



KLK SAWIT NUSANTARA BERHAD

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Wisma Taiko

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FOR IMMEDIATE PRESS RELEASE

7 February 2024

Securities Commission Malaysia

No. 3, Persiaran Bukit Kiara

Bukit Kiara

50490 Kuala Lumpur

Attention: Take-overs and Mergers Department

Dear Sir/Madam,

KLK SAWIT NUSANTARA BERHAD (“KSN” OR THE “OFFEREE”)

RECEIPT OF NOTICE OF UNCONDITIONAL VOLUNTARY TAKE-OVER OFFER DATED 5 FEBRUARY 2024 FROM RHB INVESTMENT BANK BERHAD ON BEHALF OF KUALA LUMPUR KEPONG BERHAD (“NOTICE”)

We refer to the above and wish to inform Securities Commission Malaysia that the notification to shareholders of KSN in relation to the receipt of Notice (“**Notification**”) has been despatched to the shareholders of KSN on even date pursuant to the Paragraph 9.10(5)(b) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions.

A copy of the above-mentioned Notification is attached herewith for your kind attention and information.

Yours faithfully,

For and on behalf of

KLK SAWIT NUSANTARA BERHAD

A handwritten signature in black ink, appearing to read 'Pooi Yee'.

CHANG POOI YEE

Company Secretary



Encl.

c.c. *Board of Directors of KLK Sawit Nusantara Berhad*

Securities Commission Malaysia
Attention : Take-overs & Mergers Department

Company : The News Straits Times
Attention : The Editor, Business Section

Company : The Star
Attention : The Editor, Business Section

Company : Berita Harian
Attention : The Editor, Business Section

Company : Bernama
Attention : The Editor, Business Section

Company : The Edge
Attention : The Editor, Business Section

Company : Sin Chew Jit Poh (Malaysia)
Attention : The Editor, Business Section

THIS NOTIFICATION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you have sold or transferred all your Offer Shares (as defined herein), you should hand this Notification immediately to the purchaser or stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

If you are in any doubt as to the course of action to be taken or may require advice in relation to the Offer (as defined herein), please consult your stockbroker, solicitor, bank manager, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad has not perused the contents of this Notification prior to its issuance and hence, takes no responsibility for the contents of this Notification, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this Notification.

THIS NOTIFICATION IS FOR YOUR INFORMATION ONLY. NO ACTION IS REQUIRED TO BE TAKEN.

KLK SAWIT NUSANTARA BERHAD

(Registration No. 198501000955 (133399-A))
(Incorporated in Malaysia)

NOTIFICATION TO THE SHAREHOLDERS

OF

KLK SAWIT NUSANTARA BERHAD

IN RELATION TO THE

**RECEIPT OF NOTICE OF UNCONDITIONAL VOLUNTARY TAKE-OVER OFFER
DATED 5 FEBRUARY 2024**

FROM

RHB INVESTMENT BANK BERHAD

(Registration No. 197401002639 (19663-P))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

ON BEHALF OF

KUALA LUMPUR KEPONG BERHAD

This Notification is dated 7 February 2024

KLK SAWIT NUSANTARA BERHAD

(Registration No. 198501000955 (133399-A))
(Incorporated in Malaysia)

Registered Office

Wisma Taiko, No. 1,
Jalan S.P.
Seenivasagam,
30000 Ipoh, Perak
Darul Ridzuan.

7 February 2024

Board of Directors

Tan Sri Dato' Seri Lee Oi Hian (*Non-Independent Executive Director*)
Mah Fak Chin (*Non-Independent Executive Director*)
Chong Choong Khim (*Non-Independent Executive Director*)
Wong Kim Sun (*Non-Independent Executive Director*)
Abd Hadi Bin Manas (*Non-Independent Executive Director*)
Ong Twee Kwan (*Independent Non-Executive Director*)
Raja Hamzah Abidin bin Raja Nong Chik (*Independent Non-Executive Director*)

To: The shareholders of KLK Sawit Nusantara Berhad

Dear Sir/ Madam,

KLK SAWIT NUSANTARA BERHAD (“KSN” OR THE “OFFEREE”)

RECEIPT OF NOTICE OF UNCONDITIONAL VOLUNTARY TAKE-OVER OFFER DATED 5 FEBRUARY 2024 FROM RHB INVESTMENT BANK BERHAD (“RHB INVESTMENT BANK”) ON BEHALF OF KUALA LUMPUR KEPONG BERHAD (“OFFEROR”) (“OFFER”) (“NOTICE”)

1. INTRODUCTION

On 5 February 2024, the Board of Directors of KSN (“**Board**”) had received the notice of unconditional voluntary take-over offer from RHB Investment Bank, on behalf of the Offeror, to acquire all the remaining ordinary shares in KSN (“**Shares**”), not already held by the Offeror (“**Offer Share(s)**”) at a cash consideration of RM3.42 per Offer Share (“**Offer**”) (“**Notice**”).

