

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE
– RECEIPT OF IN-PRINCIPLE APPROVAL FROM THE SGX-ST**

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Hong Leong Asia Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 14 August 2018 (the "**Rights Issue Announcement**") in relation to, *inter alia*, the proposed renounceable non-underwritten rights issue (the "**Rights Issue**") of up to 374,678,559 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.54 for each Rights Share, on the basis of one (1) Rights Share for every one (1) existing ordinary share in the capital of the Company. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning as ascribed to them in the Rights Issue Announcement.

2. RECEIPT OF IN-PRINCIPLE APPROVAL

Further to the Rights Issue Announcement, the Board wishes to announce that the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has on 5 September 2018 granted its in-principle approval for the listing of and quotation for up to 374,678,559 Rights Shares on the SGX-ST pursuant to the Rights Issue, subject to the following:

- (a) compliance with the SGX-ST's listing requirements;
- (b) Shareholders' approval for the Rights Issue;
- (c) a written undertaking from the Company that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- (d) a written undertaking from the Company that it will comply with Rule 877(10) of the Listing Manual with regard to the allotment of any excess Rights Shares; and
- (e) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the Undertaking Shareholder who has given the Irrevocable Undertaking has sufficient financial resources to fulfil its obligations under the Irrevocable Undertaking.

The Company has provided the written undertakings and confirmations referred to in subparagraphs (c), (d) and (e) above to the SGX-ST.

The in-principle approval granted by the SGX-ST for the admission of, listing of and quotation for the Rights Shares is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries.

A circular to Shareholders for the purpose of seeking their approval for the Rights Issue, together with the notice of the extraordinary general meeting to be convened, will be despatched to Shareholders in due course.

BY ORDER OF THE BOARD
HONG LEONG ASIA LTD.

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

5 September 2018
Singapore