

# HONG LEONG ASIA LTD

## ANNUAL GENERAL MEETING



FY2012

# MACROECONOMIC ENVIRONMENT IN PERSPECTIVE



# Macroeconomic Factors

**2012**

- ◆ **Global economy affected by Euro crisis and weakness in US economy**
- ◆ **China GDP slowed to 7.8%**
- ◆ **Labour cost continue to increase as a result of increase in minimum wage**
- ◆ **Singapore economy grew at a lower pace of 1.3% in 2012 compared with 4.9% in 2011**
- ◆ **Robust construction industries in Singapore/Malaysia have a positive impact on building materials**

# Macroeconomic Factors

## ◆ Challenges

- ◆ **Highly competitive industries**
- ◆ **Slow down in economy in major market**
- ◆ **Cost escalation – labour costs**

## ◆ Opportunities

- ◆ **Buoyant construction industry in Singapore and Malaysia**

# GROUP FINANCIAL HIGHLIGHTS



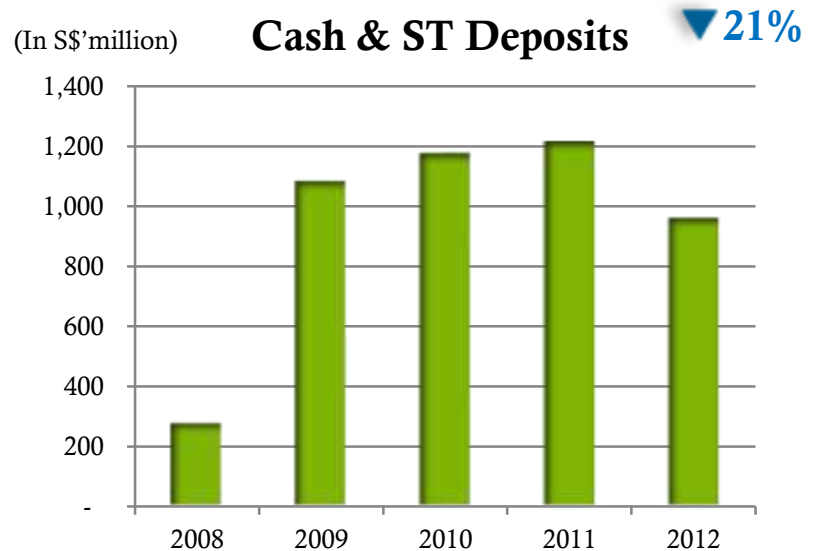
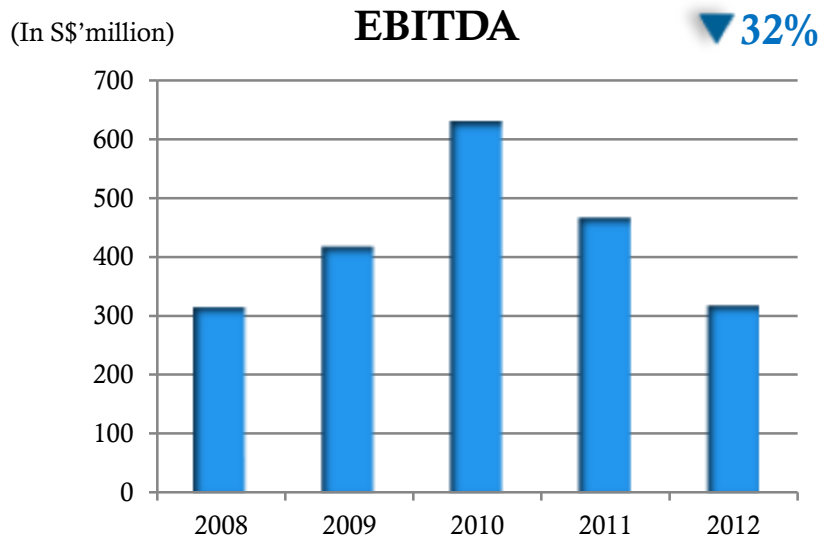
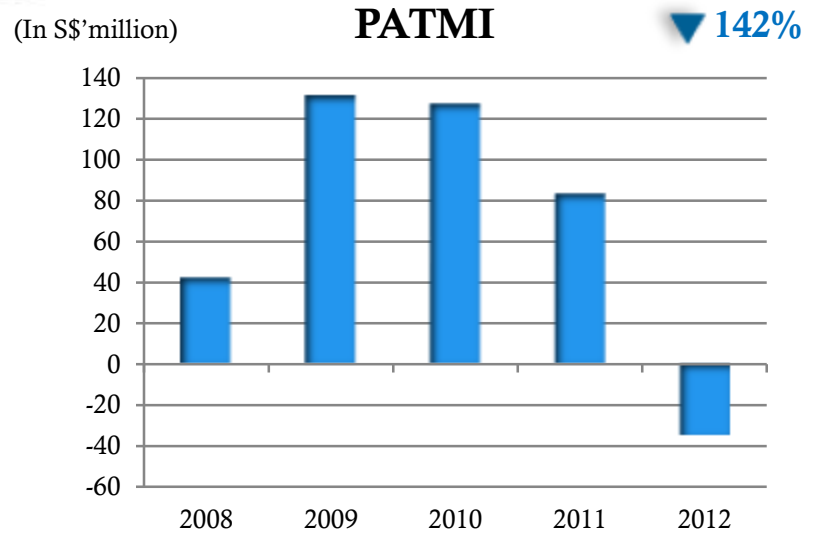
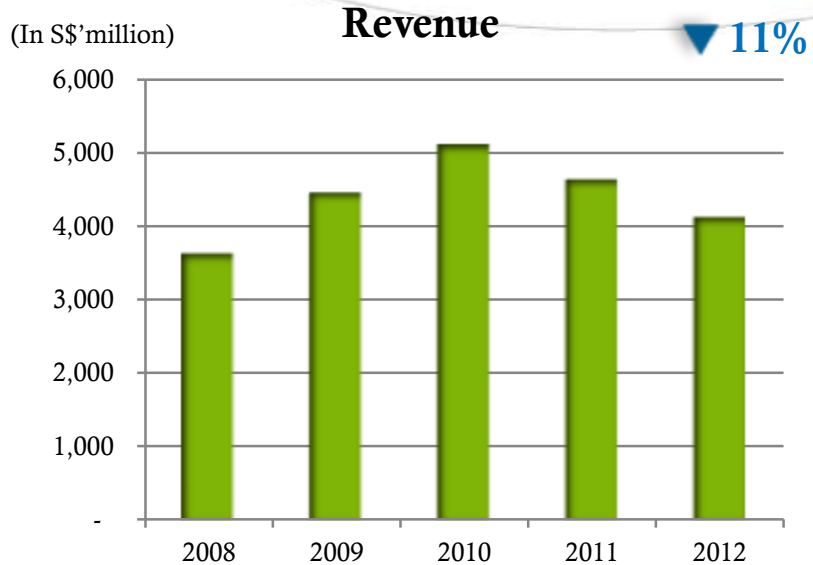
新飞电器集团



