



General Announcement

Form Version 8.1 (Enhanced)

Initiated by HLG CAP on 12/03/2012 04:38:05 PM

Submitted by HLG CAP on 12/03/2012 07:09:12 PM

Reference No HC-120312-59884

Submitted

Company Information

Main Market Company

New Announcement

Submitting Investment

Bank/Advisor (if applicable)

Submitting Secretarial Firm (if applicable)

* Company name	HONG LEONG CAPITAL BERHAD
* Stock name	HLCAP
* Stock code	5274
* Contact person	Ms Rufina Tan/Ms Christine Moh
* Designation	Secretarial Manager/Company Secretary
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Type *

Announcement

Subject *:

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS)
RELATED PARTY TRANSACTIONS

Description *:-

(Note : Please enter the announcement description in this field and the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)

HONG LEONG CAPITAL BERHAD ("HLCB" or the "Company")

Proposed business rationalisation involving the investment banking businesses of MIMB Investment Bank Berhad and Hong Leong Investment Bank Berhad

Announcement Details/Table Section :-

(This field is for the details of the announcement, if applicable)

The Company wishes to announce that the Minister of Finance has, via Bank Negara Malaysia's letter dated 9 March 2012, approved the following proposals:

- the proposed acquisition of the entire equity interest in MIMB Investment Bank Berhad ("**MIMB**") from Hong Leong Bank Berhad ("**HLBB**") ("**Proposed Acquisition of MIMB**") pursuant to Sections 45(1)(a) and 46(1)(b) of the Banking and Financial Institutions Act 1989 ("**BAFIA**");
- the execution by HLCB of the sale and purchase agreement with HLBB pursuant to Section 49(7) of BAFIA for the Proposed Acquisition of MIMB as required under Section 49(1)(a) of BAFIA; and
- the execution between Hong Leong Investment Bank Berhad ("**HLIB**") and MIMB of a business transfer agreement to transfer the entire business, assets and liabilities of HLIB to MIMB pursuant to Section 49(1)(b) of BAFIA,

(collectively referred to as the “**Proposals**”).

The Proposals would be undertaken in the following manner:

- (a) HLCB shall acquire the entire equity interest in MIMB from HLBB;
- (b) After completion of the Proposed Acquisition of MIMB, HLIB shall sell and vest the entire business, assets and liabilities of HLIB to MIMB (“**Proposed Business Rationalisation**”);
- (c) Subsequent to the Proposed Business Rationalisation, HLIB shall surrender its merchant banking license to Bank Negara Malaysia for cancellation; and
- (d) HLCB shall thereafter dispose of its entire equity interest in the shell HLIB to HLBB.

Upon completion of the Proposals, MIMB shall become a wholly-owned subsidiary of HLCB and the investment banking business will be undertaken solely by MIMB. HLIB will cease to be a licensed institution and shall thereafter be wholly-owned by HLBB.

Detailed announcements will be made upon execution of the definitive agreements.

This announcement is dated 12 March 2012.

Attachment(s):- (please attach the attachments here)

- No Attachment Found -

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