

# WINDING UP / RECEIVER & MANAGER / RESTRAINING ORDER / SPECIAL ADMINISTRATOR WINDING-UP PETITION SERVED ON WHOLLY-OWNED SUBSIDIARY, KNM PROCESS SYSTEMS SDN BHD

## KNM GROUP BERHAD

<b>Type</b>	Announcement
<b>Subject</b>	WINDING UP / RECEIVER & MANAGER / RESTRAINING ORDER / SPECIAL ADMINISTRATOR
<b>Description</b>	WINDING-UP PETITION SERVED ON WHOLLY-OWNED SUBSIDIARY, KNM PROCESS SYSTEMS SDN BHD

The Board of Directors of the Company wishes to announce that its wholly-owned subsidiary, KNM Process Systems Sdn Bhd ("KNMPS") had on 26 October 2022, served with a Winding-up Petition issued by the Shah Alam High Court dated 23 September 2022 (the "Petition"), taken out by IPL Middle East DMCC (the "Petitioner") via its Advocates & Solicitors, Rahmat Lim & Partners.

Particulars of the Petition are as follows :

- KNMPS and the Petitioner had on 26 July 2022 entered into a settlement agreement in relation to the sums due to the Petitioner under a contract for freight forwarding and related services rendered by the Petitioner, under which KNMPS was required to pay the total sum of USD8,500,000.00 as the full and final settlement ("Settlement Sum");
- KNMPS was unable to pay the Settlement Sum according to the payment plan, and consequently the Petitioner initiated this Petition to wind up KNMPS; and
- The case management and the hearing dates for the Petition have been fixed on 27 October 2022 and 19 January 2023 respectively.

KNMPS is not major subsidiary of the Company as defined under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Company's total cost of investment in KNMPS as at 30 June 2022 was RM1,631,086,350.

The Petition is not expected to have any material additional financial and operational impact to the Group as the Settlement Sum has been provided in the Group's financial statements for the period ended 30 June 2022.

KNMPS is seeking for the necessary legal advice to resolve and/or defend against this matter.

This announcement is dated 27 October 2022.

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### Announcement Info

<b>Company Name</b>	KNM GROUP BERHAD
<b>Stock Name</b>	KNM
<b>Date Announced</b>	27 Oct 2022
<b>Category</b>	General Announcement for PLC
<b>Reference Number</b>	GA1-27102022-00069