

KNM GROUP BERHAD (521348-H)

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To Shareholders of KNM Group Berhad

Dear Sir/Madam,

RE: KNM GROUP BERHAD

ERRATA IN RESPECT OF THE 4TH QUARTER FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

We refer to the Company's 4th Quarter Financial Report for the financial period ended 31 December 2013, which was submitted to Bursa Malaysia Securities Berhad on 28 February 2014.

We wish to inform that there is a correction made to Condensed Consolidated Statement of Comprehensive Income for the financial period ended 31 December 2013.

The detail of the amendment is as follow:

Condensed Consolidated Statement of Comprehensive Income

There was a typo error in financing costs.

| | Cumulative Period to date | | |
|--|---|--|---|
| Contract revenue | As per announcement 31.12.2013 RM'000 1,985,226 | As per amendment 31.12.2013 RM'000 1,985,226 | Changes made 31.12.2013 RM'000 |
| Operating profit | 100,744 | 100,744 | - |
| Financing costs Interest income Negative goodwill/(Goodwill) Share of profit/ (loss) of equity accounted investees, net of tax | (214,328) 2,700 - (3,513) | (54,175) 2,700 - (3,513) | 160,153 - - - |
| Profit before tax Tax expense | 45,756 (25,455) | 45,756 (25,455) | - |
| Net profit for the period/year | 20,301 | 20,301 | - |

Cumulative Period to date

| | As per announcement 31.12.2013 RM'000 | As per amendment 31.12.2013 RM'000 | Changes made 31.12.2013 RM'000 |
|--|--|---|---|
| Foreign currency translation differences | 166,368 | 166,368 | - |
| Net investment in subsidiaries | 46,451 | 46,451 | - |
| Cash Flow hedge Share of other comprehensive income of equity | 2,157 | 2,157 | - |
| accounted investee Fair value of available-for-sale financial assets | 497 - | 497 - | - - |
| Other comprehensive income/ (loss) for the period/year, net of tax | 215,473 | 215,473 | 4 |
| Total comprehensive income for the period/year | 235,774 | 235,774 | - |

The amendment has NO IMPACT to the results of the statements of comprehensive income and statement of financial position.

Any inconvenience caused is much regretted.

Thank you.

Yours faithfully,

For KNM Group Berhad

Tan Koon Ping

Group Finance Director/CFO