

General Announcement

Reference No **KG-100204-28C0A**

Company Name : **KNM GROUP BERHAD**
Stock Name : **KNM**
Date Announced : **04/02/2010**

Type : Announcement
Subject : Proposed Acquisition of the Entire Business and Undertakings of the Company (the "Proposal")
Contents : Proposed Acquisition of the Entire Business and Undertakings of the Company (the "Proposal")

Announcement Details :

KNM Group Berhad ("KNM") has on even date received from BlueFire Capital Group Ltd ("Bidco"), an entity controlled by Ir. Lee Swee Eng, the Group Managing Director and major shareholder of KNM, a proposal to acquire the entire business and undertakings of KNM ("the Proposal"). The proposed price is equivalent to RM0.90 per issued ordinary share of KNM.

The Proposal is subject to, inter alia, satisfactory completion of due diligence, receipt of firm financing commitments, and negotiation and execution of definitive documentation relating to the proposed transaction. Bidco is acting in collaboration with GS Capital Partners VI Fund L.P and Mettiz Capital Limited and the international adviser is Goldman Sachs (Singapore) Pte.

Pursuant to the above, the Board has granted Bidco, a limited exclusivity period up to 22 March, 2010 in which to complete due diligence and satisfy the other conditions of the Proposal, subject to confidentiality undertakings.

KNM shall promptly engage its legal and financial advisors to assist KNM and its Board in evaluating and negotiating the definitive terms of any transaction.

This announcement is dated 4 February 2010.