*Airwell*



# HLA Group Financials



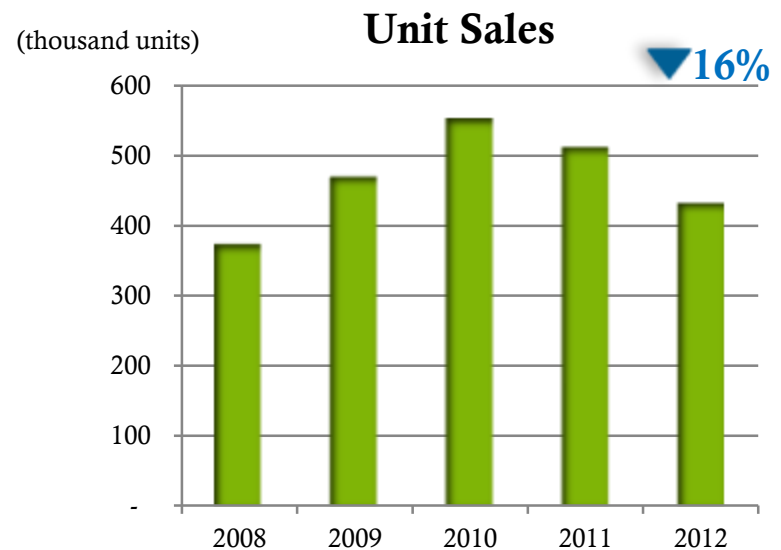
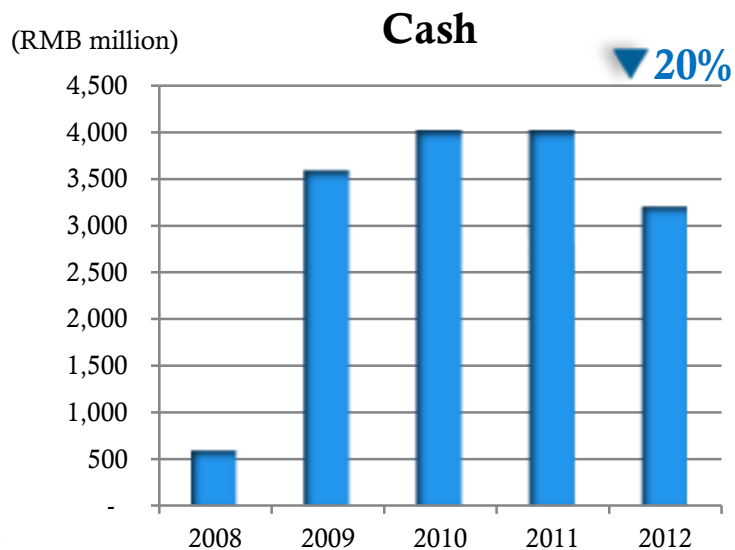
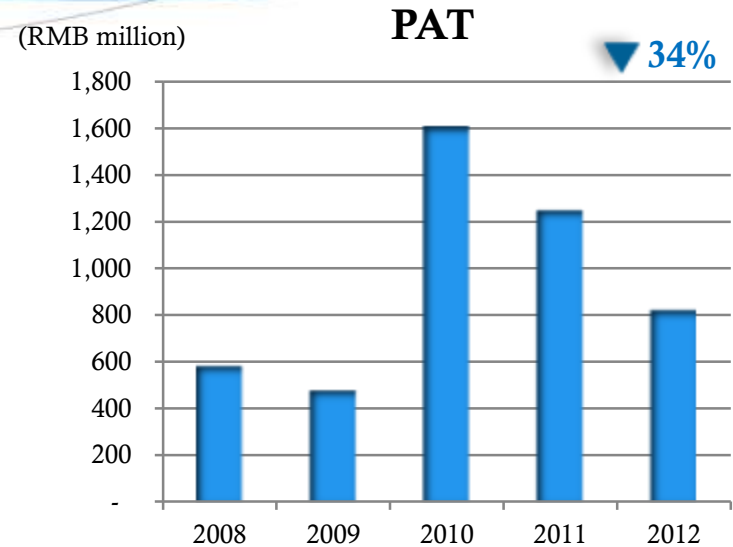
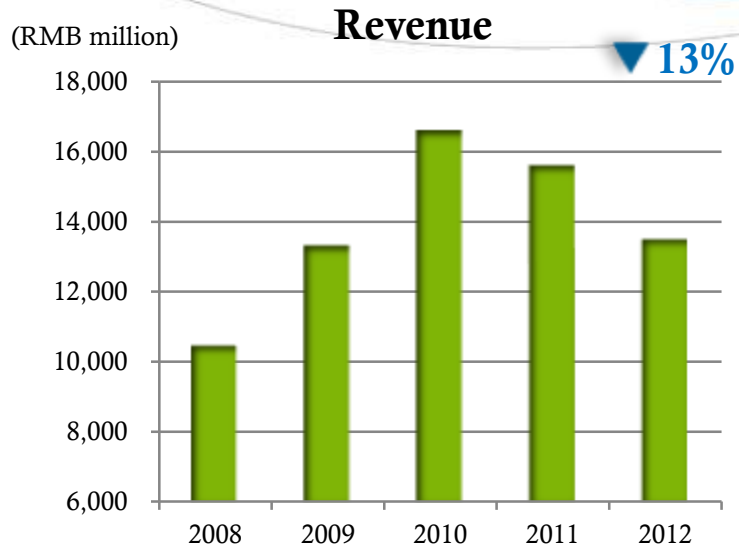




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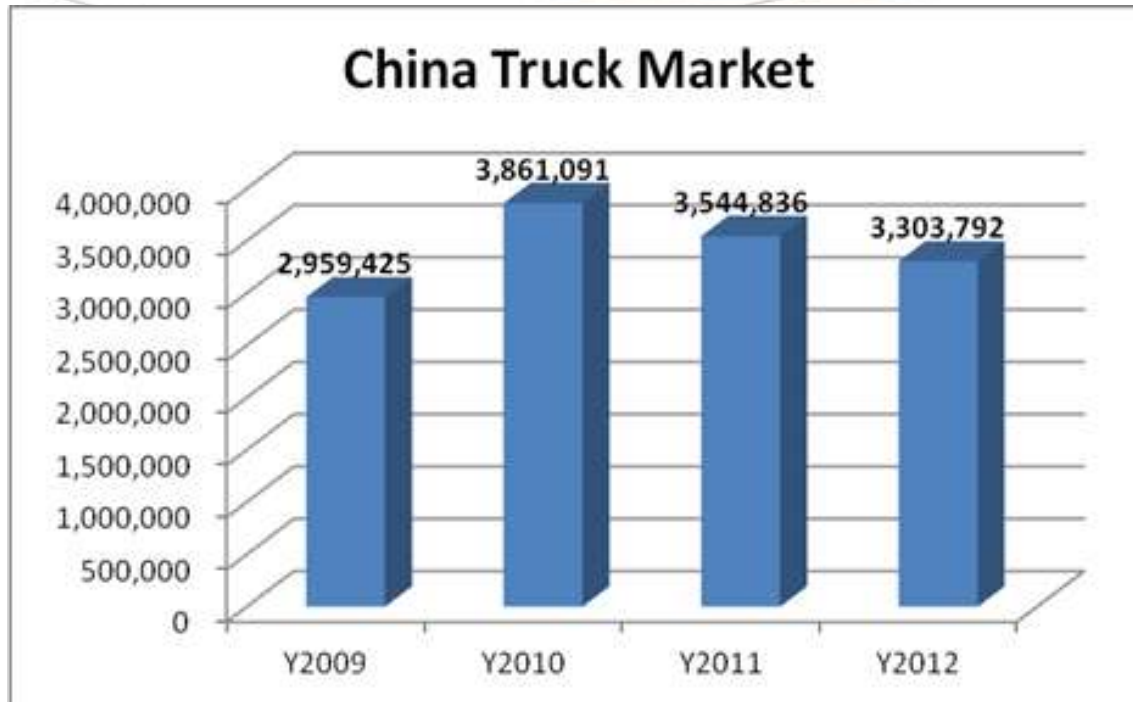
# Financial Highlights





