

GENERAL ANNOUNCEMENT::IMPLEMENTATION OF AN EQUITY INCENTIVE PLAN BY YUCHAI IMT

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Description (Please provide a detailed description of the event in the box below)

Please refer to the attachment in relation to the implementation of an Equity Incentive Plan by Guangxi Yuchai Intelligent Manufacturing Technology Co., Ltd., a subsidiary of Hong Leong Asia Ltd.

Attachments

[HLA - Yuchai IMT Announcement.pdf](#)

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HONG LEONG ASIA LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 196300306G)

IMPLEMENTATION OF AN EQUITY INCENTIVE PLAN BY GUANGXI YUCHAI INTELLIGENT MANUFACTURING TECHNOLOGY CO., LTD., A SUBSIDIARY OF THE COMPANY

Unless otherwise stated, all currency translations of Singapore dollars (“S\$”) and Chinese Renminbi (“RMB”) used in this announcement are based on the exchange rate of S\$1.00 : RMB5.3191 as at 18 May 2026 as published by the Monetary Authority of Singapore.

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**” or the “**Directors**”) of Hong Leong Asia Ltd. (the “**Company**”, “**HLA**” and together with its subsidiaries, the “**Group**”) wishes to inform shareholders of the Company that its newly-incorporated subsidiary in the People’s Republic of China (“**China**”), Guangxi Yuchai Intelligent Manufacturing Technology Co., Ltd. (“**Yuchai IMT**”), has implemented a share scheme, being the “Equity Incentive Plan of Yuchai IMT” (the “**Scheme**”).
- 1.2 Yuchai IMT was incorporated on 18 May 2026 with a registered capital of RMB20.0 million (equivalent to approximately S\$3.76 million), of which RMB18.4 million (equivalent to approximately S\$3.46 million) representing 92% of the registered capital of Yuchai IMT will be paid by Guangxi Yuchai Machinery Company Limited (“**GYMCL**”). The principal activity of Yuchai IMT is to integrate and digitalise GYMCL’s existing equipment manufacturing businesses.
- 1.3 Participants of the Scheme will contribute the remaining amount of the registered capital of RMB1.6 million (equivalent to approximately S\$0.30 million) (the “**Consideration**”) at a subscription price of RMB1 (equivalent to approximately S\$0.19) per RMB1 (equivalent to approximately S\$0.19) registered capital in consideration for approximately 8% of the registered capital of Yuchai IMT (the “**Yuchai IMT Scheme Interest**”), on and subject to the terms and conditions of the respective scheme documents (the “**Scheme Documents**”).
- 1.4 GYMCL is a 76.41%-owned subsidiary of China Yuchai International Limited (“**CYI**”) and CYI is a 48.70%-owned subsidiary of the Company, which is listed on the New York Stock Exchange.
- 1.5 The Yuchai IMT Scheme Interest is held by a separate limited liability partnership vehicle which is established by the participants of the Scheme (the “**Platform Entity**”).
- 1.6 The Scheme is a share scheme under Rule 843 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”).

2. INFORMATION TO BE ANNOUNCED UNDER RULE 843(4) OF THE LISTING MANUAL - PRINCIPAL TERMS OF THE SCHEME DOCUMENTS

2.1 Rationale of the Scheme

The Scheme aims to incentivise sustained performance and foster a culture of dedication and loyalty among employees, ultimately aligning the interests of employees with the long-term growth of Yuchai IMT.

2.2 Identities of Participants

The participants of the Scheme are primarily the employees, directors and senior executives of Yuchai IMT. Save for the aforementioned, none of the participants of the Scheme are directors or employees of the Company or the Company's parent company, its subsidiaries or associates.

2.3 Principal Terms of the Scheme

The Scheme Documents comprising the terms and conditions of the Scheme and partnership agreement for the Platform Entity are executed in Chinese.