As at 31 January 2024, being the latest practicable date prior to the date of the Notice (“**LPD**”), KSN has an issued share capital of RM922,530,518 comprising 880,580,460 Shares, of which the Offeror holds 840,342,299 Shares, representing approximately 95.43% equity interest in the Offeree.

There is no ultimate offeror for the offer. As at the LPD, there are no persons acting in concert with the Offeror pursuant to Section 216 of the Capital Markets and Services Act 2007 that hold Shares.

As at the date of the Notice, Citadel Multi-Asset Master Fund Ltd (“**Citadel**”), who holds 36,380,100 Shares, representing approximately 4.13% equity interest in the Offeree, had provided an irrevocable undertaking to the Offeror to accept or procure the acceptance of the Offer in respect of all the 36,380,100 Shares.

2. CONDITIONS OF THE OFFER

As stated in **Section 4.2** of the Notice, the Offer is not conditional upon any minimum level of acceptances of the Offer Shares as the Offeror already holds more than 50% of the voting shares in the Offeree. As at the LPD, the Offeror holds 840,342,299 Shares, representing approximately 95.43% equity interest in the Offeree.

3. APPOINTMENT OF INDEPENDENT ADVISER

In accordance with Paragraph 3.06 of the Rules, the Board (save for the Interested Directors, Tan Sri Dato' Seri Lee Oi Hian, Mah Fak Chin, Chong Choong Khim, Wong Kim Sun and Abd Hadi Bin Manas) had on 6 February 2024 appointed UOB Kay Hian Securities (M) Sdn Bhd ("**UOBKH**") as the independent adviser ("**IA**") to advise the non-interested Directors and the holders of the Offer Shares, and to provide its comments, opinions, information and recommendation in relation to the Offer.

4. DOCUMENTS RELATING TO THE OFFER

The purpose of this Notification is to inform you of the Offer and a copy of the Notice is enclosed herewith for your information. **You should note that this Notification does not constitute an offer.**

The document outlining the terms and conditions of the Offer ("**Offer Document**") together with the accompanying Form of Acceptance and Transfer will be despatched to you by RHB Investment Bank, on behalf of the Offeror, within 21 days from the date of the Notice or any extended period of time as may be directed or permitted by the Securities Commission Malaysia ("**SC**").

The Independent Advice Circular containing amongst others, the recommendation of the IA in relation to the Offer, will be despatched to you by UOBKH within 10 days from the date of despatch of the Offer Document or any later date as may be approved by the SC.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has seen and approved this Notification and they collectively and individually accept full responsibility for the accuracy of the information given in this Notification and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement in this Notification false or misleading.

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YOU ARE ADVISED NOT TO TAKE ANY ACTION WHICH MAY BE PREJUDICIAL TO YOUR INTERESTS AND TO READ THE OFFER DOCUMENT AND THE INDEPENDENT ADVICE CIRCULAR CAREFULLY BEFORE TAKING ANY ACTION(S) IN RELATION TO THE OFFER.

Yours faithfully,

For and on behalf of the Board of
KLK SAWIT NUSANTARA BERHAD

RAJA HAMZAH ABIDIN BIN RAJA NONG CHIK
Independent Non-Executive Director

**NOTICE OF THE UNCONDITIONAL VOLUNTARY TAKE-OVER OFFER
DATED 5 FEBRUARY 2024 FROM RHB INVESTMENT BANK,
ON BEHALF OF THE OFFEROR**



5 February 2024

The Board of Directors
KLK SAWIT NUSANTARA BERHAD
Wisma Taiko
No. 1, Jalan S.P. Seenivasagam
30000 Ipoh
Perak Darul Ridzuan
Malaysia

Dear Sir/Madam,

NOTICE OF UNCONDITIONAL VOLUNTARY TAKE-OVER OFFER ("NOTICE")

1. INTRODUCTION

- 1.1 On behalf of Kuala Lumpur Kepong Berhad ("**KLK**" or the "**Offeror**"), RHB Investment Bank Berhad ("**RHB Investment Bank**") wishes to inform that the Offeror intends to undertake an unconditional voluntary take-over offer to acquire all the remaining ordinary shares in KLK Sawit Nusantara Berhad ("**KSN**" or the "**Offeree**") ("**Shares**") not already held by the Offeror ("**Offer Shares**") at a cash consideration of RM3.42 per Offer Share ("**Offer Price**") ("**Offer**").
- 1.2 As at 31 January 2024, being the latest practicable date prior to the date of this Notice ("**LPD**"), KSN has an issued share capital of RM922,530,518 comprising 880,580,460 Shares, of which the Offeror holds 840,342,299 Shares, representing approximately 95.43% equity interest in the Offeree.
- 1.3 There is no ultimate offeror for the Offer. As at the LPD, there are no persons acting in concert with the Offeror ("**PACs**") pursuant to Section 216 of the Capital Markets and Services Act 2007 ("**CMSA**") that hold Shares.
- 1.4 As at the date of this Notice, Citadel Multi-Asset Master Fund Ltd ("**Citadel**"), who holds 36,380,100 Shares, representing approximately 4.13% equity interest in the Offeree, had provided an irrevocable undertaking to the Offeror to accept or procure the acceptance of the Offer in respect of all the 36,380,100 Shares ("**Citadel Undertaking**").

