

SIGNING OF MEMORANDUM OF UNDERSTANDING

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1) Introduction

Naim Holdings Berhad ("NHB" or "the Company") is pleased to announce that its wholly-owned subsidiary, Naim Cendera Sdn. Bhd. ("NCSB") has entered into a Memorandum of Understanding ("MOU") on 10 May 2010 with the following parties:-

- a) Cahya Mata Sarawak Berhad ("CMS")
- b) Bintulu Development Authority ("BDA")

for the purpose of recording their intention of entering into a Joint Venture to jointly undertake the following :-

- a) the development of the parcel of land of land at Samalaju New Township in order to cater to the housing, commercial, educational, social and recreational needs arising from the development of the Samalaju Industrial Park.
- b) the construction and operation of the temporary executives and workers camps for the new industries locating to the Samalaju Industrial Park.

2) Duration of the MOU

The MOU shall take effect from the date of the signing of the MOU and shall terminate upon:-

- a) execution of the detailed agreements; or
- b) by mutual written agreement by the parties at any time

whichever shall first occur.

3) Equity and Obligations of the Parties

The equity structure shall be as follows:-

- a) NCSB : 60%
- b) CMS ; 30%
- c) BDA ; 10%

4) Financial Effects of the MOU

The execution of the MOU will not have any material effect on the earnings or net assets of the Company for the year ending 31 December 2010.

5) Directors' and Major Shareholders' interest

None of the Directors, major shareholders and/or persons connected with them has any interest, whether direct or indirect, in the said MOU.

Dated this 10th May 2010