpaid balance thereof calculated on a daily basis from the date immediately following the expiry of the Completion Period until the date of full payment of the Balance Purchase Price.

#### **4.2 DELIVERY OF VACANT POSSESSION**

The Vendor shall be deemed to have delivered and ready to deliver vacant possession of the said Properties free from all squatter(s) and/or trespasser(s) and/or debris and/or rubbish and/or wreckage(s) to the Purchaser only upon full payment of the Balance Purchase Price or the written notification of the payment thereof supported by the remittance advise of the Financier

#### **4.3 PARTIES DEFAULT**

- (a) If the Purchaser shall fail to pay the Balance Purchase Price or any part thereof in accordance with the **SPA** subject to the Vendor having duly performed all the Vendor's obligations under the **SPA**, then the Vendor shall be entitled to terminate the **SPA** by serving a notice in writing on the Purchaser and to forthwith forfeit absolutely a sum equivalent to ten per centum (10%) of the Purchase Price as agreed liquidated damages and the Vendor shall refund or cause to be refunded to the Purchaser the balance of all other monies paid by the Purchaser to the Vendor towards the Purchase Price under the **SPA**, if any, within fourteen (14) days from the date of termination, failing which, the Vendor shall pay to the Purchaser interest thereon on a daily basis at the rate of eight percent (8%) per annum calculated from the expiry of the said fourteen (14) days until full payment of such refund thereof as agreed liquidated damages and thereafter the **SPA** shall become null and void and be of no further effect and neither party hereto shall have any further claims or actions whatsoever against the other under or arising from the **SPA** save and except for any antecedent breach of the **SPA**.
- (b) In the event the Vendor shall fail, refuse and/or neglect to observe or perform any of the Vendor's obligations, covenants and undertakings under the **SPA** or to complete the sale and transfer of the said Property to the Purchaser in accordance with the terms and conditions of the **SPA** or shall breach or have breached any representations and warranties made by the Vendor to the Purchaser herein then the Purchaser shall be entitled without prejudice to any other rights to which the Purchaser is entitled under the **SPA** or at law, to specific performance of the **SPA** and to damages and in such an event, the Vendor shall reimburse the solicitors' costs (on a solicitor and client basis) and all incidental expenses that may be incurred by the Purchaser there from. Alternatively, the Purchaser shall be entitled to terminate the **SPA** by notice in writing to the Vendor whereupon all monies paid towards the Purchase Price shall be refunded to the Purchaser by the Vendor within Fourteen (14) days from the date of termination together with a further sum equivalent to ten per centum (10%) of the Purchase Price as agreed liquidated damages, failing which, interest at the rate of eight percent (8%) per annum calculated on a daily basis from the expiry of the said fourteen (14) days shall be payable by the Vendor to the Purchaser on such sum to be paid and/or refunded until the date of actual payment and/or refund thereof and thereafter the **SPA** shall terminate and neither party shall have any claim or action whatsoever against the other under or in respect of the **SPA** save and except for any antecedent breach of the **SPA**.

#### **5. EXPECTED NET GAIN AND UTILISATION OF PROCEEDS**

- (i) The expected gain from the Disposal is approximately RM605,000.00; and

- (ii) The net proceeds arising from the Disposal are expected to be utilised for the working capital of TIGER and/or its group of companies.

## **6. ASSUMPTION OF LIABILITY**

There are no other liabilities including contingent liability and guarantee to be assumed by the Company arising from the Disposal.

## **7. ORIGINAL COST OF INVESTMENT AND THE DATE OF INVESTMENT**

The original cost of investment in **MHB** is RM841,862.40 and the Date of Investment is on 30 December 2009.

## **8. RATIONALE**

The rationale for the Disposal are:

- (i) To realise gain via sale of Properties; and
- (ii) To raise funds as working capital for **TIGER** Group.

## **9. EFFECTS OF THE DISPOSAL**

### **9.1 SHARE CAPITAL AND SUBSTANTIAL SHAREHOLDERS' SHAREHOLDING**

The Disposal will not have any effect on the issued and paid-up share capital of TIGER and the substantial shareholders' shareholding in TIGER, as the Disposal does not involve any issuance of shares in TIGER.

### **9.2 EARNINGS, EARNINGS PER SHARE, NET ASSETS PER SHARE AND GEARING**

The Disposal has no significant effect on earnings per share and net assets per share of TIGER for the financial year ending 30.6.2017.

## **10. APPROVALS REQUIRED**

The Disposal is not subject to the shareholders' approval and any government authorities' approval.

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

Save for Dato' TWL, none of the Directors or major shareholders of the Company has any interest, direct or indirect, in the proposed Disposal.

## **12. TRANSACTIONS WITH THE SAME RELATED PARTY FOR THE PRECEDING 12 MONTHS**

There were no other transactions entered into with the Purchaser for the preceding 12 months.

## **13. STATEMENT BY AUDIT COMMITTEE**

Taking into consideration of the valuation and the rationales for the Disposal, the Audit Committee is of the view that the Disposal is:-

- a) in the best interest of the Company;

b) fair, reasonable and on normal commercial terms; and

c) not detrimental to the interest of the minority shareholders of **TIGER**.

The Audit Committee did not seek an independent advice in forming its view in respect of the Disposal.

#### **14. STATEMENT BY THE BOARD OF DIRECTORS**

The Board of Directors **TIGER** with the exception of TWL, having considered all aspects of the Disposal, is of the opinion that the Disposal is:-

(a) in the best interest of the Company;

(b) fair, reasonable and carried out on normal commercial terms;

(c) not detrimental to the interests of the minority shareholders of the Company.

The Board of Directors has not seek an independent advice in forming its view in respect of the Proposed Disposal.

#### **15. HIGHEST PERCENTAGE RATIO**

The highest percentage ratio applicable to the disposal pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Securities is 2.08% based on the latest auditors 'financial statement of the Company for the financial year ended 30 June 2016.

#### **16. ESTIMATED TIME FRAME FOR COMPLETION**

Barring any unforeseen circumstances, the Disposal is expected to be completed within 4 months in accordance to the date of the **SPA**.

#### **17. DOCUMENTS FOR INSPECTION**

The **SPA(S)** and the valuation report are available for inspection at the registered office of **TIGER** at No. 482, Wisma Hwa Lian, Ground Floor, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan during the normal business hours from Monday to Friday (except public holidays) for a period of (3) months from the date of this announcement.

This announcement is dated 10 January 2017.