2. THE OFFER

- 2.1 On behalf of the Offeror, we, RHB Investment Bank, hereby serves this Notice on the Board of Directors of KSN in accordance with Paragraph 9.10(1)(b)(i) of the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia ("**SC**") ("**Rules**") to make an Offer to acquire the Offer Shares at the Offer Price.
- 2.2 The Offer will be made to each holder of the Offer Shares ("**Holder(s)**"), upon the terms and subject to the conditions of the Offer as set out in Section 4 of this Notice and in a document outlining the terms and conditions of the Offer ("**Offer Document**").

RHB Investment Bank Berhad Reg.197401002639 (19663-P)
(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

Corporate Finance

Level 12, Tower Three, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

Tel +603 9287 3888 Fax +603 9287 2233/3355 www.rhbgroup.com

Together We Progress

- 2.3 To accept the Offer, the Holders should refer to the procedures for acceptance which will be set out in the Offer Document, together with the accompanying form of acceptance and transfer of the Offer Shares ("**Form of Acceptance and Transfer**"), which will be posted in due course. The Offer Document will be posted in accordance with Section 4.3 of this Notice.

3. INFORMATION ON THE OFFEROR

- 3.1 KLK was incorporated in Malaysia on 6 July 1973 under the Companies Act 1965 as a private limited company under the name of Kuala Lumpur Kepong Sendirian Berhad and is deemed registered under the Companies Act 2016 ("**Act**"). On 21 August 1973, it was converted into a public limited company and assumed the name of Kuala Lumpur Kepong Berhad. The shares in KLK ("**KLK Shares**") were listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**") on 6 February 1974.
- 3.2 The principal activities of KLK are production and processing of palm products and natural rubber on its plantations and through its subsidiaries, it is involved in plantation, manufacturing, property development and investment holding.
- 3.3 As at the LPD, the issued share capital of KLK is RM1,382,682,448 comprising 1,081,017,785 KLK Shares (including 2,581,799 treasury shares) in issue.
- 3.4 As at the LPD, the directors of KLK are R. M. Alias, Tan Sri Dato' Seri Lee Oi Hian, Dato' Lee Hau Hian, Dato' Yeoh Eng Khoo, Quah Poh Keat, Anne Rodrigues, Lee Jia Zhang, Cheryl Khor Hui Peng and Tan Sri Shahril Ridza bin Ridzuan.
- 3.5 As at the LPD, the substantial shareholders of KLK and their respective shareholdings in KLK are as follows:

Name	Direct		Indirect	
	Number of KLK Shares	(1)%	Number of KLK Shares	(1)%
Batu Kawan Berhad	514,616,727	47.72	-	-
Employees Provident Fund Board	⁽²⁾ 116,558,904	10.81	-	-
Wan Hin Investments Sdn Berhad	455,430	0.04	⁽³⁾ 514,616,727	47.72
Tan Sri Dato' Seri Lee Oi Hian	151,112	0.01	⁽⁴⁾ 515,223,496	47.78
Dato' Lee Hau Hian	84,536	0.01	⁽⁵⁾ 515,094,496	47.76
Arusha Enterprise Sdn Bhd	-	-	⁽⁶⁾ 514,616,727	47.72
Grateful Blessings Foundation	-	-	⁽⁷⁾ 515,094,496	47.76
Grateful Blessings Inc	-	-	⁽⁸⁾ 515,094,496	47.76
Di-Yi Sdn Bhd	22,339	*	⁽⁹⁾ 515,072,157	47.76
High Quest Anstalt	-	-	⁽¹⁰⁾ 515,094,496	47.76
Cubic Crystal Corporation	-	-	⁽¹¹⁾ 515,094,496	47.76
High Quest Holdings Sdn Bhd	22,339	*	⁽⁹⁾ 515,072,157	47.76

Notes:

- * Negligible.
- (1) Based on the issued shares of KLK of 1,078,435,986 shares (excluding 2,581,799 treasury shares) as at the LPD.
- (2) Inclusive of those held through Citigroup Nominees (Tempatan) Sdn Bhd and based on notice received as at the LPD.
- (3) Deemed interest by virtue of Section 8(4) of the Act through Arusha Enterprise Sdn Bhd.

