

EQUITY TRANSFERS IN SHANGHAI REX PACKAGING CO., LTD AND TIANJIN REX PACKAGING CO., LTD

Further to the announcement released by Hong Leong Asia Ltd. (the “**Company**”) on 16 July 2015, the Board of Directors of the Company wishes to announce that Rex Holdings Pte. Ltd. (“**Rex Holdings**”), an indirect wholly-owned subsidiary of the Company, has today entered into the following agreements:

- (a) an equity interest transfer agreement with Shanghai Zijiang Enterprise Group Co., Ltd (“**Shanghai Zijiang**”) for the transfer of all of its 55.00% equity interest in Shanghai Rex Packaging Co., Ltd (“**Shanghai Rex**”) to Shanghai Zijiang for a cash consideration of RMB55,800,000 (the “**First Transaction**”); and
- (b) an equity interest transfer agreement with Shanghai Zijiang and Shanghai Rex for the purchase of the remaining 75.00% equity interest in Tianjin Rex Packaging Co., Ltd (“**Tianjin Rex**”) comprising 54.55% and 20.45% equity interests in Tianjin Rex from Shanghai Rex and Shanghai Zijiang respectively at an aggregate cash consideration of RM45,800,000/- (the “**Second Transaction**”).

The aggregate consideration for the First Transaction and the Second Transaction (collectively, the “**Proposed Transactions**”) was arrived at on a willing-buyer willing-seller basis after taking into account the independent valuation reports for Shanghai Rex and Tianjin Rex commissioned by Rex Holdings and Shanghai Zijiang and also the underlying net book value of Shanghai Rex and Tianjin Rex as at 31 December 2014. The net difference between the consideration for the First Transaction and the Second Transaction of RMB10 million shall be payable by Shanghai Zijiang to Rex Holdings.

The completion of the Proposed Transactions is subject to satisfaction of condition precedents including obtaining the approvals of the relevant authorities in China.

Shanghai Rex and Tianjin Rex are primarily engaged in the production and sale of plastic packaging receptacles and related products.

Following the completion of the Proposed Transactions, Tianjin Rex shall become a wholly-owned subsidiary of Rex Holdings whilst Shanghai Rex shall cease to be a subsidiary of Rex Holdings.

The Proposed Transactions are not expected to have any material impact on the net tangible assets and earnings per share of the Company for the current financial year.

By Order of the Board
HONG LEONG ASIA LTD.

Yeo Swee Gim, Joanne
Ng Siew Ping, Jaslin
Company Secretaries

31 August 2015
Singapore