



General Announcement

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Submitted

Company Information

Main Market Company

New Announcement

**Submitting Investment
 Bank/Advisor (if applicable)**

**Submitting Secretarial Firm (if
 applicable)**

* Company name	HLG CAPITAL BERHAD
* Stock name	HLCAP
* Stock code	5274
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Type *

Announcement

Subject *:

HLG CAPITAL BERHAD
 - PROPOSED MERGER OF HLG UNIT TRUST BERHAD AND
 HLG ASSET MANAGEMENT SDN BHD

Note: If the announcement is a long announcement, please summarize the announcement in the contents and enter the details of the announcement in the Announcement Details or attached the full details of the announcement as attachment.

Contents *:-

(This field is to be used for the summary of the announcement)

HLG Capital Berhad ("HLGC" or the "Company") wishes to announce that the Company proposes to merge the business operations of its two (2) wholly owned subsidiaries, namely HLG Unit Trust Berhad ("HLGUT") and HLG Asset Management Sdn Bhd ("HLGAM") ("Proposed Merger").

Pursuant to the Proposed Merger, HLGAM had on 15 April 2010 entered into a Business Transfer Agreement with HLGUT whereby HLGAM will transfer its assets, liabilities, activity, business and the undertaking of the business carried on by HLG Asset as a going concern to HLGUT ("HLGAM Business") with effect from 1 June 2010 (or such other date as may be agreed by the parties hereto) ("Transfer Date").

The consideration for the transfer of the HLGAM Business will be based on the value of the net assets of HLGAM as at the Transfer Date, and will be satisfied by HLGUT in cash.

The Proposed Merger will enhance the operational efficiency of the merged entity.

The Proposed Merger will not have any effect on the issued and paid-up share capital and substantial shareholders' shareholdings of the Company. As the Proposed Merger is between two (2) wholly-owned subsidiaries of HLGC, it is not expected to have any effect on the net assets and earnings of the HLGC Group for the financial year ending 30 June 2010.

The Proposed Merger is subject to the approval of the Securities Commission.

None of the directors and major shareholders of the Company and/or any persons connected with them have any interest,

direct or indirect, in the Proposed Merger.

This announcement is dated 15 April 2010.

Announcement Details :-

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

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

- No Attachment Found -

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:

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