# Market Overview: Commercial Vehicles

## China Truck Market

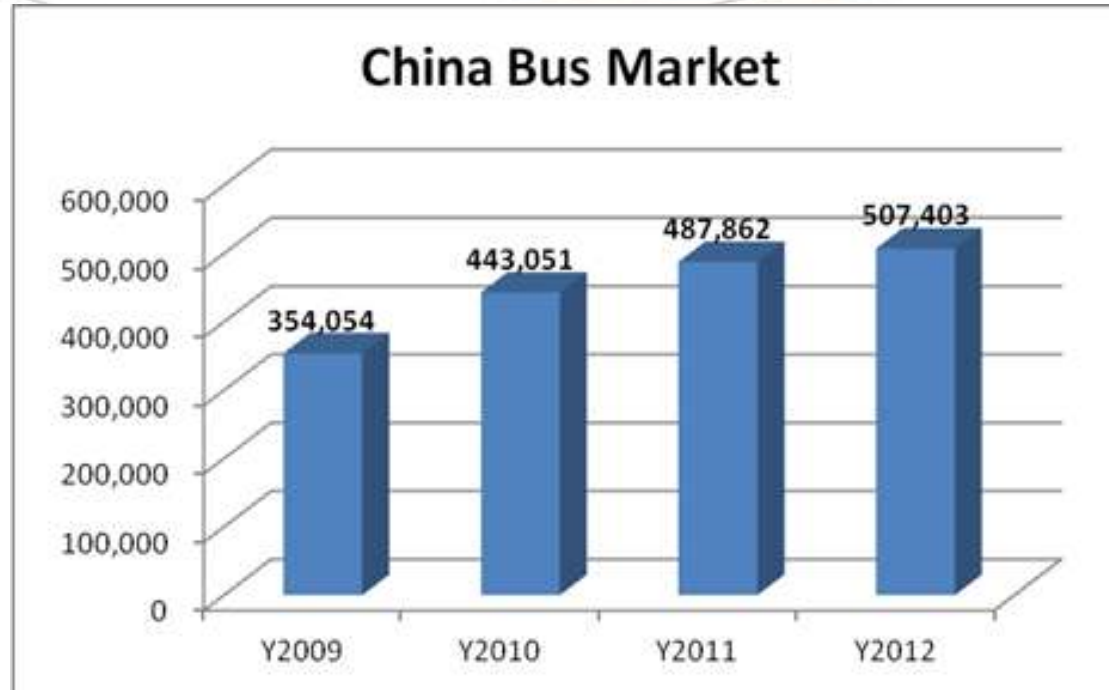


Truck Industry Statistics	Y2009	Y2010	Y2011	Y2012
China Truck Market	2,959,425	3,861,091	3,544,836	3,303,792
Powered by Diesel	2,442,612	3,173,394	2,946,418	2,642,896
Powered by Diesel %	82.5%	82.2%	83.1%	80.0%



