

General Announcement

Reference No EH-090527-67096

Company Name : EMICO HOLDINGS BERHAD

Stock Name : EMICO

Date Announced : 27/05/2009

Type : Reply to query

Reply to Bursa Malaysia's Query Letter - Reference ID : NE-090526-43495

Subject : EMICO HOLDINGS BERHAD

- REDEEMABLE SECURED LOAN STOCKS OF AN AGGREGATE
NOMINAL VALUE OF RM84,000,100 ("RSLs") - EXTENSION OF TIME

Contents : We refer to above and Bursa's letter dated 27 May 2009 and wish to
furnish herewith the following additional information for public release:-

1. The following are the due date for the extension of time to redeem the RSLs:-
 - (i) By 31 July 2009 - to redeem RSLs amounted to RM900,000
 - (ii) By 22 May 2010 - to redeem RSLs amounted to RM2,565,000
 - (iii) By 31 Dec 2010 - to redeem RSLs amounted to RM33,147,000

2. The total duration for the extension of tenure of the RSLs is 19 months from 22
May 2009 to 31 Dec 2010.

3. We are expected to make a submission of the application for extension of time
and tenure of RSLs to Securities Commission and the relevant authorities within

3 months time.

4. All the assets identified for disposal under Schedule B are currently idle and non operative assets. The total disposal proceeds based on the indicative disposal value is expected to generate a gain on disposal amounted to approximately RM23 Million. The disposal of these assets are not expected to have an operational impact on Emico Group.

5. The basis in arriving at the indicative disposal value are based on Director's verbal confirmation from valuer and the current market value. As requested by the RSLs Holders, we have appointed Messrs Rahim & Co on 22 May 2009 to carried out a Professional valuation on all the assets identified for disposal under Schedule B and these values shall be the new indicative disposal value.

6. The Net Book Value of the Identified Assets based on the latest audited financial statements as at 31 Dec 2008 are attached herewith.

7. We have yet to appoint the Monitoring Accountant and the role of Monitoring Accountant are disclosed herewith under schedule named "Scope of Work"

Query Letter

content :

Attachments : [SCHEDULE B- GAIN AND LOSS.doc](#)

[SCOPE OF WORK.doc](#)

EMICO HOLDINGS BERHAD

SCOPE OF WORK OF THE MONITORING ACCOUNTANT

- 1) Review of all disbursements made and determine the propriety of such payments and that they are for the purpose of the principal activities of the Group and in accordance with the terms of the debts restructuring scheme;
- 2) Verification that all receipts are properly deposited into the designated accounts set up or to be set up (i.e SINKING FUND ACCOUNT)
- 3) Monitor the scheduled payments of coupons as well as the redemption or conversion of RSLs and ICSSs respectively in accordance with the term of the debts restructuring scheme.
- 4) Monitor the progress of the disposal of assets forming part of the terms of the restructuring exercise to ensure that the scheduled timeframes and other requirements are adhered to;
- 5) Reporting on a high-level basis to Scheme lenders on the Group's financial performance, in particular, its ability to meet its operating expenses and financial obligations;
- 6) Reporting to scheme lenders on significant events of the group including but not limited specifically to legal suits taken by and against the Group and disposal or relocation of the Group's assets.
- 7) To conduct periodic visits to the Group's premises; and
- 8) Prepare ad-hoc report on significant matters that will impact the Scheme Lender's position as and when arises to enable the Scheme Lenders to take any necessary immediate action to safeguard its position.

SCHEDULE B
ASSETS IDENTIFIED FOR DISPOSAL

Company	Description	Indicative Disposal Value (RM)	Net Book Value@ 31/12/08 (RM)	Gain/(loss) on disposal (RM)
Emico Asia Sdn. Bhd.	2 parcels of land known as Geran 87069 & 87070 measuring approximately 3109 sq meters each situated in Daerah Kuala Muda, Bandar Sg. Petani, Kedah	2,700,000	1,388,000	1,312,000
Emico Development Sdn. Bhd.	386,082 sq ft of vacant commercial land in Taman Batik designated for halal hub project valued at RM18 per sq ft	6,949,000	499,903	6,449,097
Emico Holdings Berhad	Land for shopping complex known as Geran 84502 measuring approximately 14331 sq meters in Daerah Kuala Muda, Bandar Sg. Petani, Kedah	2,700,000	2,800,000	(100,000)
Operasi Tembaga Sdn. Bhd.	80% shares in PKB Operasi Tembaga Sdn. Bhd. which has a mixed development project at Lot No. H.S. (M) 156-96, Mukim Kuah, Daerah Langkawi, Kedah measuring approximately 36.5 acres	10,000,000	5,380,505	4,619,495
Emico Development Sdn. Bhd	852,687 sq ft Taman Batik vacant land designated for for houses at RM8 per sq ft without subdivision of individual titles	6,821,000	1,717,334	5,103,666
Emico Development Sdn. Bhd.	32 units of Taman Batik vacant shoptlot land at RM40,000 per unit	1,280,000	150,673	1,129,327

	totalling approximately 44,800 sq ft			
Emico Development Sdn. Bhd.	259 units Taman Mutiara land meant for terrace houses at RM25,000 per unit totalling approximately 362,600 sq ft	6,475,000	1,537,946	4,937,054
Northern Elevator Berhad	Office Unit - Unit M/0/04/02, Harbour Trade Centre, Lebuhr Macallum, Penang	to be determined	231,292	to be determined
TOTAL		36,925,000	13,705,653	23,219,347