- (4) Deemed interest in the KLK Shares held by his child, and by virtue of Section 8(4) of the Act through Grateful Blessings Foundation. Nevertheless, he does not have any economic or beneficial interest in the KLK Shares as his deemed interest is held via the interest of his family members as discretionary beneficiaries of Grateful Blessings Foundation (which said family members' interest is held subject to the discretion of Grateful Blessings Foundation Council).
- (5) Deemed interest by virtue of Section 8(4) of the Act through High Quest Anstalt.
- (6) Deemed interest by virtue of Section 8(4) of the Act through Batu Kawan Berhad.
- (7) Deemed interest by virtue of Section 8(4) of the Act through Grateful Blessings Inc.
- (8) Deemed interest by virtue of Section 8(4) of the Act through Di-Yi Sdn Bhd.
- (9) Deemed interest by virtue of Section 8(4) of the Act through Wan Hin Investments Sdn Berhad.
- (10) Deemed interest by virtue of Section 8(4) of the Act through Cubic Crystal Corporation.
- (11) Deemed interest by virtue of Section 8(4) of the Act through High Quest Holdings Sdn Bhd.

4. TERMS AND CONDITIONS OF THE OFFER

The principal terms and conditions of the Offer, unless otherwise directed or permitted to be varied by the SC, are as follows:

4.1 Consideration for the Offer

The Offeror will pay to the Holders who accept the Offer ("**Accepting Holder**") a cash consideration of RM3.42 for each Offer Share. The Offer Price will be satisfied entirely in cash in accordance with the method of settlement as set out in the Section 4.8 of this Notice.

If the Offeree declares, makes or pays any dividend and/or other distribution ("**Distribution**") to its shareholders on or after the date of this Notice but prior to the Closing Date (as defined in Section 4.5(i) of this Notice) in respect of any Offer Shares, and the Holders are entitled to retain such Distribution, the Offer Price will be reduced by the amount equivalent to the net Distribution for each Offer Share which such Holders are entitled to retain. For the avoidance of doubt, no adjustment shall be made to the Offer Price in the event the entitlement date for the Distribution is after the Closing Date.

As at the date of this Notice, the Offeror is not aware of any Distribution in respect of any Offer Share which has been declared by the Offeree that is payable on or after the date of this Notice.

Holders may accept the Offer in respect of either all or a part of the Offer Shares. Holders may not accept the Offer in excess of their respective holdings of the Offer Shares. The Offeror will not pay fractions of a sen to an Accepting Holder. Hence, where applicable, the cash consideration payable to the Accepting Holder pursuant to a valid acceptance of the Offer will be rounded down to the nearest whole sen.

The Offeror has not acquired any Shares at a price (excluding stamp duty and commission) higher than the Offer Price during the 3-month period prior to the commencement of the offer period and up to the LPD. In this regard, the Offer Price complies with Paragraph 6.03(2) of the Rules.

The Offer Price was arrived at after taking into consideration the following:

- (i) a premium of RM0.32 or approximately 10.3% to the previous offer price of RM3.10 per Share for the unconditional mandatory take-over offer undertaken by KLK on 30 August 2021 to acquire all the remaining Shares not already held by KLK for a cash consideration of RM3.10 per Share ("**Previous Offer**");
- (ii) a premium of RM1.38 or approximately 67.6% to the latest audited consolidated net assets of KSN as at 30 September 2023 of RM2.04 per Share; and
- (iii) the price-to-book multiple ("**P/B Multiple**") and enterprise value over planted area multiple ("**EV/Planted Area Multiple**") of public companies listed on the Main Market of Bursa Securities that are predominantly involved in oil palm plantation business (collectively, the "**Comparable Companies**") and are selected based on the following criteria:
 - (a) market capitalisation of between RM1.0 billion and RM3.0 billion; and
 - (b) planted area for oil palm of below 100,000 hectares ("**Ha**") after taking into consideration the planted area of KSN and its subsidiaries of 60,571 Ha as at 30 September 2023,

as set out below:

Comparable Companies	Market capitalisation (RM'000)	P/B Multiple (times)	EV/Planted Area Multiple (RM per Ha)
Sarawak Oil Palms Berhad	2,457,293	0.8	25,055
Far East Holdings Berhad	2,137,817	1.6	108,831
Kim Loong Resources Berhad	1,985,366	2.4	121,030
Ta Ann Holdings Berhad	1,625,304	0.9	31,525
Hap Seng Plantations Holdings Berhad	1,463,424	0.8	37,213
TSH Resources Berhad	1,407,777	0.7	46,630
Kretam Holdings Berhad	1,382,733	1.7	66,336
United Malacca Berhad	1,044,651	0.7	58,845
BLD Plantation Bhd	1,021,020	1.4	23,918
High		2.4	121,030
Low		0.7	23,918
Average		1.2	57,709
Offer Price		1.7	48,074

(Source: Bloomberg and the latest annual reports of the Comparable Companies as at the LPD)

Based on the above, the Offer Price represents:

- (i) an implied P/B Multiple of approximately 1.7 times based on the latest audited consolidated net assets per Share as at 30 September 2023 of RM2.04, which is higher than the average P/B Multiple of the Comparable Companies as at the LPD of 1.2 times; and
- (ii) an implied EV/Planted Area Multiple of RM48,074 per Ha based on the planted area of KSN and its subsidiaries of 60,571 Ha, which is within the range of the EV/Planted Area Multiple of the Comparable Companies as at the LPD of RM23,918 per Ha and RM121,030 per Ha.

