



General Announcement

Form Version 8.1 (Enhanced)

Ownership transfer to CS_SECURITY SERVICES HOLDINGS PENANG/EDMS/KLSE on
08/07/2011 05:15:00 PM

Submitted by CS_SECURITY SERVICES HOLDINGS PENANG on 08/07/2011 05:09:09 PM

Reference No CS-110708-2C92E

Submitting Investment

Bank/Advisor

(if applicable)

Submitting Secretarial Firm

(if applicable)

Company name *

Stock name *

Stock code *

Contact person *

Designation *

SECURITIES SERVICES (HOLDINGS) SDN BHD

NTPM HOLDINGS BERHAD

NTPM

5066

THUM SOOK FUN

COMPANY SECRETARY

Type *

Announcement Reply to query

Reply to Bursa Malaysia's

IJ-110707-39620

Query Letter - Reference ID *

Subject *

NTPM HOLDINGS BERHAD ("NTHB" or "the Company")
- Proposed Acquisition of Assets by a subsidiary ("Proposed
Acquisition")

Description :-*

(Note : If this is a long announcement, please summarize the announcement in this field and enter the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)

We refer to our earlier announcement dated 6 July 2011 in relation to the Proposed Acquisition and the letter dated 7 July 2011 from Bursa Malaysia Securities Berhad, on behalf of the Company, we are pleased to provide the additional information in relation to the Proposed Acquisition, as per attachment.

This announcement is dated 8 July 2011.

Announcement Details/Table Section :-

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

Attachment(s):- (please attach the attachments here)



NTHB_replies to bursa _.pdf

NTPM HOLDINGS BERHAD ("NTHB" or "the Company")

- Proposed Acquisition of Assets by a subsidiary ("Proposed Acquisition")

We refer to our earlier announcement dated 6 July 2011 in relation to the Proposed Acquisition and the letter dated 7 July 2011 (reference No. IJ-110707-39620) from Bursa Malaysia Securities Berhad on the Proposed Acquisition, we are pleased to provide the following additional information, as requested:-

1. The basis of arriving at the purchase consideration for the Proposed Acquisition, other than willing buyer and willing seller basis

Before arriving at the purchase consideration for the Proposed Acquisition, management took into consideration the market valuation of property held at Lot 65, Kawasan Perindustrian Bentong, 28700 Bentong, Pahang Darul Makmur which was prepared by a registered external valuer, Raja Norzihan Bt. Raja Husain from Jones Lang Wootton ('JLW').

JLW had valued the property at RM12.5 million based on the Forced Sale Value using the Comparison Method as the valuation methodology in arriving at their valuation. The valuation was made on 13 October 2010 at the request of UPI for their own financing and exclusive use.

The remaining purchase consideration balance of RM7.5 million is derived from management's best estimates of the net worth of the key machineries based on their current state of physical condition.

2. The Net Book Value of the Machineries based on the latest audited financial statements of UPI

The net book value of the Machineries based on the latest audited financial statements of Union Paper Industries Sdn Bhd ("UPI") for the year ended 31 August 2010 amounted to RM19,651,367.

3. The particulars of all liabilities, including contingent liabilities and guarantees to be assumed by the Company arising from the Proposed Acquisition

There are no contingent liabilities and guarantees to be assumed by the Company pursuant to the Proposed Acquisition.

4. The risks in relation to the Proposed Acquisition including the risk factors of the Assets to be acquired

The major risks in relation to the Proposed Acquisition are as follows: -

- i) **Environmental factors**

The treatment and recycling process of wastepaper result in waste discharge which are pollutants and hazardous to the environment and need to be properly treated before disposal. This exposes the 'proposed acquisition' to potential environmental issues. In this respect, NTHB Group has sufficient knowledge and experience to operate its waste water treatment facilities to ensure it adheres to the regulations of the Department of Environment.

ii) **Restriction of land title**

We would like to draw attention that the titles of the subject property carry a restriction-in-interest which stipulates that "*Tanah ini tidak boleh dipindahmilik, dipajak, digadai melainkan dengan kebenaran bertulis daripada YAB Menteri Besar Pahang.*" In this regard, our purchase consideration as disclosed in our earlier announcement dated 6 July 2011 is conditional upon UPI securing the written consent from YAB Menteri Besar Pahang for the sale and purchase of the Property from UPI in favour of NTPM Bentong Sdn Bhd.

This announcement is dated 8 July 2011.