

## HONG LEONG ASIA LTD. (Co. Reg. No. 196300306G)

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### Proposed Changes to the Composition of the Board

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The Board of Directors (the “**Board**”) of Hong Leong Asia Ltd. (“**HLA**” or the “**Company**”) wishes to announce the following impending changes to the Board:

- (1) Mr Kwek Leng Beng, who will be retiring at the annual general meeting of HLA in April 2017 (“**2017 AGM**”) pursuant to the Company’s Constitution, has notified the Board that he would not be seeking re-election as a Non-Executive Director of the Company at the 2017 AGM, and accordingly he shall also cease to act as the Chairman of the Board and a member of the Nominating Committee (“**NC**”) after the conclusion of the 2017 AGM.

Mr Kwek Leng Beng, age 75, has served as a Director of the Company since 1981, and was appointed as the Non-Executive Chairman in 1995. During his tenure, Mr Kwek saw the successful listing of the Company on the Singapore Exchange in 1998 and contributed to the growth of the Company from being a leading integrated building materials supplier to its current standing as one of the region’s major manufacturing and distribution players with its success intricately linked to its diversification into the manufacturing and distribution industries in China and Southeast Asia.

Mr Kwek has indicated that as the HLA Group continues to meet the challenges brought about by intensified competition and bearish sentiments in the global markets and world economy, it is appropriate for the Company’s next phase of growth to be led by his successor, who has the ability, experience and in-depth knowledge of the sectors in which the HLA Group operates and the capacity to devote full-time attention to the Company. Mr Kwek’s continuing commitments and responsibilities as Chairman of City Developments Limited, Millennium & Copthorne Hotels plc and Hong Leong Finance Limited, all of which are listed subsidiaries of the Hong Leong Group Singapore, currently take up much of his time and energy.

As part of the succession planning for the Board, Mr Kwek Leng Peck, currently an Executive Director of the Company, has been identified to succeed Mr Kwek Leng Beng as the Executive Chairman of the Board. Mr Kwek Leng Peck has served on the Board since 1982 and has in-depth knowledge of the Group’s business, having worked closely with the senior management of the HLA Group and has overseen the growth of the HLA Group over the last 3 decades from an integrated building materials group in the 1980s and 1990s to being also a major player in the consumer products and diesel engines industries in the People’s Republic of China from the turn of the century in 2001.

Mr Kwek Leng Peck is currently also the Non-Executive Chairman of Tasek Corporation Berhad, and a Non-Executive Director of China Yuchai International Limited, both of which are listed subsidiaries of HLA.

The Board, at the recommendation of the NC, has approved the appointment of Mr Kwek Leng Peck to succeed Mr Kwek Leng Beng as the Executive Chairman of the Board following the latter’s retirement at the 2017 AGM.

- (2) Mr Goh Kian Hwee, who is due to retire at the 2017 AGM pursuant to the Company's Constitution, has also informed the Board that he would not be seeking re-election as a Non-Executive Director of the Company at the 2017 AGM. Following his retirement, Mr Goh will also cease to be a member of the Audit Committee, the NC, the Remuneration Committee and the Hong Leong Asia Share Option Scheme 2000 Committee. Mr Goh recently took up his new appointment as Joint Group Managing Director of QAF Limited on 1 January 2017, and had informed the Board that he would like to focus more on his new executive role.

The NC is currently in the midst of considering potential candidate(s) to replace Mr Goh as an independent non-executive Director, and is also reviewing the changes in the composition of the various Board Committees. The announcements on the appointment of a new independent non-executive Director and the proposed changes to the composition of the various Board Committees will be made in due course.

The Board would like to take this opportunity to extend its heartfelt thanks and appreciation to Mr Kwek Leng Beng for his strong leadership and guidance over the years, and to Mr Goh Kian Hwee for his invaluable contribution and counsel to the Company.

Separate announcements on Mr Kwek Leng Peck's appointment and Messrs Kwek Leng Beng and Goh Kian Hwee's retirement pursuant to the requirements of Rule 704(7) of the Listing Manual of Singapore Exchange Securities Trading Limited will be released after the conclusion of the 2017 AGM which has been tentatively scheduled in April 2017.

BY ORDER OF THE BOARD

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

26 January 2017  
Singapore