

## Issuer & Securities

### Issuer/ Manager

HONG LEONG ASIA LTD.

### Security

HONG LEONG ASIA LTD. - SG1F76860344 - H22

## Announcement Details

### Announcement Title

Annual General Meeting

### Date & Time of Broadcast

27-Mar-2024 06:52:27

### Status

New

### Announcement Reference

SG240327MEETJKD8

### Submitted By (Co./ Ind. Name)

Ng Siew Ping, Jaslin

### Designation

Company Secretary

### Financial Year End

31-Dec-2023

## Event Narrative

Narrative Type	Narrative Text
<b>ANNUAL GENERAL MEETING::VOLUNTARY</b>	
Additional Text	(1) Notice of 63rd Annual General Meeting; (2) Proxy Form; and (3) Letter to Shareholders dated 27 March 2024

## Event Dates

### Meeting Date and Time

25-Apr-2024 15:00:00

Response Deadline Date

22-Apr-2024 15:00:00

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Event Venue(s)

Place

Venue(s)	Venue details
Meeting Venue	M Hotel Singapore, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908

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Attachments

[HLA\\_AR2023 - Notice of AGM.pdf](#)

[HLA\\_AR2023 - Proxy Form.pdf](#)

[HLA\\_AR2023- Letter to Shareholders.pdf](#)

Total size =534K MB

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# HONG LEONG ASIA LTD.

Co. Reg. No. 196300306G  
(Incorporated in the Republic of Singapore)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixty-Third Annual General Meeting (the “**Meeting**”) of HONG LEONG ASIA LTD. (the “**Company**”) will be held at M Hotel Singapore, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908 on Thursday, 25 April 2024 at 3.00 p.m. for the following purposes:

### A. ORDINARY BUSINESS:

1. To receive the Directors’ Statement and Audited Financial Statements for the year ended 31 December (“**FY**”) 2023 and the Auditors’ Report thereon. **Resolution 1**
2. To declare a first and final one-tier tax exempt dividend of 2 cents per ordinary share for FY 2023 (“**First and Final Dividend**”). **Resolution 2**
3. To approve Directors’ Fees of \$627,666 for FY 2023 (FY 2022: \$498,000). **Resolution 3**
4. To re-elect the following Directors of the Company (“**Directors**”) who would be retiring in accordance with the Company’s Constitution and who, being eligible, offer themselves for re-election as Directors:
  - (a) Mr Kwek Leng Peck **Resolution 4(a)**
  - (b) Mr Stephen Ho Kiam Kong **Resolution 4(b)**
  - (c) Ms Kwong Ka Lo @ Caroline Kwong **Resolution 4(c)**

*Key information on the Directors who are proposed to be re-elected can be found under the sections on “Board of Directors” and “Additional Information on Directors Seeking Re-election at the 63<sup>rd</sup> Annual General Meeting” of the Company’s Annual Report 2023.*

5. To re-appoint Ernst & Young LLP as Auditor of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

### B. SPECIAL BUSINESS:

To consider and, if thought fit, to pass, with or without any modifications, the following resolutions which will be proposed as Ordinary Resolutions:

6. That authority be and is hereby given to the Directors to: **Resolution 6**
  - (a) (i) issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

- (b) (notwithstanding the authority conferred by this Ordinary Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Ordinary Resolution is in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Ordinary Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution but excluding Shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed 50% of the total number of issued Shares, excluding treasury shares and subsidiary holdings, of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution but excluding Shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed 20% of the total number of issued Shares, excluding treasury shares and subsidiary holdings, of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (“**SGX-ST**”)) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares shall be based on the total number of issued Shares, excluding treasury shares and subsidiary holdings, of the Company at the time this Ordinary Resolution is passed, after adjusting for:
- (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Ordinary Resolution is passed; and
- (ii) any subsequent bonus issue, consolidation or subdivision of Shares;

and, in sub-paragraph (1) above and this sub-paragraph (2), “**subsidiary holdings**” has the meaning given to it in the Listing Manual of SGX-ST;

- (3) in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”), the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Ordinary Resolution shall continue in force until the conclusion of the next annual general meeting (“**AGM**”) of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

7. That approval be and is hereby given to the Directors to offer and grant options in accordance with the provisions of the Hong Leong Asia Share Option Scheme 2000 (the “**SOS**”) to eligible participants under the SOS other than Parent Group Employees and Parent Group Non-Executive Directors (each as defined under the terms of the SOS) and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options granted under the SOS, provided that the aggregate number of Shares to be issued pursuant to the SOS shall not exceed 15% of the total number of issued Shares, excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of SGX-ST), of the Company from time to time.

## Resolution 7

8. That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
- (i) market purchase(s) on SGX-ST and/or any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**"); and/or
  - (ii) off-market purchase(s) (if effected otherwise than on SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may, in their absolute discretion, deem fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorized and approved generally and unconditionally (the "**Share Purchase Mandate**");

- (b) the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earliest of:
- (i) the date on which the next AGM of the Company is held or required by law to be held;
  - (ii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked in general meeting; or
  - (iii) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
- (c) in this Ordinary Resolution:

"**Average Closing Price**" means the average of the closing market prices of a Share for the five consecutive market days on which the Shares are transacted on SGX-ST or, as the case may be, Other Exchange immediately preceding the date of market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of SGX-ST for any corporate action which occurs during the relevant five-day period and the day on which the purchase is made;

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share, and the relevant terms of the equal access scheme for effecting the off-market purchase;

"**Maximum Limit**" means that number of issued Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of SGX-ST)) as at the date of the passing of this Ordinary Resolution; and

**"Maximum Price"** in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties (if applicable), commission, applicable goods and services tax and other related expenses (if applicable)) which shall not exceed:

- (i) in the case of a market purchase of a Share, 105% of the Average Closing Price of the Shares; and
  - (ii) in the case of an off-market purchase of a Share pursuant to an equal access scheme, 110% of the Average Closing Price of the Shares; and
- (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

9. That:

**Resolution 9**

- (a) approval be and is hereby given for the purpose of Chapter 9 of the Listing Manual of SGX-ST, for the Company, its subsidiaries and its associated companies that are not listed on SGX-ST or an approved exchange, over which the Company, its subsidiaries and/or its interested person(s), have control, or any of them, to enter into any of the transactions falling within the category of Interested Person Transactions, particulars of which are set out in the Letter to Shareholders dated 27 March 2024 (the **"Letter to Shareholders"**) with any party who is of the class or classes of Interested Persons described in the Letter to Shareholders; provided that such transactions are entered into in accordance with the review procedures for Interested Person Transactions as set out in the Letter to Shareholders, and that such approval (the **"IPT Mandate"**), shall unless revoked or varied by the Company in a general meeting, continue in force until the next AGM of the Company; and
- (b) the Directors and/or each of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Ordinary Resolution.

**BY ORDER OF THE BOARD**

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

Singapore, 27 March 2024

## Explanatory Notes:

### Ordinary Business

1. With reference to Resolution 2, the Share Transfer Books and Register of Members will be closed from 5.00 p.m. on 6 May 2024 up to (and including) 7 May 2024. Registrable transfers received up to 5.00 p.m. on 6 May 2024 will be registered to determine shareholders' entitlement to the First and Final Dividend. If approved at the Meeting, it will be paid on 15 May 2024.
2. With reference to Resolution 3, the Directors' Fees of \$627,666 for FY 2023 will be payable upon approval of the shareholders at the Meeting. The structure of fees payable to Directors for FY 2023 can be found under the section on the 'Corporate Governance Report' in the Company's Annual Report 2023.
3. With reference to Resolution 4(a), Mr Kwek Leng Peck will, upon re-election as a Director, remain as the Chairman of the Board and a member of the Nominating Committee ("**NC**") and SOS Committee.
4. With reference to Resolution 4(b), Mr Stephen Ho Kiam Kong will, upon re-election as a Director, remain as a member of the Board Sustainability Committee ("**BSC**").
5. With reference to Resolution 4(c), Ms Kwong Ka Lo @ Caroline Kwong will, upon re-election as a Director, remain as the Chairman of the BSC and the NC, and a member of the Audit and Risk Committee, Remuneration Committee, and SOS Committee. Ms Kwong is considered independent for the purposes of Rule 704(8) of the Listing Manual of SGX-ST.