Platform Entities	<p>The participants of the Scheme would hold interests in newly established Platform Entity as general partners or limited partners (to be known as “Partnership Interest”). GYMCL would also hold a nominal interest in the Platform Entity as a limited partner so that it may undertake certain matters in the Platform Entity under the Scheme Documents.</p> <p>The current list of participants and their allocations have been finalised and approved by the remuneration committee¹ of GYMCL (“GYMCL RC”).</p>
Consideration	<p>The subscription price for each RMB1 of the registered capital of Yuchai IMT is RMB1.</p>
Lock Up Period	<p>(i) All Partnership Interests will be subject to a lock-up period commencing on the date that the Platform Entity acquired the Yuchai IMT Scheme Interest and ending the earlier of (aa) in the event that Yuchai IMT undertakes a public listing, three (3) years after the date of such listing, and (bb) in the event that Yuchai IMT does not undertake a public listing, ten (10) years after the date that the Platform Entity acquired the Yuchai IMT Scheme Interest (the “Lock Up Period”).</p> <p>(ii) During the Lock Up Period,</p> <p>(aa) the Platform Entity is to vote on all matters proposed at shareholders' meetings of Yuchai IMT in the same manner as GYMCL;</p> <p>(bb) Partnership Interests cannot be transferred/sold/mortgaged/gifted; and</p>

¹ As at the date of this announcement, the GYMCL RC members are Mr Kwek Leng Peck (chairman of HLA and a director of CYI and GYMCL) as chair of the GYMCL RC, Mr Li Hanyang (a director of CYI and chairman of GYMCL) and Mr Neo Poh Kiat (an independent director of CYI and GYMCL).

		(cc) Partnership Interests must be or can only be, as the case may be, transferred ² in accordance with agreed terms and to approved persons under the special scenarios ³ (the “ Special Scenarios ”). However, the GYMCL RC has the discretion to determine the exit price of one key employee upon his retirement.
Distributions		The Platform Entity has the right to distributions declared and made by Yuchai IMT upon the issuance of the Yuchai IMT Scheme Interest.
Administration of the Scheme		GYMCL RC.
Governing Law		The execution, validity, implementation of the Scheme Documents and settlement of disputes in respect of the Scheme Documents shall be governed by and construed in accordance with the laws of the People’s Republic of China. Any party shall have the right to submit a dispute to arbitration at the Shenzhen International Arbitration Court.

The Company will provide the necessary disclosures (or the appropriate negative statements) in relation to the Scheme as required pursuant to Rule 852 of the Listing Manual, in the Company’s annual report.

² All partners in the Platform Entity including GYMCL and all other employees of Yuchai IMT and its subsidiaries approved by the GYMCL RC have the right (but not the obligation) to request the exiting partner to transfer his/her Partnership Interests in that Platform Entity under the Special Scenarios. Should GYMCL buy Partnership Interests in any Platform Entity, it has to transfer to newly identified employees approved by the GYMCL RC within six (6) months.

Special Scenario	Exit Price
Death	If the date of death falls on or before the listing of Yuchai IMT, it will be based on the latest audited NAV per RMB1 registered capital of Yuchai IMT. If the date of death falls after the listing of Yuchai IMT, his/her estate may continue to hold the Partnership Interest and dispose of it after the expiry of the Lock Up Period.
Retirement	If the retirement date falls on or before the listing of Yuchai IMT, it will be based on the latest audited NAV per RMB1 registered capital of Yuchai IMT. If the retirement date falls after the listing of Yuchai IMT, a participant may continue to hold the Partnership Interest and dispose of it after the expiry of the Lock Up Period.
Termination of employment (voluntary resignation, non-renewal of contract after expiry, mutually agreed termination) Divorce	If the date of formal submission of resignation or the effective date of divorce property division falls on or before the listing of Yuchai IMT, it will be based on 80% of the latest audited NAV per RMB1 registered capital of Yuchai IMT. If the date of formal submission of resignation or the effective date of divorce property division falls after the listing of Yuchai IMT, a participant may continue to hold the Partnership Interest and dispose of it after the expiry of the Lock Up Period.
Termination of employment (dismissal, violation of provisions of the Scheme Documents, criminal conviction) Receipt of significant administrative punishment from state administrative department.	Based on the lower of (i) 80% of the latest audited NAV per RMB1 registered capital of Yuchai IMT; and (ii) the original subscription price.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in Foot Note 1 above in relation to Mr Kwek Leng Peck (who is Chairman of the Board) being the chairman of the GYMCL RC, none of the other Directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Scheme, other than through their respective directorships and/or shareholdings in the Company.

**BY ORDER OF THE BOARD
HONG LEONG ASIA LTD.**

Stephen Ho Kiam Kong
Executive Director and Chief Executive Officer
19 May 2026