4.2 Condition of the Offer

The Offer is **not conditional** upon any minimum level of acceptances of the Offer Shares as the Offeror already holds more than 50% of the voting shares in the Offeree. As at the LPD, the Offeror holds 840,342,299 Shares, representing approximately 95.43% equity interest in the Offeree.

4.3 Despatch of the Offer Document

The Offer will be made in conjunction with the posting of the Offer Document to all the Holders within 21 days from the date of this Notice, or any extended time period as may be approved or permitted by the SC. We, on behalf of the Offeror, will make an application to the SC if the posting of the Offer Document is expected to be deferred beyond the requisite 21 days.

Subject to Section 4.11(i) of this Notice, the Offeror will post the Offer Document to the Board of Directors of the Offeree and the Holders whose names appear in the record of depositors of the Offeree as at 5.00 p.m. (Malaysian time) on the latest practicable date prior to the date of the posting of the Offer Document ("**Posting Date**").

4.4 Warranties

The Offeror will acquire the Offer Shares based on the acceptance of the Offer by a Holder which is deemed by the Offeror as valid and complete in all respects in accordance with the terms and conditions of the Offer Document. Such acceptance will be deemed to constitute an irrevocable and unconditional warranty by the Accepting Holder that the Offer Shares, to which such acceptance relates, are sold:

- (i) free from any moratorium, claim, charge, mortgage, lien, pledge, encumbrance, option, power of sale, hypothecation, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing from the date of the valid acceptance; and
- (ii) with all rights, benefits and entitlements attached thereto, including the right to all Distributions declared, made or paid on or after the date of this Notice, subject to the adjustments set out in Section 4.1 of this Notice.

4.5 Duration of the Offer

(i) Duration

The Offer will remain open for acceptances until 5.00 p.m. (Malaysian time) on the 21st day after the Posting Date, or such later date(s) as the Offeror may decide ("**Closing Date**"), unless the Offeror withdraws the Offer with the SC's prior written consent and in such event, every person will be released from any obligation incurred under the Offer.

(ii) Competing Offer

Where a competing take-over offer is made any time between the Posting Date and the Closing Date, the Posting Date will be deemed to be the date the offer document of the competing take-over offer was posted.

(iii) Revision of the Offer

If the Offer is revised after the Posting Date, written notification of the revised Offer will be posted to the Holders accordingly and the revised Offer will remain open for acceptances for a period of at least 14 days from the date of posting of the written notification of the revision to the Holders. Where any of the terms of the Offer are revised, the benefits of the revised terms of the Offer will be made available to Holders who have previously accepted the Offer.

The Offeror shall not revise the Offer after the 46th day from the Posting Date or, if applicable, the date of the offer document of the competing take-over offer was posted, whichever is later.

(iv) Extension of the Offer

Any extension of the period for acceptance of the Offer by the Offeror will be announced by us, on behalf of the Offeror, at least two (2) days before the Closing Date. Such announcement will state the next closing date of the Offer and notice of such extension will be posted to the Holders accordingly.

(v) Closing of the Offer

As the Offer is not conditional upon any minimum level of acceptances, the Closing Date will be no later than the 60th day from the Posting Date.

The Offer will be deemed to be closed before the Closing Date if the Offeror has received acceptances for all the Offer Shares and they have made an announcement in accordance with Section 4.9(i) of this Notice.

4.6 Rights of withdrawal by an Accepting Holder

- (i) All valid acceptances of the Offer by an Accepting Holder shall be irrevocable as the Offer is not conditional upon any minimum level of acceptances of the Offer Shares. However, an Accepting Holder is entitled to withdraw his acceptance immediately if the Offeror fails to comply with any of the requirements set out in Section 4.9(i) of this Notice by the close of trading on Bursa Securities on the market day following the day on which the Offer is due to close or is revised or extended, as the case may be.
- (ii) Notwithstanding Section 4.6(i) of this Notice, the SC may terminate the above right of withdrawal not less than eight (8) days from the date on which the Offeror has complied with the requirements set out in Section 4.9(i) of this Notice.
- (iii) However, the right of any Accepting Holder who has already withdrawn his acceptance under Section 4.6(i) of this Notice will not be prejudiced by the termination of such right of withdrawal by the SC under Section 4.6(ii) of this Notice.

4.7 Withdrawal of Offer by the Offeror

The Offeror shall not withdraw the Offer without the prior written consent of the SC.

4.8 Method of settlement

Except with the consent of the SC and save for the Offeror's right to reduce the Offer Price as set out in Section 4.1 of this Notice, the Offeror will settle the consideration for the Offer in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counter-claim or other analogous rights to which the Offeror may otherwise be or claim to be entitled against the Accepting Holder. This, however, is without prejudice to the Offeror's right to make any claim against the Accepting Holder after such full settlement in respect of a breach of any of the warranties set out in Section 4.4 of this Notice.

