

HONG LEONG ASIA LTD. (Co. Reg. No. 196300306G)

Incorporation of Joint Venture Company

The Board of Directors of Hong Leong Asia Ltd. (the “**Company**”) refers to the announcement entitled “China Yuchai Forms Joint Venture to Penetrate European Off-Road Engine Market” released by the Company on 9 April 2015, whereby the Company had announced that Guangxi Yuchai Machinery Company Limited (“**GYMCL**”), a subsidiary of China Yuchai International Limited, which in turn is a subsidiary of the Company, had entered into an agreement with Shentou Investments (Hong Kong) Limited (“**Shentou**”) and an individual to form a new joint venture, YC Europe Co., Limited (“**YC Europe**”) to market GYMCL’s off-road diesel and gas engines (excluding marine engines) in Europe (the “**9 April Announcement**”).

Subsequent to the 9 April Announcement, YC Europe has since been incorporated in Hong Kong with a proposed issued capital of €3.0 million as a joint venture company, with 35% interest held by GYMCL and the remaining 57.5% and 7.5% interests held respectively by Shentou and its other joint venture partner.

GYMCL’s contribution to its 35% share of the proposed issued capital of YC Europe will be satisfied in cash in stages.

By Order of the Board
HONG LEONG ASIA LTD.

Ng Siew Ping, Jaslin
Company Secretary

24 July 2015
Singapore