### Special Business

6. Resolution 6, if passed, will empower the Directors from the date of the Meeting until the next AGM (unless such authority is revoked or varied at a general meeting), to issue Shares and/or make or grant Instruments that might require Shares to be issued up to a number not exceeding 50% of the total number of issued Shares, excluding treasury shares and subsidiary holdings, of the Company, of which up to 20% may be issued other than on a *pro rata* basis to shareholders. The aggregate number of Shares which may be issued under this ordinary resolution will be calculated based on the total number of issued Shares, excluding treasury shares and subsidiary holdings, of the Company at the time that this ordinary resolution is passed, after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this ordinary resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.
7. Resolution 7, if passed, will empower the Directors to offer and grant options in accordance with the SOS to eligible participants under the SOS other than Parent Group Employees and Parent Group Non-Executive Directors and to issue from time to time such number of Shares of the Company pursuant to the exercise of such options under the SOS subject to such limits as prescribed in the SOS (*see note below on voting restrictions*).

#### Voting restrictions pursuant to Rule 859 of the Listing Manual of SGX-ST

Please note that a shareholder who is eligible to participate in the SOS (other than as a director and/or employee of Hong Leong Investment Holdings Pte. Ltd. (the "**Parent Company**") and its subsidiaries (but not including the Company and its subsidiaries)), should abstain from voting at the Meeting in respect of Resolution 7 in relation to the SOS, and accordingly should not accept nominations as proxies or otherwise for voting at the Meeting, in respect of the aforesaid resolution, unless specific instructions have been given in the proxy form on how the vote is to be cast for the aforesaid resolution.

8. Resolution 8, if passed, will empower the Directors to make purchases or otherwise acquire the Company's issued Shares from time to time subject to and in accordance with the guidelines set out in Annexure I of the Letter to Shareholders. This authority will expire at the conclusion of the next AGM of the Company, unless previously revoked or varied at a general meeting or when such purchases or acquisitions are carried out to the full extent mandated.
9. Resolution 9, if passed, will renew the IPT Mandate first approved by shareholders on 30 May 2003 to facilitate the Company, its subsidiaries and its associated companies, to enter into Interested Person Transactions, the details of which are set out in Annexures II and III of the Letter to Shareholders. The IPT Mandate will continue in force until the conclusion of the next AGM of the Company, unless previously revoked or varied at a general meeting.

*Voting restrictions pursuant to Rule 921(7) of the Listing Manual of SGX-ST*

*The Parent Company and its subsidiaries, the Directors of the Company and their associates, who are also shareholders of the Company and being Interested Persons under the IPT Mandate, are required to abstain from voting at the Meeting in respect of Resolution 9 in relation to the proposed renewal of the IPT Mandate.*

**Meeting Notes:**

***Format of Meeting***

1. The Meeting will be held in a wholly physical format and **there will be no option for shareholders to participate virtually**. Shareholders, including CPF and SRS investors who hold the Company's Shares through CPF Agent Banks or SRS Operators, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote by attending the Meeting.

Attendees are required to bring along their NRIC/passport so as to enable the Company to verify their identities.

Printed copies of this Notice and the accompanying proxy form are sent by post to members. These documents will also be published on the Company's website at the URL <https://www.hlasia.com.sg/agm-documents> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

2. All resolutions at the Meeting shall be voted on by way of a poll. Polling will be done by way of an electronic poll voting system and members present in person or represented by proxy at the Meeting will be entitled to vote on a 'one-share, one-vote' basis. The detailed procedures for the electronic poll voting will be explained at the Meeting.

***Access to Documents***

3. The Annual Report 2023 and the Letter to Shareholders are available on the Company's website at the URL <https://www.hlasia.com.sg/agm-documents> and may also be accessed on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Shareholders may request for printed copies of the Annual Report 2023 and the Letter to Shareholders in the following manner:

- (a) by completing and returning the Request Form which is sent to them by post; or
- (b) by completing and submitting the Request Form via email to the Company's Registrar at [main@zicoholdings.com](mailto:main@zicoholdings.com).

in either case, by 5.00 p.m. on 11 April 2024.



### **Submission of Questions**

4. Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the Meeting, in advance of the Meeting, in the following manner:

- (a) via email to investor\_relations@hlasia.com.sg; or
- (b) by post to the Company, Investor Relations at 16 Raffles Quay, #26-00 Hong Leong Building, Singapore 048581.

When submitting questions, shareholders should provide the following details: (a) full name as it appears in the CDP/CPF/SRS records; (b) address; (c) number of Shares held in the Company; and (d) the manner in which the Shares are held in the Company (e.g., via CDP, CPF and/or SRS), for verification purposes. All questions submitted in advance must be received by 5.00 p.m. on 11 April 2024.

5. The Company will address substantial and relevant questions (which are related to the Company's Annual Report 2023 and other agenda items set out in this Notice) received from shareholders by 5.00 p.m. on 11 April 2024 by publishing its responses to such questions on the Company's website at the URL <https://www.hlasia.com.sg/agm-documents> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the closing date and time for the lodgement/receipt of instruments appointing a proxy(ies).

### **Appointment of Proxy(ies)**

6. (a) A member who is not a **relevant intermediary** is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's form of proxy appoints more than one proxy, the number of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

7. A proxy need not be a member of the Company.
8. Completion and return of the form of proxy shall not preclude a member from attending, speaking and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the form of proxy to the Meeting.
9. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to the voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
10. The form appointing a proxy(ies) must be submitted to the Company in the following manner:
- (a) if submitted by post, be deposited at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
  - (b) if submitted electronically, via email to the Company's Share Registrar at [main@zicoholdings.com](mailto:main@zicoholdings.com),
- in either case, by 3.00 p.m. on 22 April 2024, being not less than 72 hours before the time for holding the Meeting.
11. A member who wishes to submit an instrument of proxy by post or via email can either use the printed copy of the proxy form, which is sent to him/her/it by post, or download a copy of the proxy form from the Company's website or the SGX-ST website, and complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

### **CPF/SRS Investors**

12. CPF or SRS investors who hold Shares in the Company through CPF Agent Banks/SRS Operators:
- (a) may attend and vote at the Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, in which case they should approach their CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 16 April 2024.

### **Personal data privacy:**

By submitting a form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, or submitting any question prior to the Meeting in accordance with this Notice, a member of the Company:

- (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of processing, administration and analysis by the Company (or its agents or service providers) of the proxy(ies) and representative(s) appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof) and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities (collectively, the "**Purposes**"); and
- (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), agrees to provide the Company with written evidence of such prior consent of such proxy(ies) or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.

**IMPORTANT:**

- The Meeting will be held in a wholly physical format and **there will be no option for shareholders to participate virtually**. Printed copies of this Notice and the accompanying proxy form are sent by post to members. These documents will also be published on the Company's website at the URL <https://www.hlasia.com.sg/agm-documents> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
  - Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy(ies).
  - Relevant intermediaries (as defined in Section 181 of the Companies Act 1967) may appoint more than two proxies to attend, speak and vote at the Meeting.
  - This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF/SRS investors who hold shares through their CPF/SRS funds. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
- Personal Data Privacy*
- By submitting an instrument appointing a proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of Meeting dated 27 March 2024.

I/We, (name) \_\_\_\_\_ with NRIC/Passport/Co. Reg. No.: \_\_\_\_\_  
of (address) \_\_\_\_\_  
being a member/members of HONG LEONG ASIA LTD. (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of shares	%
Address			

and/or

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of shares	%
Address			

as my/our proxy/proxies, to attend, speak and vote for me/us on my/our behalf at the Sixty-Third Annual General Meeting of the Company (the "**Meeting**") to be held at M Hotel Singapore, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908 on Thursday, 25 April 2024 at 3.00 p.m., and at any adjournment thereof in the following manner as specified below.