# Market Overview: Commercial Vehicles

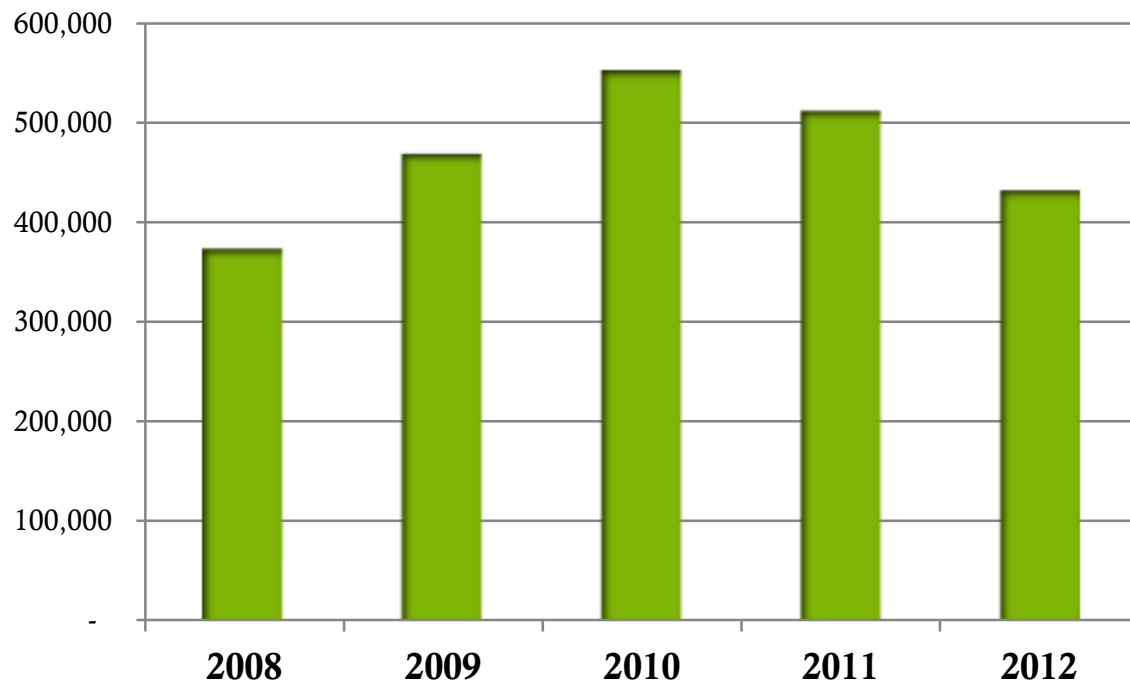
## China Bus Market



Bus Industry Statistics	Y2009	Y2010	Y2011	Y2012
China Bus Market	354,054	443,051	487,862	507,403
Powered by Diesel	250,880	322,681	354,312	361,629
