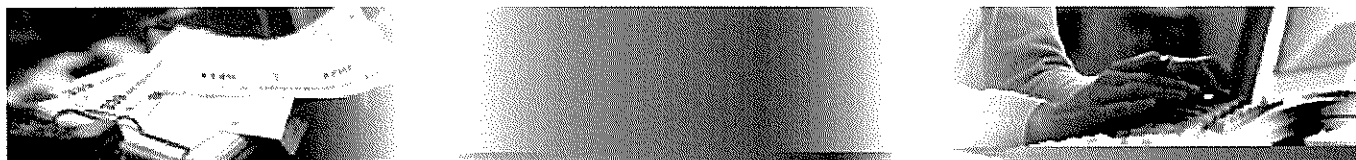




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Announcement Details :

Announcement Reference Number	00182
Broadcast Status	PUBLISHED
Broadcast Date & Time	22-Jan-2010 19:43:07
Submission Date & Time	22-Jan-2010 19:42:22
Company Name	LERENO BIO-CHEM LTD.
Announcement Title	ACQUISITIONS AND DISPOSALS :: DISCLOSEABLE TRANSACTION :: DISPOSAL OF INVESTMENT IN BINTAI KINDEN CORPORATION BERHAD
Announcement Category	ACQUISITIONS AND DISPOSALS


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Acquisitions and Disposals :: Discloseable Transaction :: DISPOSAL OF INVESTMENT IN BINTAI KINDEN CORPORATION BERHAD


* Asterisks denote mandatory information

Name of Announcer *	LERENO BIO-CHEM LTD.
Company Registration No.	197401961C
Announcement submitted on behalf of	LERENO BIO-CHEM LTD.
Announcement is submitted with respect to *	LERENO BIO-CHEM LTD.
Announcement is submitted by *	Barbara Seng Suet Shee
Designation *	Company Secretary
Date & Time of Broadcast	22-Jan-2010 19:43:07
Announcement No.	00182

>> Announcement Details

The details of the announcement start here ...

Announcement Title *	DISPOSAL OF INVESTMENT IN BINTAI KINDEN CORPORATION BERHAD
Description	

Attachments
 Disposal_of_Investment_in_BintaiKindenCorpBhd_22Jan2010.pdf
 Total size = **112K**
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LERENO BIO-CHEM LTD

(Incorporated in the Republic of Singapore)
Company Registration No. 197401961C

DISPOSAL OF INVESTMENT IN BINTAI KINDEN CORPORATION BERHAD

1. The Board of Directors of Lereno Bio-Chem Ltd ("**LBC**" or the "**Company**") wishes to announce that, on 20 January 2010, the Company had disposed its entire shareholding of 2.3 million quoted shares in Bintai Kinden Corporation Berhad ("**BKCB**") (the "**Disposal**") in a married deal at RM0.37 per BKCB share amounting to an aggregate of RM851,000 (equivalent to S\$354,583 using the exchange rate of S\$1.00 to RM2.40²). The Disposal at RM0.37 per BKCB share was negotiated and agreed, on a willing-buyer willing-seller basis between the two parties, with reference to the market traded price on 20 January 2010 in view of the large number of shares involved. The Disposal was made to a party who is not related to our Directors and/or substantial shareholders.

BKCB, a company listed on Bursa Malaysia Berhad, is in the business of investment holding and provision of management services to its subsidiaries. The principal activities of the BKCB group comprise provision of specialised mechanical and electrical engineering services, facility management services, construction, project management and consultancy services, property investment and development and investment holding.

2. BKCB shares closed at RM0.38 and traded at RM0.3815 on a volume-weighted average basis, on Bursa Malaysia Berhad on 20 January 2010.

Based on the financial statements of the Company, the cost of investment of the BKCB shares was S\$1,006,025 as at 31 March 2009 (audited) and 30 September 2009 (unaudited). Based on the proceeds from the Disposal of S\$354,583 and the cost of investment of the BKCB shares of S\$1,006,025 as at 30 September 2009, the loss on Disposal amounted to approximately S\$651,442.

3. The Disposal was for the purposes of streamlining the Company's business to focus on the Company's biofuel business. The Company intends to use the proceeds from the Disposal for its working capital purposes.

