

**OTHERS PUNCAK NIAGA HOLDINGS BERHAD (416087-U) ("PUNCAK" OR THE "COMPANY") PROPOSED DISPOSAL OF 83.99% OF EQUITY INTEREST IN LUANCHENG DAYU WATER SUPPLY CO. LTD, A SUB-SUBSIDIARY OF THE COMPANY TO LUANCHENG COUNTY WATER SUPPLY STATION ("THE PURCHASER") FOR A CASH CONSIDERATION OF RMB200,000.00**

PUNCAK NIAGA HOLDINGS BERHAD

Type	Announcement
Subject	OTHERS
Description	PUNCAK NIAGA HOLDINGS BERHAD (416087-U) ("PUNCAK" OR THE "COMPANY") PROPOSED DISPOSAL OF 83.99% OF EQUITY INTEREST IN LUANCHENG DAYU WATER SUPPLY CO. LTD, A SUB-SUBSIDIARY OF THE COMPANY TO LUANCHENG COUNTY WATER SUPPLY STATION ("THE PURCHASER") FOR A CASH CONSIDERATION OF RMB200,000.00

Reference is made to the Company's earlier announcement dated 6 September 2013 in respect of the above matter.

The Board of Directors of the Company wishes to inform the Exchange that the Company's subsidiary, Sino Water Pte Ltd ("Sino Water") had on 10 January 2014 entered into a Supplemental Equity Transfer Agreement ("Supplemental ETA") with Luancheng County Water Supply Station ("Purchaser") in respect of the disposal of Sino Water's 83.99% equity interest in Luancheng Dayu Water Supply Co Ltd to the Purchaser ("Proposed Disposal of Shares in Luancheng Co Ltd") for the purpose of amending certain terms in the Equity Transfer Agreement dated 6 September 2013 between Sino Water and the Purchaser ("ETA") to protect Sino Water's interests and minimize Sino Water's risk exposures in relation to the remittance of the net consideration to be paid by the Purchaser for the Proposed Disposal of Shares in Luancheng Co Ltd following the recent change of foreign exchange regulations made by the regulatory authorities in the People's Republic of China ("PRC") on remittance of net purchase consideration to a foreign investor, whereby the equity sale proceeds or share purchase price shall only be allowed to be remitted to a foreign investor upon the completion of change of shares registration and corporate information at the PRC's State Administration for Industry and Commerce Bureau ("SAIC"), with all other terms and conditions in the ETA to remain unchanged.

The Proposed Disposal of Shares in Luancheng Co Ltd is expected to be completed in the first quarter of 2014.

This announcement is dated 10 January 2014.

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**Announcement Info**

Company Name	PUNCAK NIAGA HOLDINGS BERHAD
Stock Name	PUNCAK
Date Announced	10 Jan 2014
Category	General Announcement
Reference No	PN-140110-0B596