

COMPLETION OF SALE OF BUSINESS AND ASSETS OF REX PLASTICS (MALAYSIA) SDN. BHD.

The Board of Directors (the “**Board**”) of Hong Leong Asia Ltd. (the “**Company**”) refers to the announcement made by the Company on 6 September 2017 (the “**Announcement**”) in relation to the sale of business and assets of Rex Plastics (Malaysia) Sdn. Bhd (“**Rex Plastics Malaysia**”), a wholly owned subsidiary of the Company, to Viscount Plastics (Malaysia) Sdn Bhd (the “**Purchaser**”) upon the terms and conditions as set out in the sale and purchase agreement entered between Rex Plastics Malaysia and the Purchaser (the “**Agreement**”) (the “**Disposal**”).

Further to the Announcement, the Board wishes to announce that:

1. the Disposal was completed today after satisfaction of the conditions precedent to the Disposal; and
2. the consideration for the Disposal was adjusted to Ringgit Malaysia (RM) 7.54 million (which is equivalent to approximately S\$2.40 million, based on the exchange rate of RM1.00 : S\$0.3209) (the “**Consideration**”) in accordance with the terms of the Agreement, and comprised the following:
 - (i) RM4.60 million for the business and assets; and
 - (ii) RM2.94 million for the inventory stock.

The consideration for the sale of the business and assets was determined after making certain price adjustments in accordance to the Agreement. The consideration for the inventory stock was determined after the joint inventory count by Rex Plastics Malaysia and the Purchaser.

The final payment for the Disposal of RM6.46 million, being the remaining Consideration after deducting the deposit received earlier, has been paid to Rex Plastics Malaysia by the Purchaser.

By Order of the Board
Hong Leong Asia Ltd.

Ng Siew Ping, Jaslin
Company Secretary

4 December 2017
Singapore