

## OTHERS PROPOSED DISPOSAL OF AN INDIRECT SUBSIDIARY

HONG LEONG INDUSTRIES BERHAD

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Type	Announcement
Subject	OTHERS
Description	PROPOSED DISPOSAL OF AN INDIRECT SUBSIDIARY

Hong Leong Industries Berhad (“HLI” or “the Company”) wishes to announce that Guocera Holdings Sdn Bhd, a wholly-owned subsidiary of the Company, had, on 15 October 2012, entered into a Sale of Charter Capital Agreement (“Agreement”) with Mr Lưu Thành Trung (the “Purchaser”), a Vietnamese citizen, to dispose of its entire 97% interest in Guocera Tile Industries (Vietnam) Co., Ltd (“GTI(V)”) to the Purchaser for a total cash consideration of USD370,000 (“Proposed Disposal”).

GTI(V) is a limited liability company incorporated in Dong Nai Province, the Socialist Republic of Vietnam. GTI(V) was principally involved in the production, manufacturing and sale of tiles. GTI(V) ceased productions in July 2012 as a result of the economic condition in Vietnam.

The sale consideration of USD370,000 was arrived at on a willing buyer willing seller basis after taking into consideration the net assets value of GTI(V) as at 30 September 2012. The proceeds from the Proposed Disposal will be utilised for working capital purposes.

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed by end of the year and thereafter, GTI(V) will cease to be a subsidiary of HLI.

The Proposed Disposal will not have any effect on the issued and paid-up share capital and substantial shareholders’ shareholdings of HLI, nor will it have any material effect on the earnings per share, net assets per share and gearing of the HLI Group.

The Proposed Disposal is not subject to the approval of the shareholders of HLI.

None of the Directors and major shareholders of HLI and/or persons connected with them have any interest, direct or indirect, in the Proposed Disposal.

The Directors of HLI are of the opinion that the Proposed Disposal is in the best interest of the HLI Group.

The highest percentage ratio applicable to the Proposed Disposal pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”) is less than 5% and hence, announcement of the Proposed Disposal in accordance with Chapter 10 of the MMLR is not required. This announcement is made pursuant to Paragraph 9.19(24) of the MMLR.

This announcement is dated 15 October 2012.

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### Announcement Info

Company Name	HONG LEONG INDUSTRIES BERHAD
Stock Name	HLIND
Date Announced	15 Oct 2012
Category	General Announcement
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