

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : NON RELATED PARTY TRANSACTIONS PROPOSED ISSUANCE AND ALLOTMENT OF 58,878,000 NEW ORDINARY SHARES (REPRESENTING 30% OF THE ENLARGED EQUITY INTEREST) IN TASCO YUSEN GOLD COLD SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF TASCO ("TYGC"), TO JAPAN OVERSEAS INFRASTRUCTURE INVESTMENT CORPORATION FOR TRANSPORT & URBAN DEVELOPMENT ("JOIN") FOR A CASH SUBSCRIPTION PRICE OF RM125.00 MILLION

TASCO BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
Description	PROPOSED ISSUANCE AND ALLOTMENT OF 58,878,000 NEW ORDINARY SHARES (REPRESENTING 30% OF THE ENLARGED EQUITY INTEREST) IN TASCO YUSEN GOLD COLD SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF TASCO ("TYGC"), TO JAPAN OVERSEAS INFRASTRUCTURE INVESTMENT CORPORATION FOR TRANSPORT & URBAN DEVELOPMENT ("JOIN") FOR A CASH SUBSCRIPTION PRICE OF RM125.00 MILLION

Unless otherwise defined, the definitions set out in the Company's announcement dated 29 March 2019 shall apply herein.

We refer to the announcement dated 29 March 2019 in relation to the Proposed Investment from JOIN.

On behalf of the Board, UOB Kay Hian Securities (M) Sdn Bhd wishes to announce additional information in relation to the Proposed Investment from JOIN.

Please refer to the attachment for further details.

This announcement is dated 4 April 2019.

Please refer attachment below.

Attachments

TASCO - Additional Info (040419).pdf
425.5 kB

Announcement Info

Company Name	TASCO BERHAD
Stock Name	TASCO
Date Announced	04 Apr 2019
Category	General Announcement for PLC
Reference Number	GA1-04042019-00049

TASCO BERHAD ("TASCO" OR THE "COMPANY")

PROPOSED INVESTMENT FROM JOIN

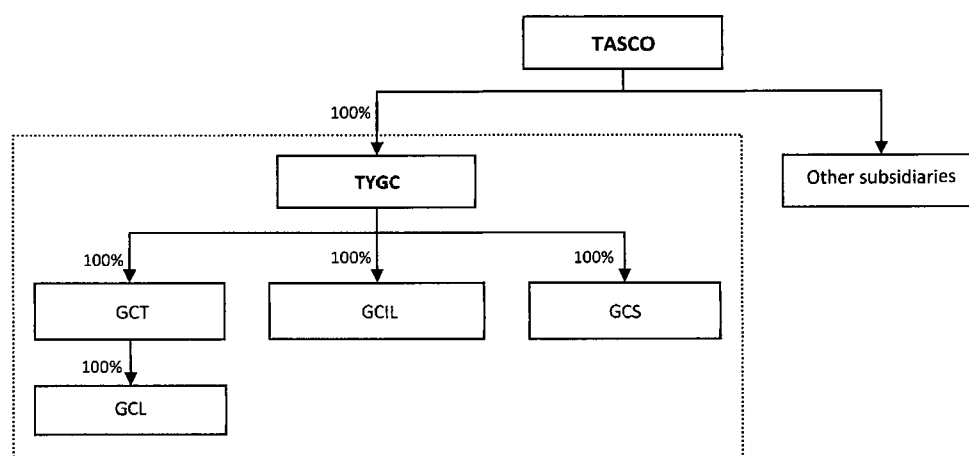
Unless otherwise defined, the definitions set out in the Company's announcement dated 29 March 2019 ("**Announcement**") shall apply herein.

We refer to the announcement dated 29 March 2019 in relation to the Proposed Investment from JOIN.