If the Offeror deems the acceptances of the Offer as valid and complete in all respects in accordance with the terms and conditions set out in the Offer Document, the settlement for the acceptance of the Offer will be effected through:

- (i) remittance into the Accepting Holders' bank account, details of which have been registered with Bursa Malaysia Depository Sdn Bhd ("**Bursa Depository**") for the purpose of cash dividend or distribution; or
- (ii) if the Accepting Holders have not registered such details with Bursa Depository prior to the date of such valid acceptances, through remittance in the form of cheque, banker's draft or cashier's order which will be despatched by ordinary mail to the Accepting Holders (or their designated agents, as they may direct) at their registered Malaysian address last maintained with Bursa Depository, at their own risk,

within ten (10) days from the date of such valid acceptances or such other period as may be allowed by the SC.

Accepting Holders are advised to register and/or update their bank account details with Bursa Depository through their stockbroker in order to receive the consideration for the Offer in their bank account.

Non-resident Holders are advised that the settlement for the acceptance of the Offer will be made in Ringgit Malaysia. Non-resident Holders who wish to convert the consideration received into foreign currency for repatriation may do so after payment of the appropriate fee and/or charges as levied by their respective financial institutions.

4.9 Announcement of acceptances

- (i) The Offeror will inform the SC in writing and announce on Bursa Securities, or by way of press notice, where relevant, of the following information before 9.00 a.m. (Malaysian time) on the market day following the day on which the Offer is due to close, or is revised or extended:
 - (a) the status of the Offer, that is, as to whether the Offer is closed, revised or extended; and
 - (b) the total number of Offer Shares:
 - (1) for which valid acceptances of the Offer have been received after the Posting Date;

- (2) held by the Offeror as at the Posting Date; and
- (3) acquired or agreed to be acquired by the Offeror during the offer period but after the Posting Date,

and specifying the percentage of total number of Shares represented by these numbers.

- (ii) In computing the acceptances of the Offer Shares for announcement purposes, the Offeror may include or exclude acceptances which are not in order in all respects or which are subject to verification.
- (iii) References to the making of an announcement or the giving of notice by the Offeror include the following:
 - (a) the release of an announcement to the press by us, the Offeror or the Offeror's advertising agent to the press; and/or
 - (b) the release of an announcement to Bursa Securities.
- (iv) An announcement made otherwise than to Bursa Securities will be notified simultaneously to Bursa Securities, if applicable.

4.10 Purchases of the Offer Shares

If the Offeror or the PACs purchase or agree to purchase any of the Offer Shares during the offer period at a consideration that is higher than the Offer Price, the Offeror must increase the cash consideration for the Offer to an amount not less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by the Offeror or the PACs for the Offer Shares during the offer period.

In the event the Offeror increases the consideration for the Offer, Holders will be entitled to receive the revised consideration that is to be paid or provided for the acceptance of the Offer if such Holders have accepted the Offer prior to the revision in the Offer Price.

4.11 General

- (i) All communications, notices, documents and if applicable, payments in the form of cheque, banker's draft or cashier's order, to be delivered or sent to the Holders or their designated agents will be sent by ordinary mail to the Holders' registered Malaysian address last maintained with Bursa Depository at their own risk. Non-resident Holders with no registered Malaysian addresses maintained with Bursa Depository who wish to receive communications, notices, documents and payments in relation to the Offer should ensure that they have their foreign mailing addresses changed to a registered Malaysian address. In any event, the Offer Document will be made available on the website of Bursa Securities at www.bursamalaysia.com upon issuance.
- (ii) Unless the contrary is proven, the delivery of the communication, notice, document or if applicable, payment in the form of cheque, banker's draft or cashier's order, will be presumed to be effected by properly addressing, prepaying and posting by ordinary mail the communication, notice, document or payment and such delivery will be presumed to have been effected at the time when the communication, notice, document or payment would have been delivered in the ordinary course of the mail.

- (iii) The Offer and all acceptances received pursuant to the Offer will be construed under and governed by the laws of Malaysia. The Offeror and the Holders shall submit to the exclusive jurisdiction of the courts of Malaysia in respect of any proceedings brought in relation to the Offer.
- (iv) Holders may accept the Offer in respect of either all or a part of their Offer Shares. However, the Holders' acceptances must not exceed their total holding of the Offer Shares, failing which the Offeror has the right to treat such acceptances as invalid. Nevertheless, the Offeror also reserves the right to treat the Holders' acceptances exceeding their total holding of the Offer Shares as valid for and to the extent of their total holding of the Offer Shares.
- (v) The Form of Acceptance and Transfer accompanying the Offer Document will contain the following:
 - (a) provisions for the acceptance of the Offer and the transfer of the Offer Shares to the Offeror or its appointed nominees (if any);
 - (b) instructions to complete the Form of Acceptance and Transfer; and
 - (c) other matters incidental to the acceptance of the Offer and the transfer of the Offer Shares to the Offeror or its appointed nominees (if any).

