

## General Announcement

Reference No **CC-091209-62294**

Company Name : **CYMAO HOLDINGS BERHAD**  
Stock Name : **CYMAO**  
Date Announced : **09/12/2009**

Type : **Reply to query**

Reply to Bursa : **NE-091208-39189**

Malaysia's  
Query Letter –  
Reference ID

Subject : **REPLY TO LETTER OF QUERY FROM BURSA MALAYSIA SECURITIES BERHAD IN RESPECT OF THE LOG EXTRACTION LICENCE ("LICENCE")**

Contents :  
In response to Bursa's query on 8 december 2009, the Board of Directors would like to further clarify as follows:

1. The Licence was issued on 26 November 2009 and awarded to the Company on 4 December 2009.
2. The Licence is not subject for renewal.
3. The award of Licence will not have any impact on the share capital, shareholding structure and the net tangible assets to Cymao Group. However, this License will ensure Cymao Group with adequate and stable supply of logs for plywood production. In addition, it is expected to lower the raw material cost which is the major portion of the total production cost.
4. There was no additional financial commitment or capital expenditure with regard to harvesting the forest produce of commercial value except that the log harvesting cost to be paid to the logging contractor will be funded by internally generated funds of Cymao Group.
5. There is no risk involved in relation to the Licence. Cymao has appointed a logging contractor to harvest the forest produce strictly in accordance to the conditions as laid out in the Licence.

Query Letter  
content

:

We refer to your announcement dated 7 December 2009 in respect of the above matter.

In this connection, kindly furnish Bursa Malaysia Securities Berhad ("Bursa Securities") with the following additional information for public release:-

Date of award of Licence;

Whether the Licence is subject to renewal. If yes, details of such renewal;

The financial effect of the Licence on the Group;

Whether your Company require any additional financial commitment or capital expenditure with regard to harvesting the forest; and

Risk involved in relation to the award of Licence.

Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.

Yours faithfully

CHONG FUI TZY  
Head, Issuers  
Listing Division  
Regulation

HTH/NAE

c.c. Head, Market Surveillance, Securities Commission (via fax)