

OTHERS Acquisition of Subsidiary by KNM Group Berhad

KNM GROUP BERHAD

Type	Announcement
Subject	OTHERS
Description	Acquisition of Subsidiary by KNM Group Berhad

INTRODUCTION

The Company wishes to announce that the Company has on 14 January 2019 entered into a Share Purchase Agreement with Petrosab Sdn Bhd (“PSB”) to acquire the remaining balance of 6,048,884 ordinary shares or 99.34% equity interest in Petrosab Petroleum Sdn Bhd (“PPSB”) from PSB for a consideration of RM1.00 only (“the Acquisition”). Upon the completion of the Acquisition, PPSB will become a wholly-owned subsidiary of the Company.

RATIONALE FOR THE ACQUISITION

The Acquisition is undertaken to streamline the business segments and KNM Group Structure.

FINANCIAL EFFECTS OF THE ACQUISITION

The Acquisition will not have any material effect on the earnings per share, net assets, gearing, share capital and substantial shareholders’ shareholding of the KNM Group for the financial year ending 31 December 2019.

APPROVAL REQUIRED

The Acquisition is not subject to the approval of shareholders of the Company and/or other relevant authorities.

INTERESTS OF DIRECTORS AND/OR MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the Directors and/or major shareholders of the Company and/or persons connected to them, have any interest, either direct or indirect, in the Acquisition.

STATEMENT BY DIRECTORS

The Board, having considered all aspects of the Acquisition, is of the opinion that the Acquisition is carried out in the best interest of the KNM Group.

This announcement is dated 14 January 2019.