Powered by Diesel %	70.9%	72.8%	72.6%	71.3%



# Unit Sales: 2008-2012

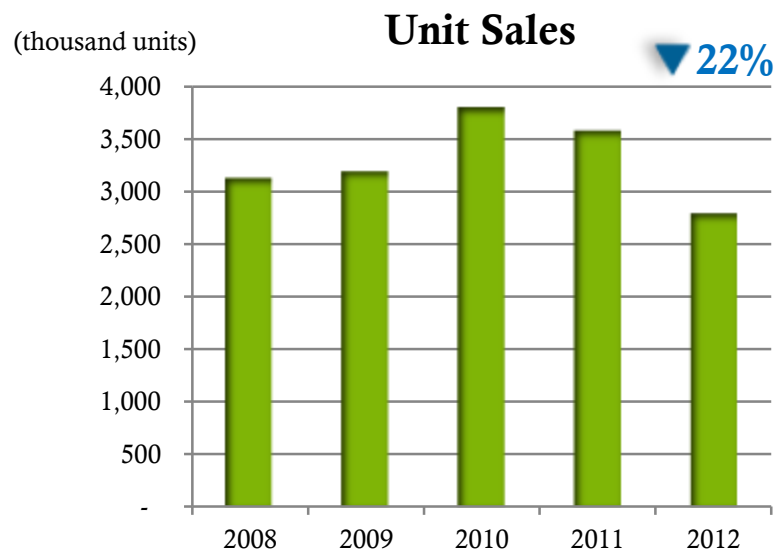
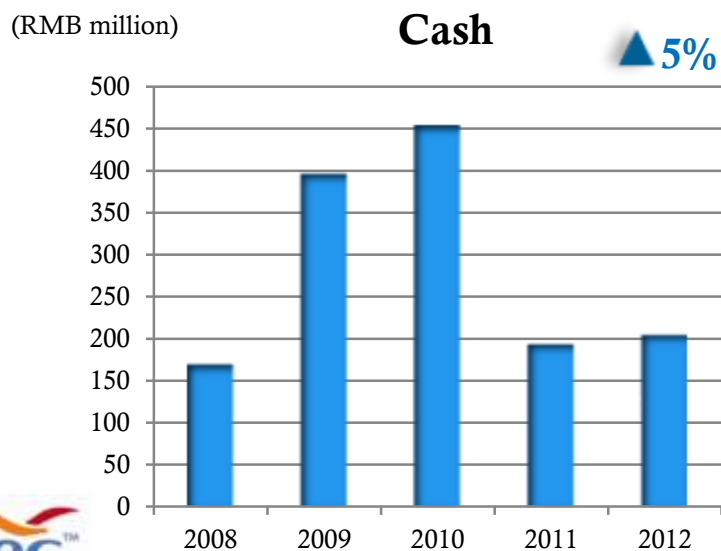
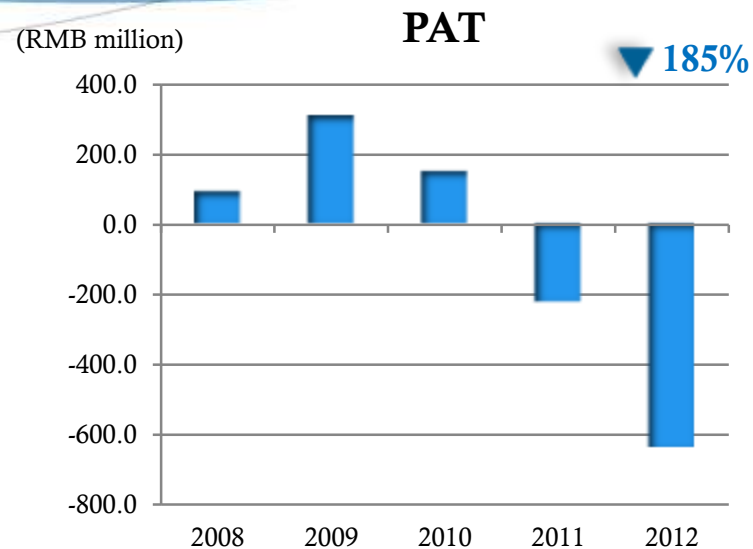
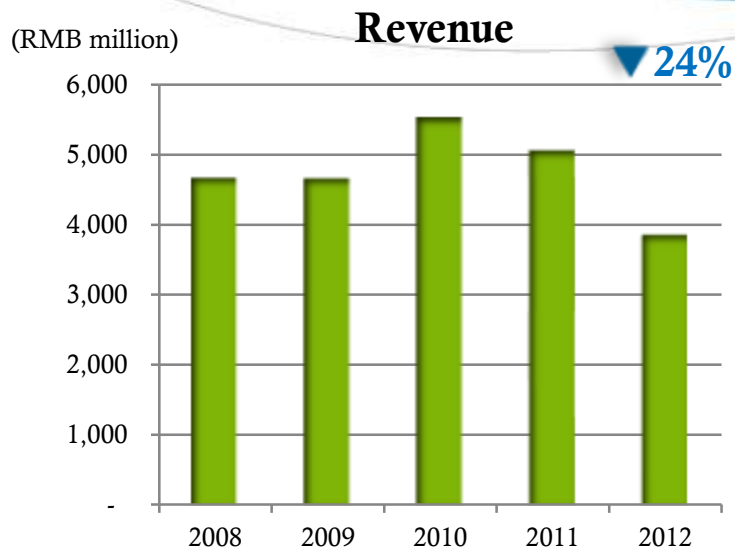