**NOTE:** Voting on all resolutions will be conducted by poll. If you wish to exercise 100% of your votes **For** or **Against** a resolution, please tick with "v" in the corresponding box against that resolution. If you wish to split your votes, please indicate the number of votes **For** and/or **Against** that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with "v" in the **Abstain** box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the **Abstain** box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the below resolutions if no voting instruction is specified, and on any other matter arising at the Meeting and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain															
<b>A.</b>	<b>ORDINARY BUSINESS:</b>																		
1.	Receipt of the Directors' Statements, Audited Financial Statements and the Auditor's Report thereon																		
2.	Declaration of a First and Final Dividend																		
3.	Approval of Directors' Fees																		
4.	Re-election of Directors: <table border="0" style="margin-left: 20px;"> <tr> <td>(a)</td> <td>Mr Kwek Leng Peck</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(b)</td> <td>Mr Stephen Ho Kiam Kong</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(c)</td> <td>Ms Kwong Ka Lo @ Caroline Kwong</td> <td></td> <td></td> <td></td> </tr> </table>	(a)	Mr Kwek Leng Peck				(b)	Mr Stephen Ho Kiam Kong				(c)	Ms Kwong Ka Lo @ Caroline Kwong						
(a)	Mr Kwek Leng Peck																		
(b)	Mr Stephen Ho Kiam Kong																		
(c)	Ms Kwong Ka Lo @ Caroline Kwong																		
5.	Re-appointment of Ernst & Young LLP as Auditor																		
<b>B.</b>	<b>SPECIAL BUSINESS:</b>																		
6.	Authority for Directors to issue shares and/or make or grant offers, agreements or options pursuant to Section 161 of the Companies Act 1967 and the Listing Manual of Singapore Exchange Securities Trading Limited																		
7.	Authority for Directors to offer and grant options to eligible participants under the Hong Leong Asia Share Option Scheme 2000 (the " <b>SOS</b> ") other than Parent Group Employees and Parent Group Non-Executive Directors and to issue shares in accordance with the provisions of the SOS																		
8.	Renewal of Share Purchase Mandate																		
9.	Renewal of IPT Mandate for Interested Person Transactions																		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

<b>Total No. of Shares Held</b>

\_\_\_\_\_  
Signature(s) or Common Seal of Member(s)

**Notes:**

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.  
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than one proxy, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.  
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.
3. A proxy need not be a member of the Company.
4. CPF or SRS investors who hold shares in the Company through CPF Agent Banks/SRS Operators:
  - (a) may vote at the Meeting if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, in which case they should approach their CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 16 April 2024.

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**63<sup>rd</sup> AGM  
PROXY FORM**

Affix  
Postage  
Stamp

**HONG LEONG ASIA LTD.**  
c/o The Share Registrar  
B.A.C.S. Private Limited  
77 Robinson Road  
#06-03 Robinson 77  
Singapore 068896

2nd fold here

5. The form appointing a proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted by post, be deposited at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 ; or
  - (b) if submitted electronically, via email to the Company's Share Registrar at [main@zicoholdings.com](mailto:main@zicoholdings.com),in either case, by 3.00 p.m. on 22 April 2024, being not less than 72 hours before the time for holding the Meeting.  
The proxy must bring along his/her NRIC/passport as to enable the Company to verify his/her identity.
6. The form of proxy must be signed by the appointor or his/her attorney duly authorised in writing. Where the form of proxy is executed by a corporation, it must be executed either under its common seal or signed by a director or an officer or an attorney duly authorised.
7. Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent the member from attending, speaking and voting at the Meeting if the member so wishes. The appointment of the proxy(ies) for the Meeting will be deemed to be revoked if the member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any proxy(ies) appointed under the relevant instrument appointing a proxy(ies) to the Meeting.
8. The Company shall be entitled to reject the form of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the form of proxy (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any form of proxy lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.



## **HONG LEONG ASIA LTD.**

Co. Reg. No. 196300306G  
(Incorporated in the Republic of Singapore)

### **LETTER TO SHAREHOLDERS DATED 27 MARCH 2024**

#### **IN RELATION TO THE PROPOSED**

- (1) RENEWAL OF THE SHARE PURCHASE MANDATE**
- (2) RENEWAL OF THE IPT MANDATE**

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# LETTER TO SHAREHOLDERS

## HONG LEONG ASIA LTD.

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

### Directors:

#### **Executive Directors:**

Kwek Leng Peck (Executive Chairman)  
Stephen Ho Kiam Kong (Executive Director and Chief Executive Officer)  
Kwek Pei Xuan (Executive Director and Head of Sustainability and Corporate Affairs)

#### **Lead Independent Director:**

Tan Chian Khong

#### **Independent Non-Executive Directors:**

Kwong Ka Lo @ Caroline Kwong  
Ng Sey Ming  
Maimoonah Binte Mohamed Hussain

### Registered Office:

16 Raffles Quay  
#26-00 Hong Leong Building  
Singapore 048581

27 March 2024

To: The Shareholders of Hong Leong Asia Ltd.

Dear Sir/Madam

- (1) **PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**
- (2) **PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS**

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## 1. INTRODUCTION

We refer to the Notice of the Sixty-Third Annual General Meeting of Hong Leong Asia Ltd. (the “**Company**”) (“**Forthcoming AGM**”) issued by the Company on 27 March 2024.

Item 8 of the Notice of the Forthcoming AGM is an ordinary resolution (“**Resolution 8**”) to be proposed at the Forthcoming AGM for the renewal of the Company’s share purchase mandate (“**Share Purchase Mandate**”) which will empower the directors of the Company (“**Directors**”) to make purchases or otherwise acquire issued ordinary shares of the Company (the “**Shares**”) from time to time subject to certain restrictions set out in the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Information relating to Resolution 8 is set out in **Annexure I** of this Letter to Shareholders (“**Letter**”).

Item 9 of the Notice of the Forthcoming AGM is an ordinary resolution (“**Resolution 9**”) to be proposed at the Forthcoming AGM for the renewal of the Company’s mandate for interested person transactions which will facilitate the Company, its subsidiaries and its associated companies, to enter into transactions with its interested persons (“**IPM Mandate**”), the details of which are set out in **Annexures II and III** of this Letter.

The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with the reasons for, and information relating to, Resolution 8 and Resolution 9.

## 2. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

The interests of the Directors and substantial shareholders of the Company in the issued Shares and options granted under the Hong Leong Asia Share Option Scheme 2000 (the “**Share Options**”) as at 14 March 2024 (the “**Latest Practicable Date**”), were as follows:

	← Direct Interest →		← Deemed Interest →		Number of Share Options
	Number of Shares	%*	Number of Shares	%*	
<b>Directors</b>					
Kwek Leng Peck	8,870,700	1.19	—	—	—
Stephen Ho Kiam Kong	103,500	0.01	—	—	200,000
Kwek Pei Xuan	200,000	0.03	—	—	—
Kwong Ka Lo @ Caroline Kwong	—	—	—	—	—
Ng Sey Ming	—	—	—	—	—
Tan Chian Khong	—	—	—	—	—
Maimoonah Binte Mohamed Hussain	—	—	—	—	—

	← Direct Interest →		← Deemed Interest →	
	Number of Shares	%*	Number of Shares	%*
<b>Substantial Shareholders</b>				
Hong Leong Corporation Holdings Pte Ltd	549,001,657	73.40	13,328,000 <sup>(1)</sup>	1.78
Hong Leong Enterprises Pte. Ltd.	—	—	562,329,657 <sup>(2)</sup>	75.18
Hong Leong Investment Holdings Pte. Ltd.	—	—	562,865,657 <sup>(3)</sup>	75.25
Davos Investment Holdings Private Limited	—	—	562,865,657 <sup>(4)</sup>	75.25
Kwek Holdings Pte Ltd	—	—	562,865,657 <sup>(4)</sup>	75.25

\* The percentage of Shares held is based on the total number of issued Shares of the Company as at 14 March 2024.

