

**Circular**

Reference No **GR-040816-63594**

Company Name : **KNM GROUP BERHAD**

Stock Name : KNM

Date Announced : 16/08/2004

Subject : NOTICE TO SHAREHOLDERS in relation to

SUSPENSION OF TRADING OF ORDINARY SHARES OF RM1.00 EACH IN KNM ("KNM SHARE") AND ENTITLEMENT DATE FOR THE SHARE SPLIT OF EACH KNM SHARE INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH IN KNM ("SUBDIVIDED KNM SHARES") ("SHARE SPLIT") AND BONUS ISSUE OF UP TO 55,660,000 NEW SUBDIVIDED KNM SHARES ("BONUS SHARES") ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) SUBDIVIDED KNM SHARES TO BE ALLOTTED AND ISSUED PURSUANT TO THE SHARE SPLIT

Contents

:



KNM-Notice.pdf

**THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all your ordinary shares in KNM Group Berhad ("KNM"), you should at once hand this Notice to the purchaser or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Bursa Malaysia Securities Berhad (*formerly known as Malaysia Securities Exchange Berhad*) takes no responsibility for the contents of this Notice, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Notice.



**KNM GROUP BERHAD**

(Incorporated in Malaysia under the Companies Act, 1965)  
(Company No.: 521348-H)

**NOTICE TO SHAREHOLDERS**

**IN RELATION TO**

**SUSPENSION OF TRADING OF ORDINARY SHARES OF RM1.00 EACH IN KNM ("KNM SHARE") AND ENTITLEMENT DATE FOR THE SHARE SPLIT OF EACH KNM SHARE INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH IN KNM ("SUBDIVIDED KNM SHARES") ("SHARE SPLIT") AND BONUS ISSUE OF UP TO 55,660,000 NEW SUBDIVIDED KNM SHARES ("BONUS SHARES") ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) SUBDIVIDED KNM SHARES TO BE ALLOTTED AND ISSUED PURSUANT TO THE SHARE SPLIT**

*Advised by*

**CIMB**

Commerce International Merchant Bankers Berhad  
*Company Number 18417-M*

**IMPORTANT DATES**

Suspension of trading of KNM Shares	: With effect from 9.00 a.m. on 26 August 2004
Entitlement Date for the Share Split	: 5.00 p.m. on 2 September 2004

This Notice is dated 16 August 2004

## DEFINITIONS

Unless where the context otherwise requires, the following definitions shall apply throughout this Notice:

“Act”	:	Companies Act, 1965
“Bonus Issue”	:	Bonus issue of up to 55,660,000 new Bonus Shares, to be credited as fully paid-up, on the basis of one (1) Bonus Share for every two (2) Subdivided KNM Shares to be allotted and issued pursuant to the Share Split
“Bonus Shares”	:	New Subdivided KNM Shares to be issued pursuant to the Bonus Issue
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd ( <i>formerly known as Malaysia Central Depository Sdn Bhd</i> )
“Bursa Securities”	:	Bursa Malaysia Securities Berhad ( <i>formerly known as Malaysia Securities Exchange Berhad</i> )
“CDS”	:	Central Depository System
“CIMB”	:	Commerce International Merchant Bankers Berhad
“EGM”	:	Extraordinary general meeting
“Entitlement Date”	:	5.00 p.m. on 2 September 2004, being the time and date on which the shareholders of KNM must be registered in the Record of Depositors of KNM to be entitled to the Share Split and the Bonus Issue
“KNM” or “Company”	:	KNM Group Berhad
“KNM Share(s)”	:	Ordinary shares of RM1.00 each in KNM (prior to the Share Split)
“Market Day”	:	Any day between Mondays and Fridays (inclusive of both days) and which is a trading day on Bursa Securities
“RM and sen”	:	Ringgit Malaysia and sen respectively
“SC”	:	Securities Commission
“SC Guidelines”	:	Policies and Guidelines on Issue/Offer of Securities issued by the SC, as issued and amended from time to time
“Share Split”	:	Share split of every one (1) existing KNM Share into two (2) Subdivided KNM Shares
“Subdivided KNM Share(s)”	:	New ordinary share(s) of RM0.50 each in KNM to be created pursuant to the Share Split

