

General Announcement

Reference No **KG-101022-56944**

Company Name : **KNM GROUP BERHAD**
Stock Name : **KNM**
Date Announced : **22/10/2010**

Type : Announcement
Subject : **KNM GROUP BERHAD ("KNM" or the "Company")**
Proposed Issue of Sukuk Programmes of up to RM1,500 million comprising:-
Islamic Commercial Paper Programme of up to RM400 million ("ICP Programme"); and
Islamic Medium Term Note Programme of up to RM1,100 million ("IMTN Programme")
(collectively referred to as the "Sukuk Programmes")

Contents : 1. Introduction

KNM is pleased to announce that the Company has obtained approval from Securities Commission ("SC") vide their letter dated 21 October 2010 to implement the Sukuk Programmes.

2. Tenure

The ICP Programme shall have a tenure of up to 7 (seven) years and the IMTN Programme shall have a tenure of up to 15 (fifteen) years from the date of the first issuance under the Sukuk Programmes.

3. Rating

The ICP Programme has been assigned a short term rating of MARC-1ID whilst the IMTN Programme has been assigned a long term rating of AA-ID.

4. Purpose of utilisation of proceeds

The proceeds raised from the Sukuk Programmes shall be utilised for the following purposes:-

- (i) to refinance KNM and its group of companies' ("KNM Group") existing bank borrowings;
 - (ii) redemption of KNM Capital Sdn Bhd's outstanding notes issued under its Islamic commercial papers and/or medium term notes programme of up to RM300.00 million established in 2006;
 - (iii) payment of fees and expenses in relation to the Sukuk Programmes;
- and

(iv) working capital requirements and general corporate purposes of KNM Group.

This announcement is dated 22 October 2010.

Announcement Details :