### Notes:

- (1) Hong Leong Corporation Holdings Pte Ltd (“**HLCH**”) is deemed under Section 4 of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) to have an interest in the Shares held directly by its wholly-owned subsidiary, Starich Investments Pte. Ltd. (“**Starich**”).
- (2) Hong Leong Enterprises Pte. Ltd. is deemed under Section 4 of the SFA to have an interest in the Shares held directly by HLCH and Starich, in which it is entitled to exercise or control the exercise of not less than 20% of the voting shares in the latter companies.
- (3) Hong Leong Investment Holdings Pte. Ltd. (“**HLIH**”) is deemed under Section 4 of the SFA to have an interest in the Shares held directly by its subsidiaries, HLCH, Starich, Millennium Securities Pte Ltd and Welkin Investments Pte Ltd.
- (4) Davos Investment Holdings Private Limited and Kwek Holdings Pte Ltd are deemed under Section 4 of the SFA to have interests in the Shares referred to in Note 3 above held indirectly by HLIH, in which each of them is entitled to exercise or control the exercise of not less than 20% of the voting shares in HLIH.



The Directors will abstain from voting their shareholdings in the Company, if any, on Resolution 9 at the Forthcoming AGM. They have also undertaken to ensure that their associates will abstain from voting their respective shareholdings in the Company, if any, on Resolution 9 relating to the proposed renewal of the IPT Mandate at the said AGM.

The relevant companies within the HLIH group (which includes HLIH, the ultimate holding company of the Company and their associates), and being interested persons under the IPT Mandate, will abstain from voting their respective shareholdings in the Company on Resolution 9 at the Forthcoming AGM.

The Company will disregard any votes cast by Directors and the relevant companies within the HLIH group (which includes HLIH and their associates) in respect of their shareholdings in the Company, if any, on Resolution 9. The Company will also disregard any votes cast by the associates of Directors in respect of their shareholdings in the Company, if any, on Resolution 9.

### **3. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed renewal of the Company's Share Purchase Mandate and IPT Mandate (together, the "**Proposals**"), the Company and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Letter.

Shareholders who are in any doubt as to the action they should take should consult their stockbrokers or other professional advisers immediately.

Yours faithfully  
For and on behalf of  
The Board of Directors of  
**HONG LEONG ASIA LTD.**

**Kwek Leng Peck**  
Executive Chairman

## PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

### 1. INTRODUCTION

At the Sixty-Second Annual General Meeting of the Company held on 26 April 2023 (“**Last AGM**”), Shareholders had approved, *inter alia*, the renewal of the Share Purchase Mandate to permit the Company to purchase or otherwise acquire its issued Shares. The rationale for, authority and limits of, and the financial effects of, the Share Purchase Mandate were set out in the Company’s letter to Shareholders dated 28 March 2023 and Ordinary Resolution 9 set out in the Notice of the Last AGM.

The Share Purchase Mandate was expressed to take effect from the passing of Ordinary Resolution 9 at the Last AGM and will expire on the date of the forthcoming Sixty-Third Annual General Meeting of the Company to be held on 25 April 2024 (“**Forthcoming AGM**”) or until it is varied or revoked by the Company in general meeting, whichever is the earlier. Accordingly, Shareholders’ approval will be sought at the Forthcoming AGM for the renewal of the Share Purchase Mandate.

Since the renewal of the Share Purchase Mandate at the Last AGM, the Company has not purchased or acquired any of its Shares under the Share Purchase Mandate.

### 2. DEFINITIONS

In this **Annexure I**, the following definitions shall apply throughout unless otherwise stated:

“ <b>Average Closing Price</b> ”	: Has the meaning ascribed to it in paragraph 3.2.4 of this <b>Annexure I</b>
“ <b>Board</b> ”	: The Board of Directors of the Company for the time being
“ <b>CDP</b> ”	: The Central Depository (Pte) Limited
“ <b>Companies Act</b> ”	: The Companies Act 1967, as amended or modified from time to time
“ <b>Company</b> ”	: Hong Leong Asia Ltd.
“ <b>date of the making of the offer</b> ”	: Has the meaning ascribed to it in paragraph 3.2.4 of this <b>Annexure I</b>
“ <b>Directors</b> ”	: The directors of the Company for the time being
“ <b>EPS</b> ”	: Earnings per Share
“ <b>Group</b> ”	: The Company and its subsidiaries
“ <b>Latest Practicable Date</b> ”	: 14 March 2024, being the latest practicable date prior to the printing of this Letter
“ <b>Listing Manual</b> ”	: The Listing Manual of SGX-ST, as amended, modified or supplemented from time to time
“ <b>Listing Rules</b> ”	: The listing rules of SGX-ST set out in the Listing Manual
“ <b>Market Day</b> ”	: A day on which SGX-ST is open for trading in securities

<b>“Market Purchase”</b>	: An on-market purchase of Shares by the Company effected on SGX-ST, or on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose
<b>“Maximum Price”</b>	: The maximum price to be paid for the Shares as determined by the Directors under paragraph 3.2.4 of this <b>Annexure I</b>
<b>“NAV”</b>	: Net asset value
<b>“Off-Market Purchase”</b>	: An off-market purchase of Shares by the Company effected otherwise than on a stock exchange, in accordance with an equal access scheme
<b>“public”</b>	: Has the meaning ascribed to it in the Listing Manual
<b>“related expenses”</b>	: Has the meaning ascribed to it in paragraph 3.2.4 of this <b>Annexure I</b>
<b>“SFA”</b>	: The Securities and Futures Act 2001, as amended or modified from time to time
<b>“SGX-ST”</b>	: Singapore Exchange Securities Trading Limited
<b>“Share Options”</b>	: Options to subscribe for new Shares granted pursuant to the Hong Leong Asia Share Option Scheme 2000
<b>“Share Purchase Mandate”</b>	: The mandate to enable the Company to purchase or otherwise acquire its issued Shares
<b>“Shareholders”</b>	: Registered holders of Shares, except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares, mean the depositors whose securities accounts maintained with CDP are credited with the Shares
<b>“Shares”</b>	: Ordinary shares in the capital of the Company
<b>“Substantial Shareholder”</b>	: In relation to the Company, a person who has an interest in not less than 5% of the issued voting Shares
<b>“Take-over Code”</b>	: The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
<b>“usage”</b>	: Has the meaning ascribed to it in paragraph 3.5.3 of this <b>Annexure I</b>
<b>“\$” and “cents”</b>	: Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore
<b>“per cent. or %”</b>	: Percentage or per centum

The terms **“depositor”**, **“depository agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this **Annexure I** to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or Take-over Code or any statutory modification thereof and not otherwise defined in this **Annexure I** shall have the same meaning assigned to it under the Companies Act, the SFA, the Listing Manual or Take-over Code or any statutory modification thereof, as the case may be. Any reference to a time of day in this **Annexure I** is made by reference to Singapore time unless otherwise stated.

### **3. RENEWAL OF THE SHARE PURCHASE MANDATE**

#### **3.1 Rationale for the Share Purchase Mandate**

The Share Purchase Mandate will give the Company the flexibility to undertake share purchases or acquisitions at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share purchases provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. Share purchases will also allow the Directors greater flexibility over the Company's share capital structure with a view to enhancing the EPS and/or NAV per Share.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 10% limit described in paragraph 3.2.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial position of the Company and the Group, or affect the listing status of the Company on SGX-ST.

#### **3.2 Authority and Limits of the Share Purchase Mandate**

The authority and limitations placed on the Share Purchase Mandate are summarised below:

##### **3.2.1 *Maximum Number of Shares***

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares as at the date of the Forthcoming AGM. Treasury shares and subsidiary holdings (as defined in the Listing Manual) will be disregarded for purposes of computing the 10% limit. As at the Latest Practicable Date, there were no Shares held as treasury shares or subsidiary holdings.

Purely for illustrative purposes, on the basis of 747,978,318 Shares in issue as at the Latest Practicable Date, and assuming that (i) no further Shares are issued pursuant to the exercise of exercisable Share Options, (ii) no Shares are held by the Company as treasury shares, and (iii) no Shares are held as subsidiary holdings on or prior to the Forthcoming AGM, not more than 74,797,831 Shares (representing 10% of the Shares in issue as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

##### **3.2.2 *Duration of Authority***

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the Forthcoming AGM, at which the Share Purchase Mandate is approved, up to the earliest of:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by the Shareholders in a general meeting; or

- (c) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated.

