

## **OTHERS PROPOSED DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY**

HONG LEONG INDUSTRIES BERHAD

Type	Announcement
Subject	OTHERS
Description	PROPOSED DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY

Hong Leong Industries Berhad (“HLI” or “the Company”) wishes to announce that the Company had, on 26 January 2013, entered into a Share Sale Agreement (“Share Sale Agreement”) with Mr Che Mingde (“Purchaser”), a German citizen, to dispose of its entire equity interest in MZ Motorrad- und Zweiradwerk GmbH (“MZG”) to the Purchaser for cash consideration of EUR1.00 (“Proposed Disposal”). The sale consideration of EUR1.00 was arrived at on a willing buyer willing seller basis after taking into consideration the net realisable assets value of MZG.

MZG is a private limited company incorporated in Germany. MZG was involved in the business of motorcycles and became dormant since 2005.

Barring any unforeseen circumstances, the Proposed Disposal is expected to be completed by the fourth quarter of the financial year ending 30 June 2013 and thereafter, MZG will cease to be a wholly-owned 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 31 January 2013.

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### **Announcement Info**

Company Name	HONG LEONG INDUSTRIES BERHAD
Stock Name	HLIND
Date Announced	31 Jan 2013
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