

**20110214**

**EXECUTION OF A SALE AND PURCHASE OF SHARES AGREEMENT BETWEEN TITANIUM ASSETS HOLDINGS SDN BHD AND UMW CORPORATION SDN BHD**

**1. INTRODUCTION**

UMW wishes to announce that UMW Corporation Sdn Bhd (“UMWC”), a wholly-owned subsidiary of UMW, has today entered into a Sale and Purchase of Shares Agreement (“S&P”) with Titanium Assets Holdings Sdn Bhd (“TAH”) for the acquisition of 2,400,000 ordinary shares of par value RM1.00 each, representing 40% of the issued and paid-up capital of Coldfusion Engineering Sdn Bhd (“CFE”), from TAH, at a nominal value of RM1.00 (“the Acquisition”).

**2. DETAILS OF THE ACQUISITION**

The consideration of RM1.00 (“Purchase Price”) was arrived at on a willing-buyer willing-seller basis.

Upon the completion of the Acquisition, CFE will become a wholly-owned subsidiary in the UMW Group.

**3. INFORMATION ON PARTIES**

**3.1 Information on UMWC**

UMWC is a company incorporated under the Companies Act, 1965 on 8<sup>th</sup> August 1970 and has its registered office at 3<sup>rd</sup> Floor, The Corporate, No. 10, Jalan Utas (15/7), Batu Tiga Industrial Estate, 40200 Shah Alam, Selangor Darul Ehsan.

The principal activity of UMWC is to provide full corporate, administrative, professional, security services and financial support to its subsidiaries and associated companies. UMWC also trades in a range of light and heavy equipment.

The issued and paid-up share capital of UMWC is RM238,503,375 divided into 238,503,375 ordinary shares of par value RM1.00 each.

The directors of UMWC are Tan Sri Datuk Asmat bin Kamaludin, Datuk Syed Hisham bin Syed Wazir and Suseela Menon a/p T.A.S Menon.

**3.2 Information on TAH**

TAH is a company incorporated under the Companies Act, 1965 on 10<sup>th</sup> October 2008 and has its registered office at No. 2-12, Jalan PJU 8/3, Perdana Business Centre, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of TAH is investment holding.

The issued and paid-up share capital of TAH is RM100,000, divided into 100,000 ordinary shares of par value RM1.00 each. The present directors/shareholders of TAH are R. Remakantan a/l Ramachandran (“R. Remakantan”) and Mohan Krishna a/l Kunanayagam (“Mohan Krishna”), each holding 50,000 ordinary shares in TAH.

**3.3 Information on CFE**

CFE is a company incorporated under the Companies Act, 1965 on 1<sup>st</sup> April 2003 and has its registered office at 3<sup>rd</sup> Floor, The Corporate, No. 10, Jalan Utas (15/7), Batu Tiga Industrial Estate, 40200 Shah Alam, Selangor Darul Ehsan.

The principal activity of CFE is to provide complete turnkey solutions (from designing to manufacturing) of Low Temperature Co-Fired Ceramic and Thick Film Technology products for the global electronic industry.

CFE has been licensed by the Ministry of International Trade and Industry, Malaysia as a manufacturing company.

The issued and paid-up share capital of CFE is RM6,000,000 divided into 6,000,000 ordinary shares of par value RM1.00 each and its present shareholders are UMWC and TAH, holding 60% and 40% equity interest, respectively.

The directors of CFE are Datuk Syed Hisham bin Syed Wazir and Azhar bin Harun.

#### **4. RATIONALE**

The Acquisition would enable UMWC to have full control over the equity of CFE. In view of the current losses incurred by CFE, UMWC intends to cease CFE's present operations upon completion of the Acquisition to avoid incurring further losses. A decision will be made at an appropriate time in the future on the business direction of CFE.

#### **5. APPROVALS**

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

#### **6. 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 Disposal.

#### **7. FINANCIAL EFFECTS OF THE ACQUISITION**

The Acquisition is not expected to have any material impact on the earnings and net assets of UMW Group for the financial year ending 31 December 2011.

#### **8. STATEMENT BY DIRECTORS**

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

#### **9. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the S&P will be available for inspection, in accordance with UMW's Documents Inspection Policy, at the registered office of UMW Holdings Berhad at 3<sup>rd</sup> 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 15<sup>th</sup> February 2011 to 21<sup>st</sup> February 2011.

cc - Securities Commission  
(Issues & Investment Division)