### 3.2.3 **Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares may be made by way of:

- (a) Market Purchases; and/or
- (b) Off-Market Purchases.

Market Purchases refer to purchases or acquisitions of Shares by the Company effected on SGX-ST or, as the case may be, other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases or acquisitions of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisition of Shares. The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (2) (if applicable) differences in consideration attributable to the fact that offers may relate to Shares with different amounts remaining unpaid; and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Pursuant to Rule 885 of the Listing Manual, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (a) terms and conditions of the offer;
- (b) period and procedures for acceptances;
- (c) reasons for the proposed purchase or acquisition of Shares;
- (d) consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on SGX-ST;
- (f) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase or acquisition price per Share or the highest and lowest prices paid for the purchases or acquisitions of Shares, where relevant, and the total consideration paid for the purchases or acquisitions; and

- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

#### 3.2.4 **Maximum Purchase Price**

The purchase price (excluding brokerage, stamp duties (if applicable), commission, applicable goods and services tax and other related expenses (if applicable) (collectively, “**related expenses**”)) to be paid for a Share will be determined by the Directors. The Maximum Price to be paid for the Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,

in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share for the five consecutive Market Days on which the Shares are transacted on SGX-ST or, as the case may be, such stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the Listing Rules for any corporate action which occurs during the relevant five-day period and the day on which the purchase is made; and

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

### 3.3 **Source of Funds**

Under the Companies Act, the Company may, pursuant to the Share Purchase Mandate, purchase or acquire its own Shares out of its capital, as well as from its profits.

The Company intends to use internal and/or external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the Group’s working capital requirements, current dividend policy and ability to service its debts would be adversely affected.

### 3.4 **Status of Purchased or Acquired Shares**

Shares which are purchased or acquired by the Company and which are not held as treasury shares will be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those Shares will expire on cancellation. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

### 3.5 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

#### 3.5.1 **Maximum Holdings**

The number of Shares held as treasury shares (including Shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act) cannot at any time exceed 10% of the total number of issued Shares.

#### 3.5.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a sub-division or consolidation of any treasury share is allowed so long as the total value of the treasury shares after the sub-division or consolidation is the same as before.

#### 3.5.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, Directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “usage”). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares of the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares against the total number of issued Shares (of the same class as the treasury shares) which are listed on SGX-ST before and after the usage; and the value of the treasury shares of the usage.

### 3.6 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital or profits of the Company, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group based on the audited financial accounts of the Group for the financial year ended 31 December 2023 are based on the assumptions set out below:

### 3.6.1 **Purchase or Acquisition out of Capital or Profits**

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

### 3.6.2 **Maximum Price Paid for Shares Acquired or Purchased**

As at the Latest Practicable Date, the Company has 747,978,318 issued Shares. In addition, as at the Latest Practicable Date, there were outstanding and remaining unexercised Share Options to subscribe for up to an aggregate of 438,000 Shares. Except in respect of Shares which are issuable on exercise of the outstanding Share Options, no Shares are reserved for issue by the Company as at the Latest Practicable Date.

Based on the total number of issued and paid-up Shares as at the Latest Practicable Date and on the assumptions set out in paragraph 3.2.1 above, the purchase by the Company of 10% of the total number of issued Shares will result in the purchase or acquisition of 74,797,831 Shares.

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 74,797,831 Shares at the Maximum Price of \$0.641 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 74,797,831 Shares is \$47,945,410. In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 74,797,831 Shares at the Maximum Price of \$0.671 for one Share (being the price equivalent to 10% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 74,797,831 Shares is \$50,189,345.

### 3.6.3 **Whether the Underlying Shares are Cancelled or Held in Treasury**

The financial effects on the Group arising from purchases or acquisitions of Shares will also depend on whether the Shares purchased or acquired are cancelled or held in treasury.

For illustrative purposes only, on the basis of the assumptions set out above as well as the following:

- (a) the Share Purchase Mandate had been effective on 1 January 2023; and
- (b) there was no exercise of Share Options from 1 January 2024 up to and including the Latest Practicable Date,

the financial effects on the audited financial accounts of the Company and the Group arising from purchases or acquisitions of Shares for the financial year ended 31 December 2023 would have been as follows:



***Assuming Market Purchases made out of profits and/or capital and Shares purchased or acquired being held in treasury or cancelled***

As at 31 December 2023	<u>Group</u>		<u>Company</u>	
	Before purchase of Shares \$'000	After purchase of Shares \$'000	Before purchase of Shares \$'000	After purchase of Shares \$'000
NAV	922,007	874,062	252,178	204,233
Current Assets	3,920,340	3,920,340	400,882	400,882
Current Liabilities	2,556,235	2,604,180	140,799	188,744
Shareholders' Fund	922,007	874,062	252,178	204,233
Number of Shares	747,978,318	673,180,487	747,978,318	673,180,487
Weighted Average Number of Shares	747,978,318	673,180,487	747,978,318	673,180,487

**Financial Ratios**

Profit after Tax and Non-controlling Interests	64,879	64,879	N.A.	N.A.
NAV per Share (cents)	123.27	129.84	33.71	30.34
Basic EPS (cents)	8.67	9.64	N.A.	N.A.
Current Ratio (times)	1.53	1.51	2.85	2.12

N.A. – Not applicable

***Assuming Off-Market Purchases made out of profits and/or capital and Shares purchased or acquired being held in treasury or cancelled***

As at 31 December 2023	<u>Group</u>		<u>Company</u>	
	Before purchase of Shares \$'000	After purchase of Shares \$'000	Before purchase of Shares \$'000	After purchase of Shares \$'000
NAV	922,007	871,818	252,178	201,989
Current Assets	3,920,340	3,920,340	400,882	400,882
Current Liabilities	2,556,235	2,606,424	140,799	190,988
Shareholders' Fund	922,007	871,818	252,178	201,989
Number of Shares	747,978,318	673,180,487	747,978,318	673,180,487
Weighted Average Number of Shares	747,978,318	673,180,487	747,978,318	673,180,487

**Financial Ratios**

Profit after Tax and Non-controlling Interests	64,879	64,879	N.A.	N.A.
NAV per Share (cents)	123.27	129.51	33.71	30.01
Basic EPS (cents)	8.67	9.64	N.A.	N.A.
Current Ratio (times)	1.53	1.50	2.85	2.10

N.A. – Not applicable

The financial effects set out above, based on the respective aforementioned assumptions and scenarios, are for illustrative purposes only. In particular, it is important to note that the above analysis is based on the latest audited financial statements of the Group for the financial year ended 31 December 2023, and is not necessarily representative of future financial performance of the Group or the Company.

Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of issued Shares. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired.

The Company will take into account both financial and non-financial factors (for example, share market conditions and performance of the Shares) in assessing the relative impact of a share purchase before execution.

### 3.7 Taxation

Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

### 3.8 Listing Status of the Shares

The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. Under the Listing Manual, “**public**” is defined as persons other than the directors, chief executive officer, substantial shareholders, or controlling shareholders of the company or its subsidiaries, as well as the associates of such persons.

Based on information available to the Company as at the Latest Practicable Date, approximately 23.48% of the total number of issued Shares were held by public Shareholders. Assuming the Company had purchased or acquired Shares from the public up to the full 10% limit pursuant to the Share Purchase Mandate on the Latest Practicable Date and none of these Shares had been held as treasury shares, approximately 14.98% of the issued Shares would have been held by public Shareholders as at that date.

The Company will ensure that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate, without affecting the listing status of the Shares on SGX-ST, causing market illiquidity or affecting orderly trading.