No acknowledgement of the receipt of the Form of Acceptance and Transfer will be issued.

- (vi) The Offeror will bear all costs and expenses of or incidental to the preparation and posting of the Offer Document (other than professional fees and other costs relating to the Offer incurred by the Offeree). The Offeror will also bear Malaysian stamp duty and Malaysian transfer fees, if any, resulting from valid acceptances of the Offer. Accepting Holders, will however, bear all costs and expenses incidental to the acceptance of the Offer (including taxes) such as handling fee for online acceptances and postage fee, if any. For the avoidance of doubt, the Offeror will not bear the payment of any and all transfer fees, taxes, duties, costs, expenses or other requisite payments due in any jurisdiction outside Malaysia or the payment of any levy for the repatriation of capital or income tax.
- (vii) The accidental omission to post the Offer Document and the Form of Acceptance and Transfer to any Holder will not invalidate the Offer in any way.

5. RATIONALE FOR THE OFFER

5.1 Non-tradeability of the Shares following from the Offeree's delisting from the Official List of Bursa Securities ("Official List")

Following the close of the Previous Offer on 18 November 2021, KLK held 835,574,615 Shares, representing approximately 94.89% equity interest in the Offeree. KLK further acquired 3,241,198 Shares, representing 0.37% equity interest in the Offeree pursuant to Section 223 of the CMSA. On 21 February 2022, being the closing date for the dissenting shareholders to exercise their rights under Section 223 of the CMSA, KLK held a total of 839,345,538 Shares, representing 95.32% equity interest in the Offeree.

The Offeree was delisted from the Official List and the Shares were no longer traded on the Main Market of Bursa Securities with effect from 6 December 2021.

5.2 Opportunity for the Holders to exit and realise their investment in the Shares at a premium to the offer price of the Previous Offer

The Offer provides an opportunity for the Holders to realise their investment in the Shares rather than continue to hold unlisted Shares. The Offer Price of RM3.42 represents a premium of approximately 10.3% to the offer price of RM3.10 under the Previous Offer.

6. LISTING STATUS OF THE OFFEREE, COMPULSORY ACQUISITION AND RIGHTS OF DISSENTING SHAREHOLDERS

6.1 Listing status of the Offeree

The Offeree was delisted from the Official List on 6 December 2021 following the Previous Offer.

6.2 Compulsory acquisition

- (i) Section 222(1) of the CMSA provides that, where an offeror:
- (a) has made a take-over offer for all the shares or all the shares in any particular class in an offeree; and
 - (b) has received acceptances of not less than 9/10 in the nominal value of the offer shares,

the offeror may, within four (4) months of the date of the take-over offer, acquire the remaining shares or remaining shares in any particular class in the offeree, by issuing a notice in the form or manner specified by the SC to such effect, to all dissenting shareholders provided that the notice:

- (a) is issued within two (2) months from the date of achieving the conditions under Sections 222(1)(a) and 222(1)(b) of the CMSA; and
 - (b) is accompanied by a copy of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied.
- (ii) For the purpose of Section 222(1)(b) of the CMSA, the acceptances shall not include shares already held at the date of the take-over offer by the offeror and persons acting in concert.
- (iii) Following the acceptance by Citadel of the Offer in respect of all the 36,380,100 Shares it holds, the Offeror will receive valid acceptance of not less than 9/10 in the nominal value of the Shares (excluding Shares already held by the Offeror as at the date of the Offer) on or before the Closing Date, and **the Offeror will invoke the provisions of Section 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares from the Holders who have not accepted the Offer and/or failed or refused to transfer their Offer Shares in accordance with the terms and conditions of the Offer Document ('Dissenting Shareholder(s)').** All the Offer Shares that are compulsorily acquired will, subject to Section 224(1) of the CMSA, be acquired on the same terms as set out in the Offer Document and in accordance with Section 222(1) of the CMSA.

- (iv) Under Section 222(6) of the CMSA, if the Offeror acquires or contracts to acquire any Offer Shares, otherwise than by virtue of acceptances of the Offer, during the period within which the Offer can be accepted, then the Offeror will be treated, for the purposes of Section 222 of the CMSA, as having acquired or contracted to acquire those Offer Shares by virtue of acceptances of the Offer provided that:
 - (a) the consideration of such Offer Shares does not at the time when they are acquired or contracted to be acquired exceed the Offer Price; or
 - (b) the terms of the Offer are subsequently revised so that when the revision is announced, the consideration of such Offer Shares no longer exceeds the revised Offer Price.