## **CONTENTS**

	<b>PAGE</b>
1. INTRODUCTION	1
2. DETAILS OF THE SHARE SPLIT	2
3. CONDITIONS OF THE SHARE SPLIT AND BONUS ISSUE	2
4. SUSPENSION OF TRADING OF KNM SHARES	2
5. ENTITLEMENT DATE FOR THE SHARE SPLIT AND BONUS ISSUE	3
6. PROCEDURES FOR THE SHARE SPLIT	3
7. DIRECTORS' RESPONSIBILITY	3
8. ENQUIRIES	4



## **KNM GROUP BERHAD**

(Incorporated in Malaysia under the Companies Act, 1965)  
(Company No.: 521348-H)

### **Registered Office:**

15, Jalan Dagang SB4/1  
Taman Sungai Besi Indah  
43300 Seri Kembangan  
Selangor Darul Ehsan

16 August 2004

### **Board of Directors:**

Dato' Abdul Rani bin Mohd Razalli (*Executive Chairman*)  
Ir Lee Swee Eng (*Managing Director*)  
Lee Hui Leong (*Executive Director*)  
Sofiyah bin Yahya (*Executive Director*)  
Gan Siew Liat (*Executive Director*)  
Chew Fook Sin (*Executive Director*)  
Lim Yu Tey (*Senior Independent Non-Executive Director*)  
Dato' Ab Halim bin Mohyiddin (*Independent Non-Executive Director*)  
Mohamed Tajudin bin Mohamed Alias (*Independent Non-Executive Director*)

**To: The Shareholders of KNM Group Berhad**

Dear Sir/Madam

**SUSPENSION OF TRADING OF ORDINARY SHARES OF RM1.00 EACH IN KNM ("KNM SHARE") AND ENTITLEMENT DATE FOR THE SHARE SPLIT OF EACH KNM SHARE INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH IN KNM ("SUBDIVIDED KNM SHARES") ("SHARE SPLIT") AND BONUS ISSUE OF UP TO 55,660,000 NEW SUBDIVIDED KNM SHARES ("BONUS SHARES") ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) SUBDIVIDED KNM SHARES TO BE ALLOTTED AND ISSUED PURSUANT TO THE SHARE SPLIT**

### **1. INTRODUCTION**

On 27 February 2004, CIMB, on behalf of KNM, announced that KNM intends to undertake, among others, the Share Split and the Bonus Issue.

Subsequently, on 22 June 2004, CIMB announced, on behalf of KNM, that Bursa Securities had, vide its letter dated 14 June 2004, approved the Share Split and the listing of and quotation for the new Subdivided KNM Shares to be issued pursuant to the Share Split and the Bonus Issue on the Second Board of Bursa Securities.

On the same date, CIMB further announced, on behalf of KNM, that the SC had, vide its letter dated 15 June 2004, approved, amongst others, the Share Split and the listing of and quotation for the new Subdivided KNM Shares to be issued pursuant to the Share Split on the Second Board of Bursa Securities. The approval of the SC for the Share Split is subject to the condition that CIMB/KNM should fully comply with the relevant requirements of the SC Guidelines relating to the implementation of the Share Split.

At an EGM held on 22 July 2004, the shareholders of the Company approved, among others, the Share Split and the Bonus Issue.

On 13 August 2004, CIMB announced, on behalf of KNM, that the entitlement date to determine the shareholders of KNM who will be entitled to the Share Split and the Bonus Issue has been fixed at 5.00 p.m. on 2 September 2004.

**THE PURPOSE OF THIS NOTICE IS TO PROVIDE THE SHAREHOLDERS OF KNM WITH INFORMATION PERTAINING TO THE SUSPENSION OF TRADING OF KNM SHARES AND THE ENTITLEMENT DATE FOR THE SHARE SPLIT AND BONUS ISSUE. NO ACTION IS REQUIRED ON YOUR PART.**

## **2. DETAILS OF THE SHARE SPLIT**

The Share Split involves the subdivision of every one (1) KNM Share held by the shareholders of KNM whose names appear on the Record of Depositors at the close of business on the Entitlement Date into two (2) Subdivided KNM Shares.

The Subdivided KNM Shares shall rank *pari passu* in all respects with each other.

The Subdivided KNM Shares are prescribed securities and as such, the Securities Industry (Central Depositories) Act, 1991 and the Rules of the Depository shall apply with respect to the dealing in the Subdivided KNM Shares.