# XINFEI

  
**Frestec**<sup>TM</sup>  
新飞您的信心之选

# Financial Highlights



# The Revitalized Brand



- ◆ **Revitalized the brand in Q3 of 2012.**
- ◆ **This is to reach out to the young and sophisticated consumers in China.**
- ◆ **Expand Frestec to the International markets outside of China.**



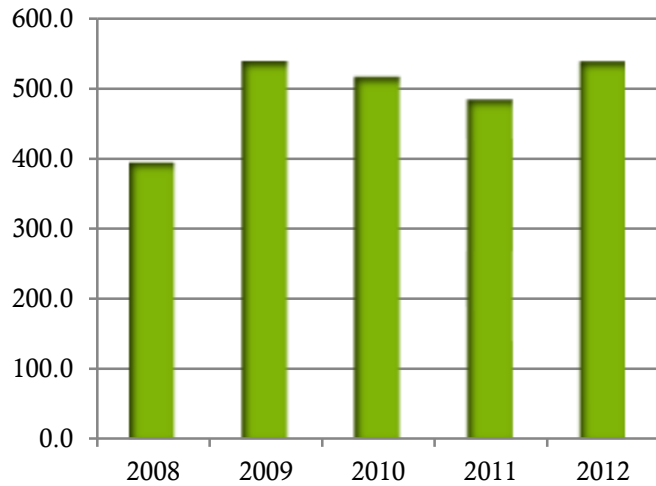