### 3.9 Take-over Implications

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

#### 3.9.1 *Obligation to Make a Take-over Offer*

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting Shares of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

### 3.9.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
  - (i) a company;
  - (ii) the parent company of (i);
  - (iii) the subsidiaries of (i);
  - (iv) the fellow subsidiaries of (i);
  - (v) the associated companies of any of (i), (ii), (iii) or (iv);
  - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
  - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of:
  - (i) the adviser and persons controlling, controlled by or under the same control as the adviser; and
  - (ii) all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) the following persons and entities:
  - (i) an individual;
  - (ii) the close relatives of (i);
  - (iii) the related trusts of (i);

- (iv) any person who is accustomed to act in accordance with the instructions of (i);
- (v) companies controlled by any of (i), (ii), (iii) or (iv); and
- (vi) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

### 3.9.3 **Effect of Rule 14 and Appendix 2**

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months.

In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on the shareholdings of the Directors and Substantial Shareholders, which can be found on page 2 of this Letter, the Directors and Substantial Shareholders would not incur an obligation to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase of Shares by the Company pursuant to the Share Purchase Mandate.

**Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.**

### 3.10 **Reporting Requirements**

Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the Market Day following the day of the purchase or acquisition of any of its shares and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include details of the date of the purchase, the total number of shares purchased, number of shares cancelled and held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, and the total consideration (including stamp duties (if applicable) and clearing charges) paid or payable for the shares.

### **3.11 No Purchases During Price Sensitive Developments**

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of consideration and/or a decision of the Board until the price sensitive information has been publicly announced. In particular, the Company will, in accordance with Rule 1207(19) of the Listing Manual, not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period commencing two weeks before the announcement of the Company’s financial statements for each of the first three quarters of its financial year and one month before the date of announcement of the Company’s full year financial statements (if the Company is required to announce its quarterly financial statements), and during the period commencing one month before the date of announcement of the Company’s half year and full year financial statements (if the Company is not required to announce its quarterly financial statements).

## **4. RECOMMENDATION**

The Directors are of the view that the Share Purchase Mandate is in the best interests of the Company. They accordingly recommend that Shareholders vote in favour of Resolution 8 for the renewal of the Share Purchase Mandate at the Forthcoming AGM.

## PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

### 1. BACKGROUND

On 30 May 2003, the Company obtained Shareholders' approval at an Extraordinary General Meeting of the Company (the "**2003 EGM**") for the Company, its subsidiaries and its associated companies not listed on Singapore Exchange Securities Trading Limited ("**SGX-ST**") or an approved exchange, over which the Company and its subsidiaries (collectively, the "**Group**") or the Group and its interested persons have control (collectively, "**HLA EAR Group**"), to enter into transactions falling within the categories of Interested Person Transactions as defined and set out in the Company's circular to Shareholders dated 5 May 2003, with such persons within the class or classes of Interested Persons as described in the said circular, provided that such transactions are entered into in accordance with the review procedures set out in the said circular (the "**IPT Mandate**"). Given that such Interested Person Transactions may occur at any time, and to allow the HLA EAR Group to undertake such transactions in an expeditious manner, Shareholders' approval will be sought at the coming Sixty-Third Annual General Meeting ("**Forthcoming AGM**") for the renewal of the IPT Mandate.

General information on the Listing Rules relating to interested person transactions, including the meanings of terms such as "associate", "entity at risk", "interested person" and "interested person transaction" used in Chapter 9 of the Listing Manual of SGX-ST, is set out in **Annexure III** of this Letter.

### 2. RENEWAL OF THE GENERAL MANDATE

Under Chapter 9 of the Listing Manual, a general mandate for transactions with interested persons is subject to annual renewal. The IPT Mandate approved at the 2003 EGM was expressed, unless revoked or varied by the Company in general meeting, to continue to be in force until the next annual general meeting of the Company. The IPT Mandate which was renewed at the last annual general meeting of the Company held on 26 April 2023 ("**Last AGM**"), is currently in force until the next annual general meeting of the Company, being the Forthcoming AGM, which is to be held on 25 April 2024. Accordingly, it is proposed that the IPT Mandate be renewed at the Forthcoming AGM, to take effect until the next annual general meeting of the Company to be held in year 2025.

The nature of the Interested Person Transactions and the classes of Interested Persons in respect of which the IPT Mandate is sought to be renewed remain unchanged since the renewal of the same at the Last AGM. Particulars of the IPT Mandate, including the rationale, the benefits to be derived by the Company, as well as the review procedures for determining transaction prices with the specified classes of Interested Persons, are set out in **Annexure III** of this Letter.

### 3. INTERESTED PERSON TRANSACTIONS

Particulars of Interested Person Transactions conducted under the IPT Mandate in financial year ended 31 December 2023 are as follows:

Name of Interested Person ("IP")	Nature of Relationship	Aggregate value of all Interested Person Transactions conducted in financial year 2023 under the IPT Mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$
Hume Cemboard Industries Sdn Bhd ("HCI")  Kim Sik Sdn Bhd ("KS")	Hong Leong Investment Holdings Pte. Ltd. ("HLIH") is a controlling shareholder of the Company. HCI and KS, being associates of HLIH, are IPs.	<u>Construction-related Transactions</u>  <ul style="list-style-type: none"> <li data-bbox="983 629 1431 725">• Sale of raw materials to IPs: 3,687,802</li> <li data-bbox="983 786 1431 831">914,689</li> </ul>
		<b>Total: 4,602,491</b>

### 4. AUDIT AND RISK COMMITTEE'S STATEMENT

The Audit and Risk Committee of the Company confirms that:

- (a) the methods and review procedures for determining the transaction prices of the Interested Person Transactions conducted under the IPT Mandate have not changed since the 2003 EGM; and
- (b) the methods and review procedures referred to in (a) above continue to be sufficient to ensure that these Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

### 5. RECOMMENDATION

The Directors who are considered independent for the purposes of the proposed renewal of the IPT Mandate are Mr Tan Chian Khong, Ms Kwong Ka Lo @ Caroline Kwong, Mr Ng Sey Ming and Datuk Maimoonah Binte Mohamed Hussain.

They are of the opinion that the entry into the Interested Person Transactions (as described in Section 6 of **Annexure III**) between the HLA EAR Group (as described in Section 2.3 of **Annexure III**) and the Interested Persons (as described in Section 5 of **Annexure III**) in the ordinary course of business will enhance the efficiency of the HLA EAR Group and is in the best interests of the Company. For the reasons set out in Sections 2 and 4 of **Annexure III**, they recommend that Shareholders vote in favour of Resolution 9 at the Forthcoming AGM.

## GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS (the “IPT Mandate”)

### 1. GENERAL INFORMATION RELATING TO CHAPTER 9 OF THE LISTING MANUAL

1.1 Chapter 9 of the Listing Manual (“**Chapter 9**”) of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) applies to transactions between a party that is an entity at risk and a counter party that is an interested person. The objective of Chapter 9 (as stated in Rule 901 of the Listing Manual) is to guard against the risk that interested persons could influence a listed company, its subsidiaries or associated companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders. The aforementioned terms “entity at risk”, “interested person” and “associated companies” are defined below.

### 1.2 Main Terms Used in Chapter 9

(a) An “**entity at risk**” means:

- (i) the listed company;
- (ii) a subsidiary of the listed company that is not listed on SGX-ST or an approved exchange; or
- (iii) an associated company of the listed company that is not listed on SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has or have control over the associated company.

(b) An “**associated company**” of a listed company means a company in which at least 20 percent. but not more than 50 per cent. of its shares are held by the listed company or the listed group.

(c) An “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9.

(d) An “**interested person**” means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder.

The SGX-ST may deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into: (a) a transaction with an entity at risk; and (b) an agreement or arrangement with an interested person in connection with that transaction.

(e) An “**associate**” in relation to an interested person who is a director, chief executive officer or controlling shareholder of the listed company (being an individual) means an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder; the trustees of any trust of which the director and/or his immediate family, or the chief executive officer and/or his immediate family or the controlling shareholder and/or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and any company in which the director and/or his immediate family, or the chief executive officer and/or his immediate family or the controlling shareholder and/or his immediate family has or have an aggregate interest (directly or indirectly) of 30 per cent. or more; and, where a controlling shareholder of the listed company is a corporation, its “associate” means its subsidiary or holding company or fellow subsidiary or a company in which it and/or such other companies taken together have (directly or indirectly) an interest of 30 per cent. or more.