6.3 Rights of Dissenting Shareholders

- (i) Notwithstanding the above, if the Offeror receives valid acceptances from the Holders resulting in the Offeror and the PACs holding not less than 9/10 in the value of all the Shares (including the Shares that are already held by the Offeror and the PACs as at the date of the Offer) on or before the Closing Date, a Dissenting Shareholder may exercise his/her rights under Section 223(1) of the CMSA, by serving a notice on the Offeror to require the Offeror to acquire his/her Shares on the same terms as set out in the Offer Document or such other terms as may be agreed between the Offeror and the Dissenting Shareholder concerned.
- (ii) If a Dissenting Shareholder exercises his/her rights under the provisions of Section 223(1) of the CMSA, the Offeror will acquire such Shares in accordance with the provisions of the CMSA, subject to Section 224 of the CMSA. In accordance with Section 224(3) of the CMSA, when a Dissenting Shareholder exercises his/her rights under Section 223(1) of the CMSA, the court may, on an application made by such Dissenting Shareholder or by the Offeror, order that the terms on which the Offeror shall acquire such Shares shall be as the court thinks fit.
- (iii) Notwithstanding the above, pursuant to Section 224(1) of the CMSA, where a notice is given under Section 222(1) of the CMSA, the court may, on an application made by any Dissenting Shareholder within one (1) month from the date on which the notice was given by the Offeror, order that the Offeror shall not be entitled and shall not be bound to acquire the Shares of such Dissenting Shareholder or specify terms of acquisition that are different from the terms of the Offer.
- (iv) Section 223(2) of the CMSA requires the Offeror to give the Dissenting Shareholders a notice in the manner specified by the SC of the rights exercisable by the Dissenting Shareholders under Section 223(1) of the CMSA, within one (1) month of the time of the Offeror receiving valid acceptances from the Holders resulting in the Offeror and the PACs holding not less than 9/10 in the value of all the Shares (including the Shares already held by the Offeror and the PACs).
- (v) A notice to the Dissenting Shareholders under Section 223(2) of the CMSA may specify the period for the exercise of the rights of the Dissenting Shareholders and in any event, such period shall not be less than three (3) months after the Closing Date.

7. DISCLOSURE OF INTEREST IN THE OFFEREE

In accordance with Paragraphs 9.10(3)(d) and 9.10(3)(e) of the Rules, the Offeror hereby discloses that:

- (a) as at the date of this Notice, the shareholding of the Offeror in the Offeree are as follows:

Name	Direct		Indirect	
	Number of Shares	(1)%	Number of Shares	(1)%
<u>Offeror</u>				
KLK	840,342,299	95.43	-	-

Note:

- (1) Based on the issued shares of KSN of 880,580,460 Shares as at the date of this Notice. As at the date of this Notice, KSN does not have any treasury shares.
- (b) as at the date of this Notice, there are no PACs that hold Shares;
- (c) as at the date of this Notice, save for the Citadel Undertaking, the Offeror and PACs have not received any irrevocable undertaking from any Holder to accept the Offer;
- (d) as at the date of this Notice, the Offeror and PACs has not entered into, or been granted, any option to acquire the Offer Shares; and
- (e) as at the date of this Notice, there is no existing or proposed agreement, arrangement or understanding in relation to the Offer Shares between the Offeror or PACs and any other Holder.

8. FINANCIAL RESOURCES

The Offeror confirms that it has sufficient financial resources to satisfy full acceptance of the Offer. The Offeror also confirms that the Offer will not fail due to insufficient financial capability, and that every Holder who wishes to accept the Offer will be paid fully in cash.

RHB Investment Bank, as the Principal Adviser to the Offeror for the Offer, confirms that the Offeror has sufficient financial resources to satisfy full acceptance of the Offer. RHB Investment Bank also confirms that the Offer will not fail due to insufficient financial capability of the Offeror, and that every Holder who wishes to accept the Offer will be paid fully in cash.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Offeror has reviewed and approved the issuance of this Notice. It jointly and severally accepts full responsibility for the accuracy of the information contained in this Notice and confirms that, after having made all reasonable inquiries, to the best of its knowledge, opinions expressed in this Notice have been arrived at after due and careful consideration and there are no other facts not contained in this Notice, the omission of which would make any statement in this Notice misleading.



10. PUBLIC RELEASE

In accordance with the provisions of the Rules, copies of this Notice will be released to the press and forwarded to the SC and Bursa Securities for public release.

We would be grateful if you could acknowledge the receipt of this Notice by signing and returning to us the duplicate of this Notice.

Yours faithfully,
For and on behalf of
RHB INVESTMENT BANK BERHAD

JAIMIE SIA
Executive Director
Head, Group Capital Markets & Advisory

TOMMY HAR
Director
Head, Corporate Finance

c.c. **Kuala Lumpur Kepong Berhad**
Attention: Tan Sri Dato' Seri Lee Oi Hian (Chief Executive Officer)



To: RHB INVESTMENT BANK BERHAD

NOTICE OF UNCONDITIONAL VOLUNTARY TAKE-OVER OFFER

We, KLK Sawit Nusantara Berhad, acknowledge the receipt of this Notice of Unconditional Voluntary Take-Over Offer dated 5 February 2024.

For and on behalf of the Board of Directors of **KLK Sawit Nusantara Berhad**

Authorised signatory : 
Name : CHANG POOI YEE
Designation : COMPANY SECRETARY
Date : 5 FEB 2024