

ANTAH HOLDING BERHAD

Stock Name :
Date Announced :

ANTAH
28/06/2005

Type : **Announcement**
Subject : **ANTAH HOLDINGS BERHAD ("ANTAH HOLDINGS" OR "COMPANY")
- Proposed Disposal Of 11,000,000 Ordinary Shares Of RM1.00 Each
In The Capital Of Antah Sri Radin Sdn. Bhd. ("ASR") Representing
The Entire Issued And Paid-Up Share Capital Of ASR By Antah
Holdings To Allied Corporate Resources Sdn. Bhd. ("Allied") For A
Cash Consideration Of RM3,900,000 ("Proposed Disposal")**

Contents :

1. INTRODUCTION

The Board of Directors of Antah Holdings ("Board") wishes to announce that Antah Holdings had on 28 June 2005 entered into a conditional share purchase agreement ("SPA") with Allied for the disposal 11,000,000 ordinary shares of RM1.00 each in ASR ("Sale Shares") to Allied for a cash consideration of RM3,900,000.

2. DETAILS OF THE PROPOSED DISPOSAL

2.1.1 Information on ASR

ASR was incorporated in Malaysia under the Companies Act, 1965 on 24 November 1962. The present authorised share capital of ASR is RM11,000,000 comprising 11,000,000 ordinary shares of RM1.00 each, all of which have been issued and fully paid-up. ASR is principally involved in the marketing of medical equipment and scientific supplies which includes a wide range of medical instruments for neurosurgery to diagnostic bio medic instrumentation and handling turnkey hospital and laboratory projects. The principal activities of its subsidiaries are as follows:-

Company	Date/Country Of Incorporation	Effective Equity Interest %	Issued and Paid-up capital	Principal Activities
Antah Pharma Sdn Bhd ("AP")	24.04.1984 / Malaysia	100.00	RM3,000,000	Trading of pharmaceutical products
Bumimedic Malaysia Sdn Bhd	17.07.1978 / Malaysia	100.00	RM1,150,000	Manufacturing and trading of pharmaceutical products

("BSB")				
---------	--	--	--	--

Based on the latest consolidated audited accounts of ASR for the financial year ended 30 June 2004, ASR recorded a consolidated loss after taxation ("LAT") of RM2,217,774 and consolidated net tangible assets ("NTA") of RM3,186,909.

2.1.2 Basis of Arriving at the Disposal Consideration

The disposal consideration for the Sale Shares amounting to RM3,900,000 was determined on a willing buyer-willing seller basis after taking into consideration, inter-alia, of the following:-

(i) the audited consolidated NTA of ASR of RM3,186,909 as at 30 June 2004; and

(ii) the audited consolidated LAT of ASR for the financial year ended 30 June 2004 of RM2,217,774;

2.1.3 Liabilities to be Assumed

Antah Holdings and Allied will not assume any additional liabilities arising from the Proposed Disposal.

2.1.4 Utilisation of Proceeds

The proceeds from the Proposed Disposal are expected to be utilised to partially repay Antah Holdings' creditors and for working capital.

2.1.5 Salient Terms of the SPA

(a) Allied shall acquire the Sale Shares free from all encumbrances (which includes any mortgage, deposit charge, assignment, pledge, lien or other encumbrances, priority or security interest or arrangement of whatsoever nature securing any obligations of any person or any type of preferential arrangement having similar effect) together with all the rights attached thereto including all dividends and distributions paid or made in respect thereof on or after the date of the SPA.

(b) The disposal price for the Sale Shares of RM3,900,000 ("Disposal Price") will be satisfied in the following manner:-

(i) RM2,000,000 to be paid by Allied upon the execution of the SPA;and
(ii) the balance disposal price of RM1,900,000 ("Balance Disposal Price") shall be settled as follows:

- The Balance Disposal Price shall be paid by way of 10 equal monthly installments, the first ten monthly instalments being for RM175,000 and the eleventh instalment being for RM150,000 beginning from the date the SPA becomes unconditional until full and final settlement.