- (f) A “**chief executive officer**” of a listed company means the most senior executive officer who is responsible under the immediate authority of the board of directors for the conduct of the business of the listed company.
- (g) A “**controlling shareholder**” of a listed company means a person who holds directly or indirectly 15 per cent. or more of the total voting rights in the listed company (provided that SGX-ST may determine that a person who satisfies the foregoing is not a controlling shareholder); or a person who in fact exercises control over the listed company.
- (h) An “**interested person transaction**” means a transaction between an entity at risk and an interested person.

### 1.3 **Materiality Thresholds, Announcement Requirements and Shareholders’ Approval**

When Chapter 9 applies to a transaction with an interested person (except for any transaction which is below \$100,000 in value and certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and are hence excluded from certain requirements of Chapter 9) and the value of the transaction alone or on aggregation with other transactions conducted with the interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the listed company’s latest audited consolidated net tangible assets<sup>1</sup> (“**NTA**”)), the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders’ approval for the transaction.

In particular, shareholders’ approval is required for an interested person transaction of a value equal to, or exceeding:

- (a) 5 per cent. of the listed company’s latest audited consolidated NTA<sup>2</sup>; or
- (b) 5 per cent. of the listed company’s latest audited consolidated NTA, when aggregated with the values of other transactions entered into with the same interested person (such term as construed under Chapter 9) during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

### 1.4 **Shareholders’ General Mandate**

Chapter 9 allows a listed company to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses, which may be carried out with the listed company’s interested persons.

## 2. **INTRODUCTION AND RATIONALE FOR THE IPT MANDATE**

- 2.1 The Hong Leong Asia Ltd. (“**HLA**”) group (the “**Group**”) is principally engaged in the manufacture of industrial and consumer products ranging from powertrain solutions or engines (collectively known as diesel engines previously) to air-conditioning systems; the manufacture and marketing of plastic packaging related products; the trading and distribution of a variety of construction raw materials such as cement; and the manufacture, trading and distribution of pre-cast concrete elements, ready-mix concrete and quarry products.

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<sup>1</sup> Based on the latest audited consolidated accounts of the Company and its subsidiaries for the financial year ended 31 December 2023, the audited consolidated NTA of the Group was \$810,865,000.

<sup>2</sup> In relation to the Company, for the purposes of Chapter 9, in the current financial year and until such time that the audited consolidated accounts of the Company and its subsidiaries for the year ending 31 December 2024 are published by the Company, 5 per cent. of the latest audited consolidated NTA of the Group would be \$40,543,250.

2.2 Hong Leong Investment Holdings Pte. Ltd. (“**HLIH**”), a controlling shareholder of the Company, and its associates (the “**HLIH Group**”) are interested persons of the Company.

2.3 Due to the size of the HLIH Group and the diversity of the Group’s activities, it is anticipated that:

- (a) HLA;
- (b) subsidiaries of HLA that are not listed on SGX-ST or an approved exchange; and
- (c) associated companies of HLA that are not listed on SGX-ST or an approved exchange, provided that the Group or the Group and its interested person(s), has or have control over the associated companies,

(together, the “**HLA EAR Group**”), or any of them, would, in the ordinary course of its businesses, enter into certain transactions with its interested persons. It is likely that such transactions will occur with some degree of frequency and may arise at any time. Thus, the IPT Mandate is intended to facilitate transactions in the normal course of business of the HLA EAR Group falling within the categories of interested person transactions as set out in Section 6 below (the “**Interested Person Transactions**”) that are transacted from time to time with its interested persons as specifically described in Section 5 below (the “**Interested Persons**”) provided that they are carried out at arm’s length and on the Group’s normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

### 3. SCOPE OF THE IPT MANDATE

3.1 The IPT Mandate will not cover any Interested Person Transaction which has a value below \$100,000 as the threshold and aggregation requirements of Chapter 9 do not apply to such transactions.

3.2 Transactions with interested persons which do not fall within the ambit of the IPT Mandate (including any renewal thereof), will be subject to applicable provisions of Chapter 9 and/or any other applicable provisions of the Listing Manual.

### 4. BENEFITS OF THE IPT MANDATE

The IPT Mandate which was adopted at the Extraordinary General Meeting of the Company held on 30 May 2003 (the “**2003 EGM**”) and subject to renewal on an annual basis would eliminate the need for the Company to convene separate general meetings on each occasion to seek Shareholders’ approval as and when such Interested Person Transactions with the Interested Persons arise, thereby reducing substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group. This would also enable the Group to maximise its business opportunities especially in commercial transactions that are time-sensitive in nature. At the same time, the Group would be able to channel the significant amount of administrative resources, including time and expenses, saved towards its other corporate objectives.

### 5. CLASSES OF INTERESTED PERSONS

The IPT Mandate will apply to transactions with the following classes of Interested Persons:

- (a) the HLIH Group; and
- (b) Directors, chief executive officer and controlling shareholders of the Company (other than entities which fall under the HLIH Group described under sub-paragraph (a) above) and their respective associates.

## 6. CATEGORIES OF INTERESTED PERSON TRANSACTIONS

6.1 The Interested Person Transactions between the HLA EAR Group and Interested Persons which will be covered by the IPT Mandate relate to recurrent transactions of a revenue or trading nature or those necessary for the Group's day-to-day operations, and are set out as follows:

### 6.1.1 *Industrial- and Consumer-related Transactions*

This category comprises the following types of transactions:

- (a) sale of powertrain solutions or engines (collectively known as diesel engines previously) for light-duty, medium-duty and heavy-duty trucks that are manufactured, assembled and/or distributed by the HLA EAR Group, including the provision of after-sales services;
- (b) sale of air-conditioners and other home appliances that are manufactured, assembled and/or distributed by the HLA EAR Group, including the provision of after-sales services;
- (c) sale of heating, ventilation, and air-conditioning systems for use in residential, commercial and industrial applications that are manufactured, assembled and/or distributed by the HLA EAR Group, including the provision of after-sales services;
- (d) sale of industrial products that are manufactured by the HLA EAR Group, which include without limitation, steel drums and pails, plastic bottles, plastic pails, jerry cans, thermo-formed containers, steel and plastic closures, and other plastic packaging materials or products; and
- (e) purchase or supply by Interested Persons of any material or component, whether raw or processed, plant equipment and accessories and/or services which are incidental to or in connection with the manufacture and/or assembly of any of the products described in sub-paragraphs (a) to (d) above.

### 6.1.2 *Construction-related Transactions*

This category comprises transactions in relation to the supply and distribution to Interested Persons or the purchase from Interested Persons of building materials and construction products ranging from raw materials such as cement, ready-mix concrete, quarry products, and construction materials to pre-cast concrete elements for installation in buildings.

### 6.1.3 *Financial and Treasury Transactions*

This category comprises transactions in relation to the placement of funds with Interested Persons, the borrowing of funds from Interested Persons, and the entry into foreign exchange, swap and option transactions with Interested Persons, that do not fall under the exceptions to interested person transactions pursuant to Rule 915(6) and Rule 915(7) of Chapter 9<sup>3</sup> and the subscription by the HLA EAR Group of debt securities issued by any Interested Person and the issue of debt securities by the HLA EAR Group to any Interested Person.

Pursuant to Rule 916(3) of Chapter 9, the provision of a loan by the HLA EAR Group to a joint venture with an Interested Person does not require the seeking of Shareholders' approval provided that such loan is extended by all joint venture partners on the same terms and in proportion to their equity interest in the joint venture; the Interested Person does not have an existing equity interest in the joint venture prior to the participation of the HLA EAR

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<sup>3</sup> Pursuant to Rule 915(6) and Rule 915(7) of Chapter 9, the provision or receipt of financial assistance or services by or from a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business does not constitute an interested person transaction which would require compliance with Rules 905, 906 and 907 of Chapter 9. Rule 905 relates to the requirements for immediate announcement of interested person transactions, Rule 906 relates to the requirements for seeking shareholders' approval for interested person transactions, and Rule 907 relates to the requirements for disclosure of the aggregate value of interested person transactions in the listed company's annual report.