## **3. CONDITIONS OF THE SHARE SPLIT AND BONUS ISSUE**

The Share Split and the Bonus Issue were subject to the approvals being obtained from the following:

- (i) the approvals of Bursa Securities and the SC for the following:
  - (a) the Share Split; and
  - (b) the listing of and quotation for the Subdivided KNM Shares arising from the Share Split and Bonus Issue on the Second Board of Bursa Securities,which were obtained on 14 June 2004 and 15 June 2004 respectively; and
- (ii) the approvals of the shareholders of KNM for the Share Split and Bonus Issue, which were obtained at the EGM held on 22 July 2004.

## **4. SUSPENSION OF TRADING OF KNM SHARES**

The trading of KNM Shares on the Second Board of Bursa Securities will be suspended with effect from 9.00 a.m. on Thursday, 26 August 2004, being three (3) clear Market Days prior to the Entitlement Date, to facilitate the Share Split. Hence, the last day for trading of KNM Shares on the Second Board of Bursa Securities shall be Wednesday, 25 August 2004.

The Bonus Issue shall be implemented immediately after the Share Split. Therefore, the listing of and quotation for the Subdivided KNM Shares arising from the Share Split will be simultaneous with the listing of and quotation for the Bonus Shares.

Upon completion of the Share Split and Bonus Issue, the Subdivided KNM Shares and Bonus Shares will be admitted to the Official List of Bursa Securities in place of the existing KNM Shares.

## 5. ENTITLEMENT DATE FOR THE SHARE SPLIT AND BONUS ISSUE

KNM shareholders, whose names appear in the Record of Depositors of KNM at the close of business at 5.00 p.m. on Thursday, 2 September 2004, will be entitled to the Share Split and Bonus Issue in respect of:

- (i) KNM Shares transferred to the CDS accounts of KNM shareholders before 4.00 p.m. on Thursday, 2 September 2004 in respect of ordinary transfers; and
- (ii) KNM Shares bought on Bursa Securities on a cum entitlement basis according to the rules of Bursa Securities.

## 6. PROCEDURES FOR THE SHARE SPLIT

**If you are a shareholder of KNM, you are not required to take any action in respect of the Share Split. However, if you have sold or transferred all your KNM Shares, you should at once hand this Notice to the purchaser or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.**

KNM shareholders whose KNM Shares have been deposited into their respective CDS accounts maintained with Bursa Depository should take note that their KNM Shares as at the Entitlement Date shall be subdivided into two (2) new Subdivided KNM Shares. All KNM Shares deposited in the CDS accounts of KNM shareholders as at the Entitlement Date will be debited from the respective CDS accounts. Two (2) new Subdivided KNM Shares will be credited directly by Bursa Depository into the same CDS accounts of the entitled KNM shareholders in respect of each KNM Shares which has been deposited.

No physical certificates will be issued to entitled KNM shareholders in respect of the Subdivided KNM Shares to be credited pursuant to the Share Split. Notices of allotment will be despatched to the entitled KNM shareholders at their respective addresses as registered with Bursa Depository by ordinary post.

The Subdivided KNM Shares will be credited into the respective CDS accounts of the entitled shareholders, notices of allotment will be despatched to all entitled KNM shareholders and an application for the quotation for such Subdivided KNM Shares will be made to Bursa Securities within seven (7) Market Days or such other period as may be prescribed by Bursa Securities after the Entitlement Date.

## 7. DIRECTORS' RESPONSIBILITY

This Notice has been seen and approved by the Directors of KNM who collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all enquiries as were reasonable in the circumstances and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any information herein misleading.

**8. ENQUIRIES**

All enquiries concerning this Notice should be addressed to the Share Registrar at:

Symphony Share Registrars Sdn Bhd  
*(formerly known as Malaysian Share Registration Services Sdn Bhd)*  
Level 26, Menara Multi-Purpose  
Capital Square  
No. 8 Jalan Munshi Abdullah  
50100 Kuala Lumpur

Tel. No. : 03-2721 2222  
Fax No. : 03-2721 2530/ 2721 2531

Yours faithfully  
for and on behalf of the Board of  
**KNM GROUP BERHAD**

**Dato' Abdul Rani bin Mohd Razalli**  
Executive Chairman