



General Announcement

Form Version 7 (Enhanced)

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Reference No KF-101028-36847

Submitted

Company Information

Main Market Company

New Announcement

Submitting Investment Bank/Advisor
(if applicable)

Submitting Secretarial Firm (if
applicable)

* Company name	KUMPULAN FIMA BERHAD
* Stock name	KFIMA
* Stock code	6491
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Type *	Reply to query
Reply to Bursa Malaysia's Query Letter - Reference ID *	YL-101026-53387

Subject *:	PROPOSED ACQUISITION BY KUMPULAN FIMA BERHAD ("COMPANY" OR "KFIMA") OF ONE HUNDRED TWENTY SIX THOUSAND EIGHT HUNDRED (126,800) ORDINARY SHARES OF RM1.00 EACH, REPRESENTING EIGHTY PERCENT (80%) OF THE EQUITY INTEREST OF VICTORIA SQUARE PLANTATION SDN BHD FOR A TOTAL PURCHASE CONSIDERATION OF RM21.00 MILLION ("PROPOSED ACQUISITION")
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Note: If the announcement is a long announcement, please summarize the announcement in the contents and enter the details of the announcement in the Announcement Details or attached the full details of the announcement as attachment.

Contents *:-

(This field is to be used for the summary of the announcement)

We refer to the letter from Bursa Malaysia dated 27 October in relation to the Company's announcement dated 25 October 2010 on the above matter.

The words and expressions used herein shall have the same meanings as those attributed to them in the aforesaid announcement.

Additional details in relation to the Proposed Acquisition are set out as follows:

1. The net profit and net assets of VSP based on its latest audited financial statements

For the financial year ended 31 January 2010, VSP registered a loss after tax of RM68,960 and net assets of RM75,465.

2. The breakdown of the sources of funding for the Proposed Acquisition

The Purchase Price will be wholly satisfied by cash in accordance with the terms of the SPA through internally generated funds and/or external borrowings. KFIMA has not determined the actual proportion of external funds that it will utilise for the Proposed Acquisition.

3. Whether any valuation was carried out on the Land. If so, the name of the independent registered valuer, date and method of valuation and quantification of the market value.

No independent valuation had been carried out on the Land.

4. The terms of any arrangement for payment of the Purchase Price by KFIMA on a deferred basis.

Under the terms of the SPA, there are no arrangements for payment of the Purchase Price to be made by KFIMA on a deferred basis. Payment of the Purchase Price will be made at the times and in the manner set out in the SPA. Accordingly, the full balance of the Purchase Price will be paid upon completion, i.e. consequent to the fulfilment of all the conditions precedent stipulated in the SPA.

5. Particulars of contingent liabilities and guarantees to be assumed by KFIMA arising from the Proposed Acquisition

There are no contingent liabilities or guarantees to be assumed by KFIMA from the Proposed Acquisition.

6. Whether the Proposed Acquisition is subject to the relevant government authorities' approval and the estimated timeframe for submission of the application of the relevant authorities

The Proposed Acquisition of the Sale Shares is not subject to any government authorities' approval.

7. Additional information on the Land and its development into an oil palm plantation

(i) Subject to the due completion of the Proposed Acquisition, the development of the Land will commence upon receipt of the written approval of the Natural Resources and Environment Board (NREB) in respect of the Environmental Impact Assessment for the development of the Land.

(ii) The Land, which is greenfield, will be developed progressively over the next 5 years, using internally generated funds and/or external borrowings.

(iii) Information on the maturity of the trees and production for the past 3 years have not been presented herein as the development of the Land into an oil palm plantation has not commenced to-date.

This announcement is dated 28 October 2010.

Announcement Details :-

(This field is for the details of the announcement, if applicable)

Attachment(s):- (please attach the attachments here)
- No Attachment Found -

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:

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