

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

The Board of Directors of Hong Leong Asia Ltd. (the “**Company**”) wishes to announce that the Company's indirect wholly-owned subsidiary, Rex Holdings Pte. Ltd. (“**Rex Holdings**”) has today entered into a framework agreement (“**Framework Agreement**”) with Shanghai Zijiang Enterprise Group Co., Ltd (“**Shanghai Zijiang**”), Shanghai Rex Packaging Co., Ltd (“**Shanghai Rex**”) and Tianjin Rex Packaging Co., Ltd (“**Tianjin Rex**”).

Rex Holdings currently owns 55.00% equity interest in Shanghai Rex with the remaining 45.00% equity interest held by Shanghai Zijiang. Rex Holdings, Shanghai Zijiang and Shanghai Rex currently own 25.00%, 54.55% and 20.45% equity interests in Tianjin Rex. Shanghai Rex and Tianjin Rex are incorporated in the People's Republic of China.

Pursuant to the Framework Agreement, it is contemplated that Rex Holdings shall enter into a sale and purchase agreement to sell all of its 55.00% equity interest in Shanghai Rex to its joint venture partner, Shanghai Zijiang (the “**First Transaction**”) and at the same time, enter into another sale and purchase agreement to acquire the remaining 75.00% equity interests in Tianjin Rex, comprising 54.55% and 20.45% equity interests in Tianjin Rex from Shanghai Rex and Shanghai Zijiang respectively (the “**Second Transaction**”) (collectively the “**Proposed Transactions**”). The consideration for each of the Proposed Transactions will be determined and specified in the said sale and purchase agreements, subject to the agreement of the transacting parties that the net difference between the consideration for the First Transaction and the consideration for the Second Transaction shall be approximately RMB10 million (excluding any applicable China taxes) and shall be payable by Shanghai Zijiang to Rex Holdings.

The Proposed Transactions are subject to the approvals of the relevant authorities in China. Completion of the Proposed Transactions shall be effected simultaneously, and upon such completion, Rex Holdings shall hold 100% equity interests in Tianjin Rex, whilst Shanghai Zijiang shall hold 100% equity interests in Shanghai Rex.

Further details on the Proposed Transactions including the consideration and the financial impact (if any) to the Group will be announced upon the execution of the sale and purchase agreements referred to above.

None of the Directors of the Company has any interest, direct or indirect, in the Proposed Transactions (save through their respective shareholdings in the Company) and the Company has not received any notification from any of its controlling shareholders that it has any interest, direct or indirect, in the Proposed Transactions.

By Order of the Board
HONG LEONG ASIA LTD.

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

16 July 2015
Singapore