

ATLAN HOLDINGS BHD (“AHB” OR “COMPANY”)

- I. PROPOSED ACQUISITION OF 4,000,000 ORDINARY SHARES OF RM1.00 EACH REPRESENTING THE ENTIRE EQUITY INTEREST IN RADIANT RANCH SDN. BHD. (“RRSB”), FROM ORCHARD BOULEVARD SDN BHD (“OBSB”), A WHOLLY-OWNED SUBSIDIARY OF DFZ CAPITAL BERHAD (“DFZ”), FOR A CASH PURCHASE CONSIDERATION OF RM14,932,656 AND ASSUMPTION BY AHB OF INTER-COMPANY DEBT DUE AND OWING BY RRSB TO DFZ AND/OR ITS RELATED COMPANY(IES) AMOUNTING TO RM12,067,344 (“PROPOSED ACQUISITION”);**
- II. PROPOSED DISPOSAL OF 300,000 ORDINARY SHARES OF RM1.00 EACH REPRESENTING THE ENTIRE EQUITY INTEREST OF TENGGARA SENANDUNG SDN. BHD. (“TSSB”), A WHOLLY OWNED SUBSIDIARY OF AHB, TO DFZ FOR A CASH DISPOSAL CONSIDERATION OF RM22,000,000 (“PROPOSED DISPOSAL OF TSSB”); AND**
- III. PROPOSED DISPOSAL OF 2,050,000 ORDINARY SHARES OF RM1.00 EACH REPRESENTING THE ENTIRE EQUITY INTEREST OF BINAMOLD SDN. BHD. (“BMSB”), A WHOLLY OWNED SUBSIDIARY OF AHB, TO DFZ FOR A CASH DISPOSAL CONSIDERATION OF RM2,800,763 AND ASSUMPTION BY DFZ OF INTER-COMPANY DEBT DUE AND OWING BY BMSB TO AHB AMOUNTING TO RM5,199,237 (“PROPOSED DISPOSAL OF BMSB”)**

(THE PROPOSED DISPOSAL OF TSSB AND PROPOSED DISPOSAL OF BMSB ARE COLLECTIVELY REFERRED TO AS “PROPOSED DISPOSALS”)

(THE PROPOSED ACQUISITION AND PROPOSED DISPOSALS ARE COLLECTIVELY REFERRED TO AS “PROPOSALS”)

We refer to the announcement made by Affin Investment Bank Berhad (“AFFIN Investment”) on behalf of the Board of Directors of AHB (“Board”) on 16 October 2009 in respect of the Proposals (“Announcement”).

For consistency purposes, the abbreviations and definitions used throughout this announcement are the same as those previously defined in the Announcement.

On behalf of the Board, we wish to clarify the following in respect of the Announcement which should be read as follows:

1. Section 2.2 – Background information of RRSB

The following statement:

“RRSB owns a vacant land which is located at Lot No. 439, Geran 23052 in Mukim 17, North-East District, Pulau Pinang which would be required for the purpose of the proposed property development project(s) which is or to be undertaken by Blossom Time Sdn Bhd, a wholly-owned subsidiary of AHB. The proposed development(s) on this land is part of the said proposed property development by Blossom Time Sdn Bhd which is planned for development over the next few years, into a residential development comprising bungalows, semi-detached houses and condominiums by the hillside and luxury apartments and shop houses by the sea. Further details of the proposed development(s) on this land as required pursuant to Appendix 10A, Part C(4) of the Main Market Listing Requirements such as the details of development potential, total development costs, expected profits to be derived and others, are not available at this juncture.”

shall supersede the following statement:

“RRSB owns a vacant land which is located at Lot No. 439, Geran 23052 in Mukim 17, North-East District, Pulau Pinang which would be required for the purpose of the property development project(s) undertaken or to be undertaken by a wholly-owned subsidiary of AHB. The details of the development in respect of the said land is not available at this juncture.”

2. Section 2.7 - Background information of OBSB

The following statement:

“OBSB was incorporated in Malaysia on 26 February 1992 as a private limited company under its present name.”

shall supersede the following statement:

“OBSB was incorporated in Malaysia on 26 February 2009 as a private limited company under its present name.”

3. Section 4.2 – Rationale for the Proposed Disposals

The following statement:

“The land on which the ferry terminal and car park are located, are within the Johor Bahru Duty Free Zone. KMSB, a wholly-owned subsidiary of DFZ, which has a tenancy over the said land, has in turn granted a sub-tenancy of the ferry terminal and car park areas therein to TSSB.”

shall supersede the following statement:

“The land on which the ferry terminal and car park are located, are within the Johor Bahru Duty Free Zone which leases the operation of the ferry terminal from Kelana Megah Sdn Bhd, a wholly-owned subsidiary of DFZ. Kelana Megah Sdn Bhd, in turn, sub-leases the ferry terminal operation to TSSB.”

4. Section 5 – Prospects of RRSB

The following statement:

“RRSB owns a vacant land in Batu Ferringhi measuring approximately 69,125 sq. m. which is located adjacent to the proposed property development project(s) which is or to be undertaken by Blossom Time Sdn Bhd, a wholly-owned subsidiary company of AHB.”

shall supersede the following statement:

“RRSB owns a 17.081 acre land which forms part of the Batu Ferringhi development project.”

5. Section 12 – Estimated timeframe for completion

The following statement:

“Barring unforeseen circumstances, the Proposals are expected to be completed within the fourth quarter of financial year ending 28 February 2010.”

shall supersede the following statement:

“Barring unforeseen circumstances, the Proposals are expected to be completed within the fourth quarter of 2010.”

This announcement is dated 19 October 2009.