



(Incorporated in the Republic of Singapore on 20 October 2010)
(Company Registration Number 201022364R)

DISPOSAL OF INVESTMENT PROPERTY BY YC TRAVEL & TOURS SDN BHD

1. INTRODUCTION

The Board of Directors (the **"Board"**) of Libra Group Limited (the **"Company"** and together with its subsidiaries, the **"Group"**) refers to the Company's announcements dated 10 October 2017, 2 January 2018, 10 January 2018, 18 January 2018, 30 January 2018, 2 February 2018, 5 February 2018, 8 February 2018, 9 February 2018, 28 March 2018 and 25 March 2019 (the **"Previous Announcements"**) and the Company's circular dated 19 January 2018 (the **"Circular"**) in relation to the acquisition of 51% of the issued and paid-up share capital of YC Capital Consolidated Sdn. Bhd. (**"YCC"**).

Unless otherwise defined or the context otherwise requires, all capitalised terms shall bear the same meanings as ascribed to them in the Previous Announcements and the Circular.

As disclosed in the Previous Announcements and the Circular, the Company, Mr Choong Hin Seong, Tuan Haji Anuar bin Ahmad and YCC (the **"Parties"**) had agreed to dispose the Investment Property on or before the date falling 12 months from the Completion Date, or such other date as the Company, Mr Chu Sau Ben, Mr Choong Hin Seong, Tuan Haji Anuar bin Ahmad and YCC may agree in writing (the **"Investment Property Disposal"**). The Company completed the acquisition of 51% of the issued and paid-up share capital of YCC on 28 March 2018.

The Board wishes to update the shareholders that YC Travel & Tours Sdn Bhd (**"YCT"**) has entered into a conditional sale and purchase agreement on 3 April 2019 with Lian Foo Kuan David (an independent third party) (the **"Purchaser"**) for the Investment Property Disposal (the **"Investment Property SPA"**).

2. INFORMATION ON THE INVESTMENT PROPERTY

As described in the Circular, the investment property consists of 12 adjoining pieces of leasehold land held under the following title details:

- (a) HSM 26568 PT 16927;
- (b) HSM 26569 PT 16928;
- (c) HSM 26570 PT 16929;
- (d) HSM 26571 PT 16930;
- (e) HSM 26572 PT 16931;
- (f) HSM 26573 PT 16932;
- (g) HSM 26574 PT 16933;
- (h) HSM 26575 PT 16934;
- (i) HSM 26576 PT 16935;
- (j) HSM 26577 PT 16936;
- (k) HSM 26578 PT 16937;
- (l) HSM 26579 PT 16938,

all of Tempat Taman Kencana, Mukim Empang, Daerah Hulu Langat, Negeri Selangor, together with a five (5) storey terrace light industrial building erected thereon, bearing the postal address

of 1, 2, 3, 4, 5, 6, 7, 8, 9 10, 11 and 12, Jalan Perdana 10/6 and 10/8 Pandan Perdana, 55300 Kuala Lumpur. (collectively known as the **"Investment Property"**)

3. FINANCIAL INFORMATION ON THE INVESTMENT PROPERTY

Carrying Value

Based on the Group's latest unaudited consolidated accounts for the financial year ended 31 December 2018, the carrying value of the Investment Property is approximately S\$8.5 million.

Valuation

No valuation was carried out on the Investment Property.

4. SALIENT TERMS OF THE INVESTMENT PROPERTY SPA

Conditions Precedent

Pursuant to the Investment Property SPA, the Investment Property Disposal is conditional upon the following conditions precedent:

The 433B Consent

- (a) The Purchaser shall within a period of six (6) months from the Investment Property SPA (hereinafter referred to as **"the Compliance Period"**), at the Purchaser's sole costs and expenses, obtain the consent to acquire the Investment Property from the State Authority under Section 433B of the National Land Code of Malaysia (hereinafter referred to as **"the 433B Consent"**). In the event the 433B Consent is not obtained by the Purchaser's solicitors or the application is rejected by the State Authority of Malaysia within the Compliance Period, YCT shall grant the Purchaser an automatic extension of a further three (3) months and/or any further extension of time as agreed by YCT and the Purchaser (hereinafter referred to as **"the Extended Compliance Period"**).
- (b) Upon the Purchaser's Solicitors' receipt of the 433B Consent within the Compliance Period or the Extended Compliance Period, the Purchaser's solicitors shall forward a copy of the same to YCT's solicitor and the Investment Property Disposal shall be completed within the time frame stipulated under the Investment Property SPA.
- (c) In the event the 433B Consent is not obtained or the application is rejected by the State Authority of Malaysia after the Extended Compliance Period or the period to be mutually agreed, the YCT's solicitors shall refund the deposit without interest to the Purchaser within seven (7) days after YCT's solicitors' receipt of the notification of the same, and thereafter the Investment Property SPA shall terminate and YCT and the Purchaser shall have no further claims against the other whatsoever.
- (d) YCT and the Purchaser agreed that the period stipulated under (a) above may be extended by mutual consent in writing.

