

General Announcement

Reference No **ML-101116-59655**

Submitting Merchant Bank : HONG LEONG INVESTMENT BANK BERHAD
Company Name : **HONG LEONG INDUSTRIES BERHAD**
Stock Name : HLIND
Date Announced : 17/11/2010
Type : Announcement
Subject : Hong Leong Industries Berhad ("HLI" or "Company")
i) Proposed Acquisition
ii) Proposed Subscription
iii) Proposed Rights Issue
iv) Proposed Demerger
Contents : On behalf of the Board of Directors of HLI, Hong Leong Investment Bank Berhad is pleased to announce the following:

(a) HLI had on 16 November 2010 entered into a conditional share sale agreement with Hong Leong Manufacturing Group Sdn Bhd (formerly known as Spectrum Arrangement Sdn Bhd) ("HLMG") for the proposed acquisition of the entire equity interest of Hume Industries (Malaysia) Sdn Bhd for a total purchase consideration of RM235.2 million to be satisfied by the issuance of 46,759,443 new ordinary shares of RM0.50 each in HLI ("HLI Share(s)") ("Proposed Acquisition");

(b) HLI had on 16 November 2010 entered into a conditional subscription agreement with Hume Cement Sdn Bhd and HLMG for the proposed subscription of up to 175 million 6-year 2% non-cumulative irredeemable convertible preference shares at the par value of RM1.00 each to be satisfied by cash ("Proposed Subscription");

(c) After the completion of the Proposed Acquisition, HLI proposes to undertake a rights issue of up to 159,736,405 new HLI Shares ("Rights Shares") on the basis of 1 Rights Share for every 2 HLI Shares held at an indicative issue price of RM1.45 per Rights Share ("Proposed Rights Issue"); and



(d) HLI proposes to distribute up to 119,802,303 ordinary shares of RM0.50 each in Malaysian Pacific Industries Berhad ("MPI") to the shareholders of HLI on the basis of 75 ordinary shares of RM0.50 each in MPI for every 300 HLI Shares held upon completion of the Proposed Acquisition and Proposed Rights Issue ("Proposed Demerger").

The Proposed Acquisition, Proposed Subscription, Proposed Rights Issue and Proposed Demerger are collectively referred to as "Proposals".

Please refer to the attachment for the full text on the Proposals.

We also attach the press release dated 16 November 2010.

This announcement is dated 16 November 2010.

Attachments :  [HLI announcement.pdf](#)
 [Press release.pdf](#)

Announcement Details :