# BUILDING MATERIALS



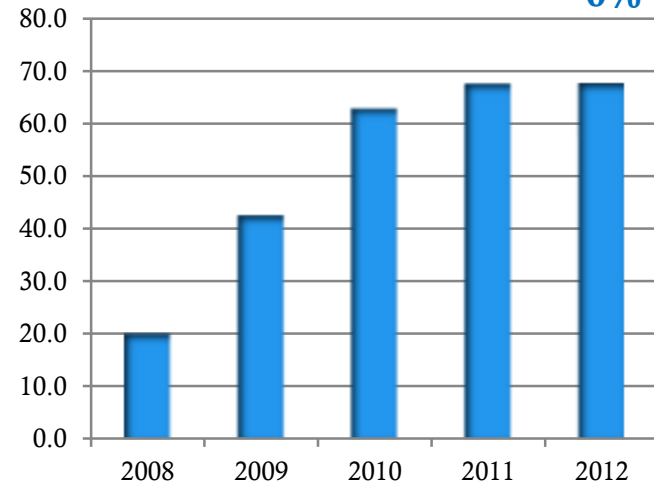


# Financial Highlights

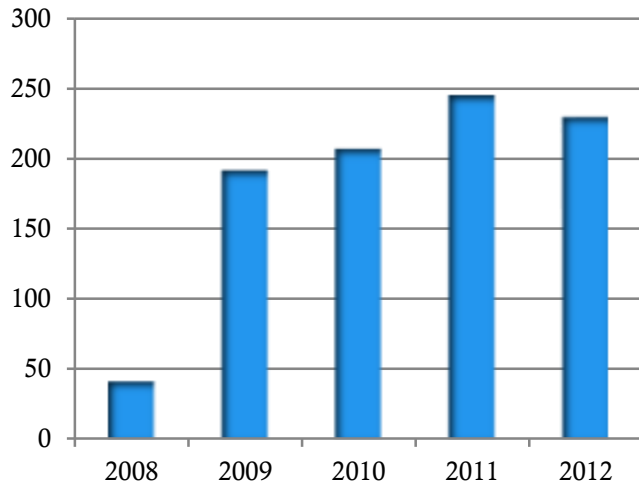
(S\$ million) **Revenue** ▲ 11%



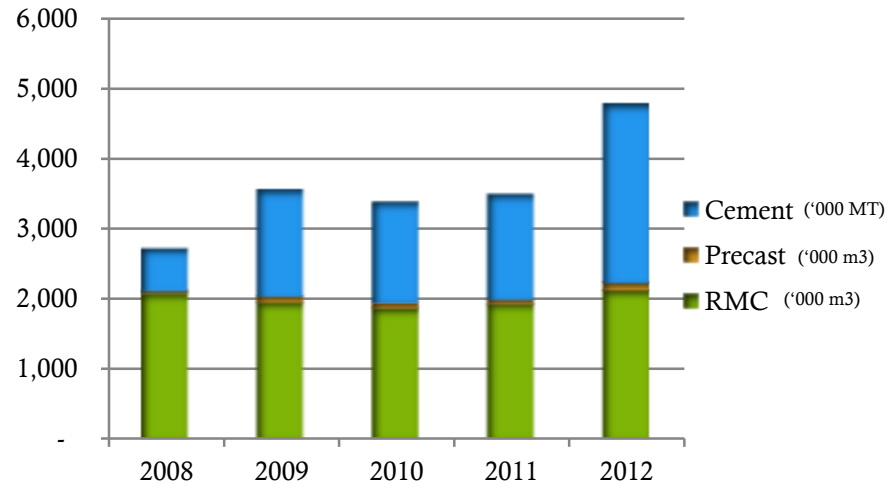
(S\$ million) **PAT** 0%



(S\$ million) **Cash** ▼ 6%



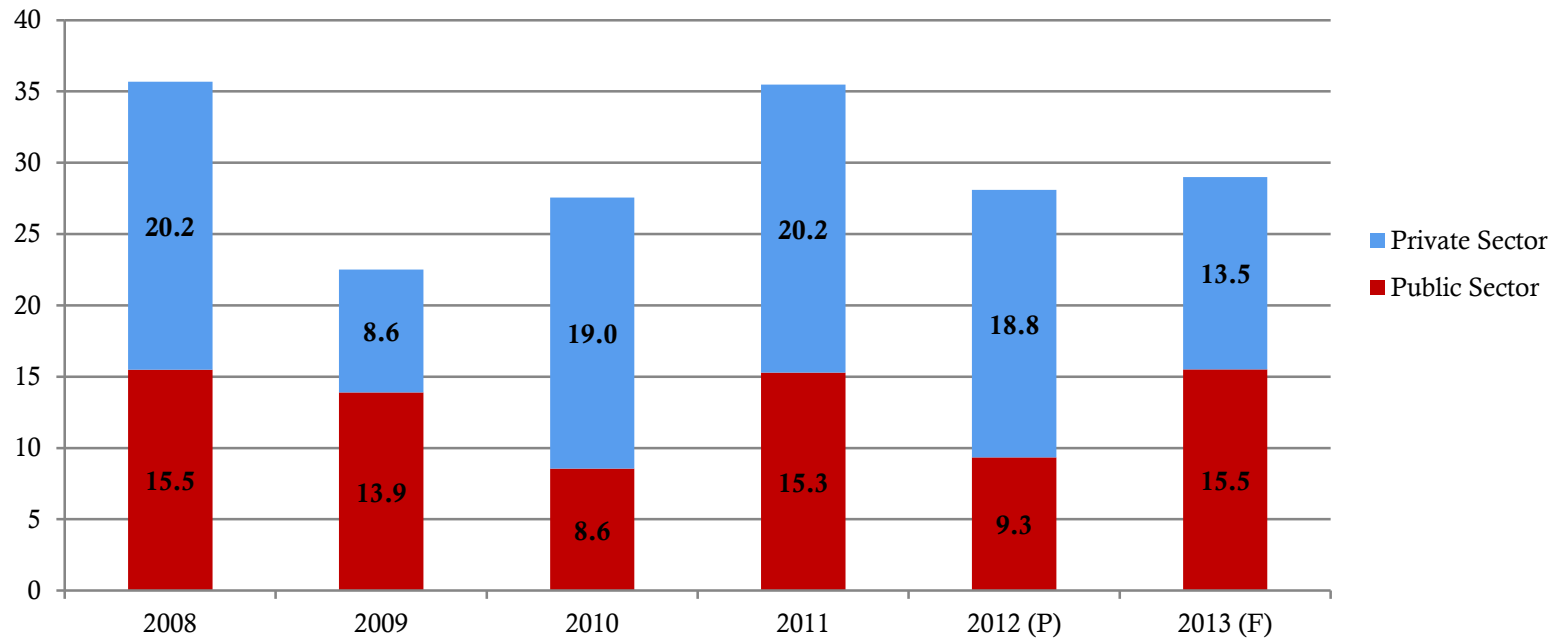
('000 MT/'000 m<sup>3</sup>) **Unit Sales**



