

**TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : NON RELATED PARTY TRANSACTIONS
TIME DOTCOM BERHAD ("TdC" or "the Company") DISPOSAL
OF 68,729,545 ORDINARY SHARES OF RM0.01 EACH IN
DIGI.COM BERHAD ("DIGI") ("DIGI SHARES") ("DISPOSAL")**

TIME DOTCOM BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
Description	TIME DOTCOM BERHAD ("TdC" or "the Company") DISPOSAL OF 68,729,545 ORDINARY SHARES OF RM0.01 EACH IN DIGI.COM BERHAD ("DIGI") ("DIGI SHARES") ("DISPOSAL")

Please refer to the attachment for details.

Please refer attachment below.

Attachments

TdC-Disposal of DiGi Shs.pdf
78.0 kB

Announcement Info

Company Name	TIME DOTCOM BERHAD
Stock Name	TIMECOM
Date Announced	20 May 2016
Category	General Announcement for PLC
Reference Number	GA1-19052016-00031

**TIME DOTCOM BERHAD ("TdC")
DISPOSAL OF 68,729,545 ORDINARY SHARES OF RM0.01 EACH IN DiGi.COM BERHAD ("DiGi") ("DiGi
SHARES") ("DISPOSAL")**

1. INTRODUCTION

The Board of Directors of TdC ("**Board**") wishes to announce that TdC had, on 20 May 2016, disposed 68,729,545 DiGi Shares ("Sale Shares") for a total cash consideration of approximately RM307.2 million, representing approximately 0.9% of the issued and paid-up capital of DiGi, held by TdC.

Further details of the Disposal are as set out in the ensuing sections.

2. DETAILS OF THE DISPOSAL

2.1 Details of the Disposal

The Disposal was undertaken through private placement via a bookbuilding process to eligible third party institutional/sophisticated investors ("Placement") and is satisfied entirely by cash. The Sale Shares have been placed to successful third-party institutional/sophisticated investors under the Placement at a price of RM4.47 per Sale Share and raised gross proceeds of approximately RM307.2 million.

Upon completion of the Disposal, TdC no longer holds any DiGi Shares.

2.2 Utilisation of proceeds

The gross proceeds of RM307.2 million raised pursuant to the Disposal, after deducting expenses relating to the Disposal, is intended to be used for working capital purposes.

2.3 Expected gains from the Disposal

TdC will realise a fair value gain from available-for-sale reserve equity account to profit and loss of RM157.4 million arising from the Disposal.

2.4 Original date and cost of investment

The recorded cost of investment of the Sale Shares which was acquired in 2008 is RM2.49 per DiGi Share⁽¹⁾.

Note:

(1) After taking into consideration the subdivision of every one (1) existing ordinary share of RM0.10 each in DiGi into ten (10) ordinary shares of RM0.01 each in DiGi which was completed on 24 November 2011.

2.5 Liabilities to be assumed

No liabilities will be assumed by TdC of the Sale Shares with respect to the Disposal.

3. INFORMATION ON DiGi

DiGi was incorporated in Malaysia on 28 March 1997 as a private limited company under the Companies Act, 1965 and subsequently listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 18 December 1999.

The principal activities of the DiGi group of companies are investment holding, establishment, maintenance and provision of telecommunications and related services and property holding, renting of premises and other related services.

The following are the key financial information as extracted from the financial statement of DiGi for the past two (2) financial years ended ("FYE") 31 December 2014 and 2015:

	FYE 31 Dec 2015 (Audited)	FYE 31 Dec 2014 (Audited)
	RM million	RM million
Revenue	6,914.0	7,018.5
Profit after tax attributable to owners of the parent	1,722.6	2,031.1
Total assets	4,662.3	4,303.4
Total liabilities	4,143.0	3,617.3
Net assets ("NA")	519.4	686.1

4. RATIONALE FOR THE DISPOSAL

The Disposal entails a disposal by TdC of its non-core investment which allows TdC to re-allocate capital resources for working capital purposes. Further, the Disposal allows TdC to recognise fair value gain from available-for-sale reserve equity account to profit and loss of RM157.4 million.

5. EFFECTS OF THE DISPOSAL

5.1 Issued and paid-up share capital and substantial shareholders' shareholdings

The Disposal will not have any effect on TdC's issued and paid-up share capital or the substantial shareholders' shareholdings in TdC as the Disposal does not involve shares of TdC.

5.2 NA, NA per share and gearing

The pro forma effects of the Disposal on the NA, NA per share and gearing of TdC, assuming that the Disposal was completed on 31 December 2015, is as set out below:

	Audited as at 31 December 2015	After the Disposal
	RM million	RM million
Share capital	287.8	287.8
Other reserves	1,794.7	1,730.8 ⁽¹⁾
NA	2,082.5	2,018.6
No. of TdC shares in issue (million)	575.6	575.6
Total borrowings	147.8	147.8
NA per share (RM)	3.62	3.51
Gearing ⁽²⁾ (times)	0.07	0.07

Notes:

- (1) Inclusive of the adjustment for movement in price of TdC's investment in DiGi to RM4.47 per Sale Share and a realisation of fair value gain from available-for-sale financial assets to profit and loss of RM157.4 million.
- (2) Computed based on total borrowings divided by NA.

5.3 Earnings per share ("EPS")

The Disposal will result in an increase in basic EPS of approximately RM0.27 per TdC share (before taking into consideration of any expenses relating to the Disposal).

6. APPROVALS REQUIRED

The Disposal is not subject to any regulatory approvals and/or shareholders' approval.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and major shareholders of TdC and/or persons connected with them have any interest, whether direct and/or indirect, in the Disposal.

8. PERCENTAGE RATIO APPLICABLE TO THE DISPOSAL PURSUANT TO PARAGRAPH 10.02(G) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES ("LISTING REQUIREMENTS")

The highest percentage ratio applicable to the Disposal pursuant to paragraph 10.02(g) of the Listing Requirements is 17.8% based on the audited consolidated financial statements of TdC for the financial year ended 31 December 2015.

9. DIRECTORS' STATEMENT

The Board, after having considered all aspects of the Disposal, including but not limited to the rationale, utilisation of proceeds and effects of the Disposal as well as after careful deliberation, is of the opinion that the Disposal is in the best interest of TdC and its shareholders.

10. ESTIMATED TIME FRAME FOR COMPLETION

The Disposal has been completed as at 20 May 2016.

This Announcement is dated 20 May 2016.