

**13/01/2009**

**EXECUTION OF A SALE AND PURCHASE AGREEMENT BETWEEN UMW MALAYSIAN VENTURES SDN BHD AND ENCIK AZHARI BIN NGADENAN @ ADNAN**

**1. INTRODUCTION**

UMW wishes to announce that its wholly-owned subsidiary, UMW Malaysian Ventures Sdn Bhd (“UMW MV”), has today entered into a Sale And Purchase Agreement (“SPA”) with Encik Azhari bin Ngadenan @ Adnan (“Encik Azhari Adnan”) for the acquisition of 1,206,000 ordinary shares of RM1.00 each, representing 60% of the issued and paid-up share capital in Synergistic Generation Sdn Bhd (“SGSB”) from Encik Azhari Adnan, for a total consideration of RM10 million (“Proposed Acquisition”).

Upon completion of the Proposed Acquisition, SGSB will be owned by UMW MV and Encik Azhari Adnan in the proportion of 60% and 40%, respectively.

**2. Information on UMW MV**

UMW MV is a company incorporated under the Companies Act, 1965 on 26th September 2008 and has its registered office at 3rd Floor, The Corporate, No. 10, Jalan Utas (15/7), Batu Tiga Industrial Estate, 40200 Shah Alam, Selangor Darul Ehsan.

The principal activity of UMW MV is investment holding.

The issued and paid-up share capital of UMW MV is RM10,000,000 divided into 10,000,000 ordinary shares of par value RM1.00 each.

**3. Information on SGSB**

SGSB is a company incorporated under the Companies Act, 1965 on 7th June 1999 and has its registered office at 46 & 46A, Jalan Anggerik Vanilla Z 31/Z, Seksyen 31, Kota Kemuning, 40650 Shah Alam, Selangor Darul Ehsan.

The principal activity of SGSB is the provision of power generator design/applications.

SGSB is one of the largest rotating equipment packagers in Malaysia using MTU, Volvo, Lister & Cummins diesel and gas engines. SGSB’s in-house design and engineering capabilities enable it to offer custom-made packages in accordance with its clients’ stringent specifications.

SGSB owns the entire share capital of SG Power Systems Sdn Bhd and SG Engineering Sdn Bhd, both of which are involved in the businesses of maintaining and supply of rotating machinery and the provision of total power solution.

The issued and paid-up share capital of SGSB is RM2,010,000 divided into 2,010,000 ordinary shares of par value RM1.00 each.

**4. Purchase Consideration**

The total consideration of RM10 million for the Proposed Acquisition was arrived at on a willing-buyer willing-seller basis.

The consideration for the Proposed Acquisition will be financed by internally-generated funds.

**5. RATIONALE**

The Proposed Acquisition is a strategic fit into the business of supply and provision of oilfield services and products of the UMW Oil & Gas Division.

## 6. APPROVALS

The Proposed Acquisition is not subject to the approval of the shareholders of UMW.

## 7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors and/or substantial shareholders of UMW and/or persons connected with the Directors and/or substantial shareholders, has any interest, direct or indirect, in the Proposed Acquisition.

## 8. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The Proposed Acquisition is not expected to have any material impact on the earnings and net assets of the UMW Group.

## 9. STATEMENT BY DIRECTORS

The Board of Directors of UMW is of the opinion that the Proposed Acquisition is in the best interests of the UMW Group.

## 10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA will be available for inspection, in accordance with UMW's Documents Inspection Policy, at the registered office of UMW Holdings Berhad at 3rd Floor, The Corporate, No. 10, Jalan Utas (15/7), Batu Tiga Industrial Estate, 40200 Shah Alam, Selangor Darul Ehsan, during normal office hours (9.00 a.m. to 5.00 p.m.) on any weekday (except public holidays) from 14th January 2009 to 23rd January 2009.

cc - Securities Commission  
(Issues & Investment Division)