The Loan Approval

- (e) The Investment Property SPA shall be subject to the approval from any financial institution in granting the loan facility(ies) to the Purchaser in purchasing the Investment Property.
- (f) Upon receipt by the Purchaser and/or Purchaser's solicitors of the 433B Consent from the relevant authority granting the consent to transfer the Investment Property in favour of the Purchaser and the Purchaser has successfully obtained the loan facility(ies) from

any financial institution, the condition precedents shall be considered fulfilled and the Investment Property SPA shall become unconditional.

Consideration

The consideration for the Investment Property Disposal is MYR24 million (the “**Consideration**”) translated to approximately S\$8.0 million with an exchange rate of MYR3.013:S\$1. The Consideration was arrived at a willing buyer willing seller basis, after taking into account the unaudited carrying value of the Investment Property of approximately S\$8.5 million as at 31 December 2018.

The Consideration shall be satisfied in full by the Purchaser within three months from the date of the fulfilment of the Conditions Precedent.

The deficit of the proceeds over carrying value of the Investment Property Disposal is approximately S\$0.5 million. The losses arising out of the Investment Property Disposal is approximately S\$0.5 million and will not be recognised as a loss by the Group. Therefore, there will be no impact on the Group. As disclosed in the Circular, the losses arising out of the Investment Property Disposal will be assumed by the YC Shareholders (as defined below).

5. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS

As disclosed in the Circular, the Company acquired YCC excluding the Investment Property. The Investment Property Disposal was a post-completion covenant pursuant to which the Parties agreed to:

- (a) dispose of the Investment Property on or before the date falling 12 months from the Completion Date, or such other date as the Parties may agree in writing. In addition, the Company, Mr Choong Hin Seong, Tuan Haji Anuar and YCC agreed that the terms and conditions of the Investment Property Disposal including the Consideration and timing of the Investment Property Disposal shall be determined by the Company in its absolute discretion.
- (b) the Company, Mr Choong Hin Seong and Tuan Haji Anuar bin Ahmad have covenanted and undertaken to Mr Chu Sau Ben that, subsequent to Completion, they shall procure that YCC enter into a sale and purchase agreement (or similar agreement) in relation to the Investment Property Disposal. YCC shall use the proceeds from the Investment Property Disposal to discharge any indebtedness of YCC in relation to the Investment Property (the “**Investment Property Indebtedness**”), including but not limited to the banking facility granted by RHB Bank Berhad (by way of facility letters dated 2 September 2013, 10 October 2013, 30 October 2015 and 1 December 2016) and CIMB Bank Berhad (by way of facility letter dated 12 September 2013).

In the event that proceeds from the Investment Property Disposal are not sufficient to discharge the Investment Property Indebtedness, the Mr Chu Sau Ben, Mr Choong Hin Seong and Mr Tuan Haji Anuar bin Ahmad (the “**YC Shareholders**” for the purpose of this announcement) shall pay to YCC such shortfall so as to enable YCC to discharge the Investment Property Indebtedness, and to pay for any taxes arising or having arisen in connection with the Investment Property and all cost and expenses in relation to the Investment Property Disposal.

In the event that there is a surplus from the Investment Property Disposal after discharging the Investment Property Indebtedness, and paying any taxes arising or having arisen in connection with the Investment Property and all cost and expenses in relation to the Investment Property Disposal, YCC shall pay such surplus to the YC Shareholders.