# Value of Construction Activities

## Contracts Awarded-Singapore

SGD Billion



2012: Preliminary Actual

2013 BCA Forecast is \$26-32 billion. Average is \$29 billion (shown above).

Source: BCA Media Release: Public sector projects to boost construction demand in 2013





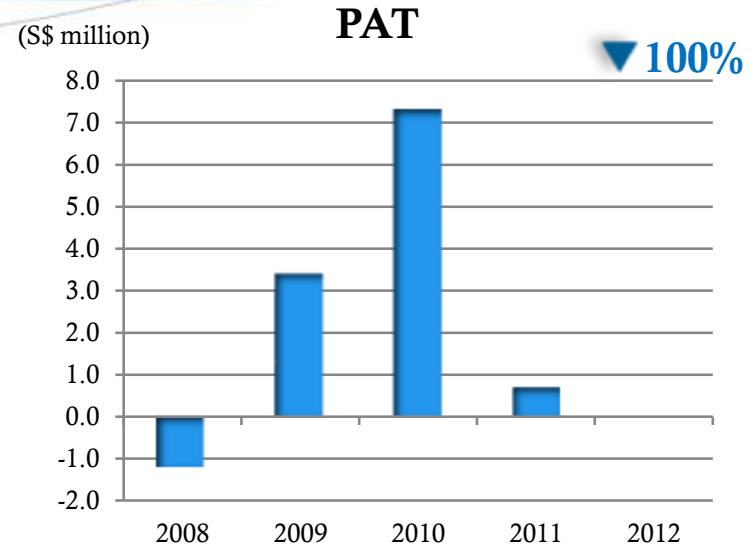
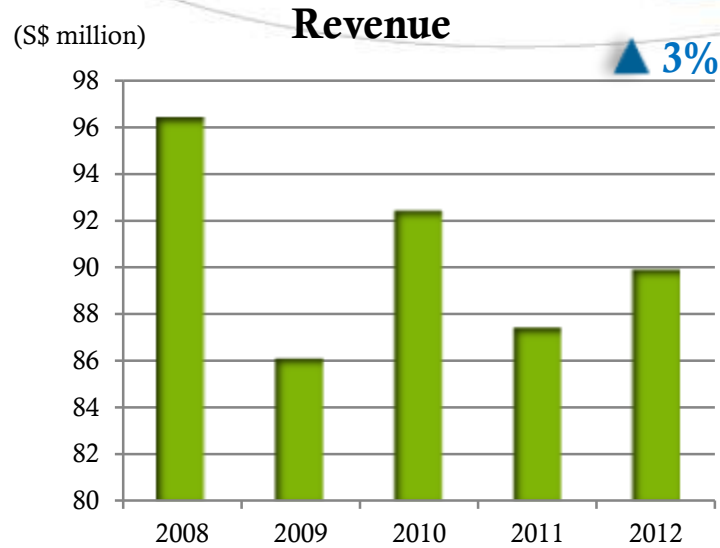
REX



# Key Investment Highlights

- ◆ **Serves high profile customers**
- ◆ **Wide product range**
- ◆ **Good geographical spread**
- ◆ **Higher raw material costs/labour costs in PRC**

# Financial Highlights (excluding GPac)



# High Profile Customers



MONSANTO



PETRONAS





# Wide Product Range





# Geographical Spread



Tianjin Rex Packaging  
Tianjin 天津



Shanghai Rex Packaging  
Shanghai 上海



Dongguan Rex Packaging  
Dongguan 东莞



Rex Plastics  
Malaysia 马来西亚



Thank You

Q&A