

**LETTER OF AWARD FROM THE BUILDING AND CONSTRUCTION AUTHORITY OF SINGAPORE**

---

On 30 January 2018, the Board of Directors (the “**Board**”) of Hong Leong Asia Ltd. (“**HLA**” or the “**Company**” and together with its subsidiaries, the “**Group**”) announced (i) the incorporation of a joint venture company, HL-Sunway JV Pte. Ltd. (“**HL-Sunway JV**”), between HL Building Materials Pte. Ltd. (“**HLBM**”, a wholly-owned subsidiary of the Company) and Sunway Concrete Products (S) Pte Ltd (“**SCPS**”, an unrelated third party, and a subsidiary of Sunway Construction Group Berhad); and (ii) the joint venture with SCPS.

The Board is now pleased to announce that pursuant to a concept and price tender exercise, HL-Sunway JV has been awarded the tender for a 30-year lease of a piece of land at Pulau Punggol Barat (the “**Land**”) by the Building and Construction Authority of Singapore for the development of an Integrated Construction and Pre-Fabrication Hub. The consideration for the Land is approximately S\$25.7 million (including administration fee but excluding goods and services tax and stamp duty) (the “**Consideration**”). The Consideration will be borne by HLBM and SCPS in the proportion of their equity interests in HL-Sunway JV of 51% and 49% respectively. The construction of a fully mechanised integrated precast plant with state of art technology (the “**Plant**”), on the Land, is expected to commence in August 2018, subject to the approval of the relevant authorities.

HLBM’s share of the Consideration and its share of the subsequent funding, to HL-Sunway JV, for the construction of the Plant shall be funded through internal sources and external bank borrowings.

The above transaction is in the ordinary course of the Group’s business and is accordingly a non-disclosable transaction for the purposes of Chapter 10 of Singapore Exchange Securities Trading Limited Listing Manual.

By Order of the Board  
HONG LEONG ASIA LTD.

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

27 July 2018  
Singapore