- (c) Each of the YC Shareholders have jointly and severally covenanted and undertaken to the Company that, subsequent to Completion, the YC Shareholders shall make all repayments relating to the Investment Property Indebtedness on or before the date on which such repayments fall due, including but not limited to repayments under the banking facility granted by RHB Bank Berhad (by way of facility letters dated 2 September 2013, 10 October 2013, 30 October 2015 and 1 December 2016) and CIMB Bank Berhad (by way of facility letter dated 12 September 2013).

The net proceeds of the Investment Property Disposal was approximately S\$7.7 million, taking into account the expenses incurred for the Investment Property Disposal of approximately, S\$0.3 million.

As disclosed in the Circular, the Company will be utilising the net proceeds of the Investment Property Disposal to repay the Investment Property Indebtedness. The balance of the Investment Property Disposal will be retained by YCC as repayment of outstanding receivables due from YC Shareholders and will be utilised as working capital.

6. FINANCIAL EFFECTS OF THE INVESTMENT PROPERTY SPA

The Investment Property Disposal has no impact on the Group's unaudited consolidated financial statements of the Group for financial year ended 31 December 2018 ("FY2018").

7. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALIST RULES

Rule 1006 of the Catalist Rules	Description	Relative figures
(a)	The unaudited net asset value (" unaudited NAV ") of the Investment Property, being S\$8.5 million compared with the Group's unaudited NAV of S\$36.3 million.	23.4% ⁽¹⁾
(b)	The net profit attributable to the Investment Property Disposal, compared with the Group's net consolidated losses.	Not applicable ⁽²⁾
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	44.7% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁴⁾
(e)	The aggregate volume or amount proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral oil and gas company, but not to an acquisition of such assets.	Not applicable ⁽⁵⁾

Notes:

- (1) As at 31 December 2018, the net asset value of the Investment Property was approximately S\$8.5 million and the Group's unaudited NAV was S\$36.3 million.
- (2) Not applicable as there was no net profit attributable to the Group arising from the Investment Property Disposal. Under Rule 1002(3)(b) of the Catalyst Rules, "net profits" means profit or loss before income tax, minority interests and extraordinary items.
- (3) The Consideration of MYR24 million is translated as approximately S\$8.0 million with the exchange rate of MYR\$3.013:S\$1. Based on the market capitalisation of the Company of approximately S\$19.0 million as at 2 April 2019. Under Rule 1002(5), the market capitalisation of the Company is determined by multiplying the number of shares in issue excluding treasury shares, being 213,292,198 ordinary shares in the capital of the Company ("**Shares**"), and the weighted average price of approximately S\$0.089 per Share on 2 April 2019, being the market day immediately preceding the date of the Investment Property SPA.
- (4) Not applicable as the transaction is not an acquisition.
- (5) Not applicable as the transaction is not a disposal of mineral, oil or gas assets by a mineral oil and gas company.

As the relative figures computed on the bases set out in the Catalyst Rule 1006(a) and (c) above exceed 5.0% but are less than 50.0%, the Investment Property Disposal constitutes a discloseable transaction under Chapter 10 of the Catalyst Rules.

8. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Mr Chu Sau Ben is one of the YC Shareholders who would have been entitled to the surplus of the net proceeds as previously disclosed in the Circular. The Circular containing the foregoing disclosure was approved by the shareholders at the Extraordinary General Meeting held on 5 February 2019. Notwithstanding the above, Mr. Chu Sau Ben will utilise his entitlement of the surplus of the net proceeds after full payment of the investment property indebtedness to repay outstanding receivables due from YCC Shareholders and be utilized as working capital of YCC.

Save as disclosed above, none of the Directors and substantial shareholders of the Company has any interest, direct or indirect, in the Investment Property Disposal, other than through their respective shareholdings (if any) in the Company.

9. DOCUMENTS FOR INSPECTION

A copy of the Investment Property SPA is available for inspection at the registered office of the Company at 53 Loyang Drive #04-01 Singapore 508957, during normal business hours for three (3) months from the date of this Announcement.

10. FURTHER ANNOUNCEMENTS

The Company will make subsequent announcements to update its shareholders when there are material updates as may be necessary or appropriate.

11. CAUTION IN TRADING

Shareholders and potential investors of the Company should note that the Investment Property Disposal is subject to the fulfilment of certain conditions precedent.

Shareholders and potential investors of the Company are advised to exercise caution when dealing or trading in the shares of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board
LIBRA GROUP LIMITED

Chu Sau Ben
Executive Chairman and Chief Executive Officer

4 April 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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