Financial effects

4. The following pro-forma financial effects of the Disposal have been prepared based on the audited consolidated financial statements of the Company for the financial year ended 31 March 2009 ("**FY2009**"), assuming that the Disposal had been completed at the beginning of FY2009 for the computation of the effect on the earnings/(loss) per share, and at the end of FY2009 for the computation of the effect on the net tangible assets ("**NTA**") per share as required under the Singapore Exchange Securities Trading Limited Listing Manual: Section B: Rules of Catalist (the "**Catalist Rules**").

² Based on the closing exchange rate quoted from www.oanda.com.

Earnings/ (loss) per share

	Before the Disposal	After the Disposal
Audited loss after tax for FY2009 (S\$'000)	(9,127)	(9,127)
Add: Loss on Disposal (S\$'000)	0	(651)
Adjusted loss after tax for FY2009 (S\$'000)	(9,127)	(9,778)
Weighted average number of shares	1,383,576,457	1,383,576,457
Loss per share (S\$ cents)	(0.66)	(0.71)

NTA per share

	Before the Disposal	After the Disposal
Audited NTA as at 31 March 2009 (S\$'000)	11,250	11,250
Less: Fair value of investment in BKCB ⁽¹⁾ (S\$'000)	0	(172)
Add: Proceeds from the Disposal (S\$'000)	0	355
Adjusted NTA as at 31 March 2009 (S\$'000)	11,250	11,433
Number of shares as at 31 March 2009	1,404,618,120	1,404,618,120
NTA per share (S\$ cents)	0.80	0.81

Note:-

- (1) Based on the cost of investment after providing for diminution in value of the investment in the financial statements of the Company as at 31 March 2009.

Discloseable Transaction

5. The relative figures for the Disposal computed on the bases set out in Rule 1006 of the Catalyst Rules and based on the latest announced consolidated accounts of the Company are as follows:-

Rule 1006 (a)	Net asset value of the assets to be disposed of, compared with the group's net asset value ⁽¹⁾	3.94%
Rule 1006 (b)	Net profits attributable to the assets disposed of, compared with the group's net profits ⁽²⁾	19.76%
Rule 1006 (c)	Aggregate value of the consideration received, compared with the market capitalization as at 20 January 2010, being the full market day on the date of the Disposal	1.00%
Rule 1006 (d)	Number of equity securities issued as consideration for an acquisition, compared with the number of equity securities previously issued	Not applicable

Notes:-

- (1) Computed based on the market value of the listed BKCB shares disposed (at RM0.37 per BKCB share) as compared to the latest announced NTA of S\$9.276 million of the Group as at 30 September 2009.

- (2) Computed based on loss on disposal of investment of S\$0.651 million as compared to the latest announced consolidated losses of S\$3.296 million of the Company in FY2009.

Accordingly, the Disposal constitutes a discloseable transaction within the meaning of Rule 1010 of the Catalyst Rules.

Interest of Directors and controlling Shareholders and substantial Shareholders

6. None of the Directors of the Company has any interest, direct or indirect, in the Disposal. As far as the Directors are aware, no substantial shareholders of the Company has any interest, direct or indirect, in the Disposal and the Directors have not received any notification of any interest in the Disposal from any substantial shareholder.

The following of our Directors are also directors of BKCB:-

1. Tan Sri Dato' Kamaruzzaman bin Shariff – Independent Non-Executive Chairman of BKCB and Chairman of BKCB's Nomination Committee and Remuneration Committee;
2. Mr Ong Puay Koon – Executive Vice Chairman of BKCB and has direct and indirect interest in 23.89% of the shares in the capital of BKCB;
3. Mr Ong Choon Lui – Deputy Managing Director and Deputy Chief Executive Officer of BKCB and has direct and indirect interest in 23.89% of the shares in the capital of BKCB*; and
4. Mr Peter Farrar – Independent Non-Executive Director and Chairman of Audit Committee of BKCB.

- * Mr Ong Choon Lui is deemed interested in the shares in BKCB held by Mr Ong Puay Koon by virtue of him being a person connected to him.

BY ORDER OF THE BOARD OF DIRECTORS
LERENO BIO-CHEM LTD

Ong Puay Koon
Managing Director & Chief Executive Officer
22 January 2010

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Collins Stewart Pte. Limited for compliance with the relevant rules of the SGX-ST. Collins Stewart Pte. Limited has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Alex Tan, Managing Director, Corporate Finance, Collins Stewart Pte. Limited at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.