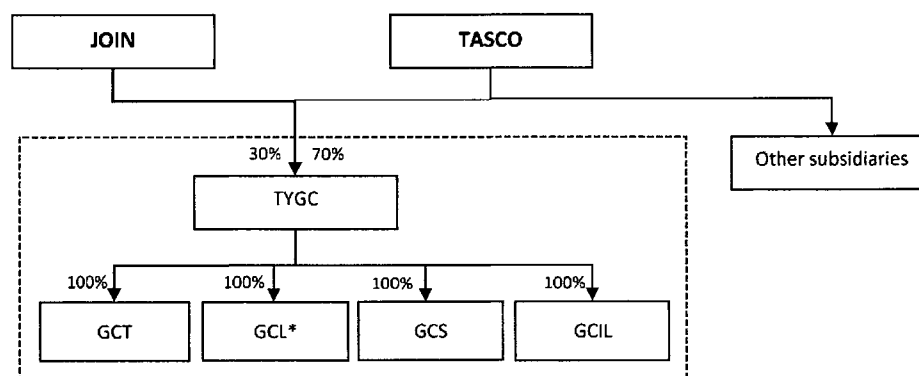
On behalf of the Board, UOB Kay Hian Securities (M) Sdn Bhd wishes to announce the following additional information in relation to the Proposed Investment from JOIN:-

1. SHAREHOLDINGS STRUCTURE OF TYGC

Before the Proposed Investment from JOIN



After the Proposed Investment from JOIN



Note:-

* GCT is in the process of transferring the entire issued share capital of GCL to TYGC ("**Transfer**"). Upon completion of the Transfer, GCL will become a direct wholly-owned subsidiary of TYGC resulting in a flatter and leaner corporate structure.

2. UTILISATION OF PROCEEDS

As at the LPD, TYGC has outstanding shareholders' advances from TASCO of approximately RM194.26 million which was utilised to part finance the acquisition of the entire equity interest in GCT and GCIL. Out of this RM194.26 million, RM69.26 million will be capitalised via the issuance of 135,382,000 TYGC Shares as set out in **Sections 2 and 2.7** of the Announcement whilst the remaining RM125.00 million will be repaid using the proceeds from the Proposed Investment from JOIN within 1 month from the receipt of the Subscription Price.

In relation to the above, the entire proceeds of RM125.00 million will be utilised by TASCO Group in the manner as set out below:-

Utilisation		Estimated timeframe	Amount	
			(RM'000)	%
(1)	Repayment of bank borrowings ⁽¹⁾	Within 12 months from receipt of the Subscription Price	97,000	77.6
(2)	Working capital purposes ⁽²⁾	Within 6 months from receipt of the Subscription Price	26,500	21.2
(3)	Estimated expenses relating to the Proposed Investment from JOIN ⁽³⁾	Immediately upon receipt of the Subscription Price	1,500	1.2
Total			125,000	100.0

Notes:-

- (1) As at 31 December 2018, the total borrowings of TASCO Group stood at approximately RM375.20 million. TASCO has earmarked approximately RM97.00 million towards reduction of this debt which primarily comprise of term loans with fixed scheduled repayments over the next 12 months.

Assuming the average interest cost of 4.7% per annum, the repayment of bank borrowings is expected to result in interest savings of approximately RM4.56 million per annum.

- (2) The working capital includes amongst others, administrative and operating expenses and payment to trade creditors. Administrative and operating expenses encompass staff salaries, utilities payment and repair/refurbishment cost while trade creditors payments are towards, amongst others, airlines and sea carriers.
- (3) The estimated expenses include professional fees, regulatory fees, printing and advertising costs, costs to convene the EGM and miscellaneous expenses in relation to the Proposed Investment from JOIN. Any excess or deficit of the estimated expenses from the actual amount would be adjusted from the amount earmarked for repayment of bank borrowings.

Pending the utilisation of such proceeds, the monies (together with interest earned) will be placed in fixed deposits with financial institutions and/or short-term money market instruments.

3. SUMMARY OF FINANCIAL INFORMATION OF TYGC GROUP

TYGC has not undertaken any business activities in the past years until its acquisitions of the entire equity interest in GCT and GCIL which were completed on 12 July 2017 and 1 June 2018, respectively. Therefore, the latest available financial information of TYGC Group (post completion of the GCT and GCIL acquisitions) is for the 9-month FPE 31 December 2018.

For comparative purposes, the Company has shown the combined audited financial statements of GCT (which includes GCL) and GCIL for FYE 2016 and FYE 2017 in **Section 1.5, Appendix I** of the Announcement, as if the acquisitions of GCT (which includes GCL) and GCIL had been completed on 1 April 2015.

4. PRINCIPAL MARKET OF TYGC GROUP

TYGC Group mainly serves multinational corporations with business operations in Malaysia.

This announcement is dated 4 April 2019.