- In the event that the Company has settled the outstanding banking facility of RM5,000,000 which is secured ("Charge") against the land and building situated at No.3, Jalan 19/1 46300 Petaling Jaya, Selangor Darul Ehsan ("Land and Building"), wherein ASR is the registered and legal owner of the Land and Building and obtains a valid and registrable discharge of the Charge ("Discharge of Charge"), Allied shall repay the Balance Disposal Consideration in one lump sum as full and final payment within 90 days from the date of the Discharge of Charge.

(c) The Proposed Disposal is conditional upon the following conditions being fulfilled within one (1) year from the date of the SPA or such longer period as the parties may mutually agree in writing ("Approval Period"):-

- (i) the approval of the Foreign Investment Committee ("FIC") (if required);
- (ii) the approval of the Ministry of International Trade and Industry ("MITI") (if required); and
- (iii) the approval of other relevant authorities (if any).

2.1.6 Information on Allied

Allied was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 10 May 2005 under its present name. The authorized share capital of Allied is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which RM2 comprising 2 ordinary shares of RM1.00 each had been fully paid-up.

The principal activities of Allied are that of investment holding and provision for consultancy and management services. The substantial shareholders and directors of Allied are Sang Cheok Seng and Sathiaawathy a/p Kasy.

2.1.7 Original Dates and Cost of Investments

The original dates and cost of investments of the Sale Shares held by the Company are as follows:-

<i>No. of Sale Shares</i>	<i>Original date of investment</i>	<i>Original cost of investment (RM)</i>
11,000,000	3 November 1977 to 8 August 1999	8,328,224

3. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal will allow the Company to unlock the value of its pharmaceutical and healthcare division and provide the Company with funds to partially reduce its debt level and for working capital.

4. EFFECTS OF THE PROPOSED DISPOSAL

The effects of the Proposed Disposal are as follows:
-

4.1 Share Capital and Substantial Shareholdings

The Proposed Disposal will not have any impact on the issued and paid-up share capital and substantial shareholdings of the Company as the Proposed Disposal will not involve any issuance of securities.

4.2 Earnings

The Proposed Disposal is not expected to have any material effect on the earnings of the Company for the financial year ended 30 June 2005 and future financial years. Based on the audited consolidated net tangible assets of ASR of RM3,186,909 as at 30 June 2004, the Antah Holdings group of companies is expected to recognise a consolidated loss after taxation of RM2,803,143.

4.3 NTA

Based on the audited consolidated accounts of Antah Holdings as at 30 June 2003, the proforma effects of the Proposed Disposal on the consolidated NTA of Antah Holdings as at 30 June 2003 are as shown below:

	As at 30 June 2003	After the Proposed Disposal
	RM'000	RM '000
Share capital	169,815	169,815
Reserves (Note 1)	69,781	64,760
Shareholders' equity	239,596	234,575
<i>Less:</i>		
Goodwill	(13,508)	(11,009)
NTA	226,088	223,566
No. of shares	339, 630	339, 630
NTA per share (RM)	0.67	0.66

Note 1:

	After the Proposed Disposal RM'000
Reserves	69,781
Reserves on ASR	4,589
Pre-acquisition reserve	(5,182)
Loss on disposal	(2,803)
Realisation of post acquisition reserves	(1,625)

	64,760 =====
--	-----------------

5. CONDITIONS OF THE PROPOSED DISPOSAL

The Proposed Disposal are subject to the following approvals being obtained:-

- (i) the FIC;
- (ii) the MITI (if required); and
- (iii) other relevant authorities (if any).

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors and/or substantial shareholders of Antah Holdings and persons connected with them has any interest direct or indirect in the Proposed Disposal.

7. DIRECTORS' STATEMENT

The Board having taken into consideration all aspects of the Proposed Disposal is of the opinion that the terms and conditions of the Proposed Disposal are fair and reasonable and in the best interest of Antah Holdings.

8. ESTIMATED TIME FRAME FOR THE COMPLETION

Barring unforeseen circumstances, the Proposed Disposal is expected to be completed by 31 December 2005.

9. DEPARTURE FROM THE SECURITIES COMMISSION'S GUIDELINES

To the best knowledge of the Board, the Proposed Disposal has not departed from the Securities Commission's Policies and Guidelines on Issue/Offer of Securities.

10. DOCUMENTS FOR INSPECTION

The SPA is available for inspection at the registered office of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 28 June 2005.