



SILK HOLDINGS BERHAD (Co.No.405897-V)

Plaza Tol Sungai Balak, KM28.3A Lebuhraya KAJANG SILK 43000 Kajang, Selangor Darul Ehsan
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NEWS RELEASE (Final)

SILK HOLDINGS SUCCESSFULLY CONCLUDES IT'S EXTRAORDINARY GENERAL MEETING TO CONSIDER THE PROPOSED DISPOSAL OF SILK

KUALA LUMPUR, 21 March 2016 – SILK Holdings Berhad (“SHB” or “the Company”) concluded its Extraordinary General Meeting (“EGM”) to seek shareholders’ approval for the proposed disposal of the Company’s entire issued and paid-up share capital in Sistem Lingkaran Lebuhraya Kajang Sdn Bhd (“SILK”) to Permodalan Nasional Berhad (“PNB”) or it’s nominee for a cash consideration of RM380 million (“Proposed Disposal”).

Engagement with Shareholders with respect to the Proposed Disposal

During the EGM, the shareholders were provided a briefing on the progress of the Proposed Disposal. Shareholders were updated on the various approvals already obtained for the Proposed Disposal as well as the remaining Conditions Precedent that the Company is required to fulfill.

In addition, shareholders were also briefed on the rationale behind the proposed disposal. It was explained that the Proposed Disposal provides an opportunity for SHB to monetise and unlock the value of its infrastructure assets by disposing the entire investment in SILK to PNB (or it’s nominee). This allows SHB to streamline its operations and use its financial resources to focus on its offshore marine support services business. SHB will further enhance and strengthen its presence in the marine logistics industry, and consider other viable investment opportunities. These would be undertaken with a view to enhance shareholders’ value



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It was further explained that proceeds from the Proposed Disposal will further enhance SHB's financial flexibility to raise the funding required to meet SHB Group's working capital requirements.

Immediately after the briefing, the Company opened the meeting for questions from the shareholders. The Company, aided by the advisers appointed to assist with the Proposed Disposal, answered several questions raised by the shareholders in relation to the Proposed Disposal.

Approval of the Proposed Disposal by shareholders

Subsequent to the engagement session, the matter was put to a vote by the shareholders. The resolution authorizing the Proposed Disposal of the entire equity interest in SILK, a wholly-owned subsidiary of SHB, to PNB or its nominee was duly passed.

Concluding remarks

Speaking at the end of the EGM, the Company's Executive Chairman, Dato' Mohd Azlan Hashim said, "The Company is pleased with the outcome of today's EGM. It was a good turnout and the Company had a good opportunity to explain the proposed disposal being undertaken. The Company is pleased with the positive response from shareholders to the briefing provided. I sincerely hope that the Company's shareholders will continue to support the Board in its objective to take the Company forward."



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SILK Holdings Bhd ("SILK Holdings") was incorporated as SILK Concessionaire Holdings Sdn Bhd on 14 October 1996, and subsequently changed its name to Sunway Infrastructure Berhad on 14 February 2002. It was initially incorporated to facilitate the listing of Sistem Lingkaran Lebuhraya Kajang Sdn Bhd ("SILK Highway"), which holds the concession for the 37 km Kajang Traffic Dispersal Ring Road until 2037.

SILK Holdings assumed its present name on 31 October 2008, after its successful regularisation scheme on 14 October 2009 which included the acquisition of AQL Aman Sdn Bhd, the holding company of the 70% owned Jasa Merin (Malaysia) Sdn Bhd ("Jasa Merin"), an offshore marine support services company. The Terengganu State Government holds the remaining 30% of JM via Terengganu Incorporated Sdn Bhd.

Jasa Merin was incorporated in December 1980 as Jackson Marine (Malaysia) Sdn Bhd. It commenced operations in October 1982. In 1986, the company name was subsequently changed to its present name. Jasa Merin's principal activity is the provision of offshore support vessels ("OSV") services on medium to long-term charters to several oil and gas companies.

Forward looking statements

This release may contain certain forward-looking statements with respect to the financial conditions, results of operations and business of the Group and certain plans and objectives of SILK Holdings Berhad with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

Issued on behalf of: **SILK Holdings Berhad** By: **acorn communications sdn bhd**
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