Group in the joint venture; and the Company has announced that its audit and risk committee (the “**Audit and Risk Committee**”) is of the view that: (i) the provision of the loan is not prejudicial to the interests of the Company and its minority Shareholders; (ii) the risks and rewards of the joint venture are in proportion to the equity of each of the joint venture partners; and (iii) the terms of the joint venture are not prejudicial to the interests of the Company and its minority Shareholders.

#### **6.1.4 General Transactions**

This category comprises the following types of transactions:

- (a) purchase of goods and services including vehicles, parts and accessories and after-sales services; and
- (b) leasing or rental of properties to or from Interested Persons.

## **7. REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS**

7.1 In general, there are procedures established by the Group to ensure that Interested Person Transactions, which are reviewed and approved by the management, are undertaken on an arm’s length basis, on normal commercial terms consistent with the Group’s usual business practices and policies, are not prejudicial to the interests of the Company and its minority Shareholders and are on terms which are generally no more favourable to the Interested Persons than those extended to or received from unrelated third parties.

### **7.1.1 Industrial- and Consumer-related Transactions, Construction-related Transactions and General Transactions**

All Interested Person Transactions (other than the Financial and Treasury Transactions covered in Section 7.1.2 below) are to be carried out at the published or prevailing rates/prices of the service or product providers (including, where applicable, preferential rates/prices/discounts accorded to a class or classes of customers or for bulk purchases where the giving of such preferential rates/prices/discounts is commonly practised within the applicable industry and may be similarly extended to unrelated third parties), on the service or product provider’s usual commercial terms which may also be similarly extended to unrelated third parties, or otherwise in accordance with other applicable industry norms.

In addition, the HLA EAR Group will monitor the Interested Person Transactions (other than the Financial and Treasury Transactions covered in Section 7.1.2 below) as follows:

- (a) Industrial- and Consumer-related Transactions, Construction-related Transactions and General Transactions (other than the Interested Person Transactions covered under sub-paragraph (b) herein)

Interested Person Transactions under this sub-paragraph (a) shall be entered into, where applicable, (i) in the case of the provision of services or products by an Interested Person, based on tenders (with at least two bids from unrelated third parties to be obtained for comparison purposes) or comparison of rates and terms offered by or generally quoted by at least two unrelated third parties, who are engaged in providing similar services or products; and (ii) in the case of the provision of services or products to an Interested Person, based on comparison of rates and terms offered to at least two unrelated third parties, for transactions of a similar nature, size or complexity and after taking into account the availability of resources, expertise or manpower for the performance of such services or provision of such goods and the existence of any cost and/or time saving factors.

- (b) General Transactions comprising the leasing or rental of properties

Interested Person Transactions under this sub-paragraph (b) shall be entered into after comparison of rates quoted to at least two unrelated third parties (in the case of leases granted to Interested Persons) or comparison of rates quoted by or obtained from at least two unrelated third parties (in the case of leases granted by Interested

Persons) and after taking into account the prevailing market rental rates for other properties within its vicinity of similar or comparable standing and facilities, the tenure of the lease, the area of the leased premises and any other factor which may affect the rental rates or terms of the lease.

- (c) In the event that such comparison quotations cannot be obtained in respect of the Interested Person Transactions covered under sub-paragraphs (a) and (b) above (for example, where there are no unrelated third party providers or users of such services or products, or where the service or product is a proprietary item or due to the nature, speciality or confidentiality of the service or product to be supplied), such Interested Person Transactions shall be entered into only after the senior management staff of the relevant company in the HLA EAR Group (having no interest, direct or indirect, in the Interested Person Transaction and having the authority in such company to approve the entering into of transactions of such nature and value) have evaluated and weighed the benefits of, and rationale for, transacting with the Interested Person and in their report submitted to the Audit and Risk Committee, confirmed that the price and terms offered to or by the Interested Person are fair and reasonable. In such evaluation and confirmation, the factors which may be taken into account include, but shall not be limited, to the following:
- (i) in relation to the sale of goods or services to the Interested Person, the terms of supply should be in accordance with the HLA EAR Group's usual business practice and consistent with the margins obtained by the HLA EAR Group in its business operations or the margins obtained for the same or substantially the same type of transactions;
  - (ii) in relation to the purchase of goods or services from the Interested Person, the terms of supply will be compared to those for the same or substantially the same type of transactions entered into between the Interested Person and unrelated third parties. The review procedures in such cases may include where applicable, reviewing the standard price lists provided by the Interested Person to its customers for such products or services;
  - (iii) the efficiencies and flexibilities derived by the HLA EAR Group in transacting with the Interested Person as compared with transacting with unrelated third parties; and
  - (iv) prevailing industry norms.

#### **7.1.2 Financial and Treasury Transactions**

(a) Placement of Funds

In relation to the placement with any Interested Person by the HLA EAR Group of its funds, the Company will require that quotations be obtained from such Interested Person and at least two principal bankers or financial institutions of the Group ("**Principal Bankers**") for rates offered by such Principal Bankers for deposits of an amount and currency and for a period equivalent to that of the funds to be placed by the HLA EAR Group. The HLA EAR Group will only place its funds with such Interested Person provided that the interest rate quoted is not less than the highest of the rates quoted by such Principal Bankers.

(b) Borrowing of Funds

In relation to the borrowing of funds from any Interested Person by a company within the HLA EAR Group, the Company will require that quotations be obtained from such Interested Person and at least two bankers of the borrowing company within the HLA EAR Group for rates offered by such bankers for loans of an amount and currency and for a period equivalent to that of the funds to be borrowed by such borrowing company within the HLA EAR Group. The HLA EAR Group will only borrow funds from such Interested Person provided that the interest rate quoted is not more than the lowest of the rates quoted by such bankers.

(c) Foreign Exchange, Swaps and Options

In relation to the foreign exchange, swap and option transactions with any Interested Person by the HLA EAR Group, the Company will require that rate quotations be obtained from such Interested Person and at least two Principal Bankers of the Group. The HLA EAR Group will only enter into such foreign exchange, swap and option transactions with such Interested Person provided that such rates quoted are no less favourable than the rates quoted by such Principal Bankers.

(d) Subscription of Debt Securities

In relation to the subscription by the HLA EAR Group of debt securities issued by Interested Persons, the HLA EAR Group will only enter into the subscription of such debt securities provided that the price(s) at which the HLA EAR Group subscribes for such debt securities will not be higher than the price(s) at which such debt securities are subscribed for by unrelated third parties.

In relation to the issue of debt securities by the HLA EAR Group to Interested Persons, the HLA EAR Group will only issue such debt securities to Interested Persons provided that the price(s) at which the HLA EAR Group issues such debt securities will not be lower than the price(s) at which such debt securities are issued to unrelated third parties.

In addition to the foregoing, the following threshold limits will be applied to ensure further monitoring by the Group of the Financial and Treasury Transactions entered into by the HLA EAR Group:

Placement of Funds and Subscription of Debt Securities

Where the aggregate of the outstanding principal amount of the funds placed with, and debt securities subscribed from, the same Interested Person (as such term is construed under Chapter 9) shall at any time exceed the equivalent of 10 per cent. of the consolidated shareholders' funds of the Group (based on its latest audited accounts), each subsequent placement of funds with, or subscription of debt securities from, the same Interested Person shall require the prior approval of the Audit and Risk Committee.

Where the aggregate of the outstanding principal amount of funds placed with, and debt securities subscribed from, the same Interested Person does not at any time exceed the limit set out above, the placement of funds with, and subscription of debt securities from, that Interested Person will not require the prior approval of the Audit and Risk Committee but shall be reviewed by the Audit and Risk Committee at its meetings.

- 7.2 A register is maintained by the Group to record all Interested Person Transactions (and the basis including the quotations, if any and where relevant, obtained to support such basis on which they are entered into) which are entered into pursuant to the IPT Mandate.
- 7.3 As part of the internal audit plan, the internal auditors of HLA report, on a regular basis, to the Audit and Risk Committee on all Interested Person Transactions, and the basis of such transactions, entered into with Interested Persons during the financial period under review. The Audit and Risk Committee reviews such Interested Person Transactions at its meetings except where such Interested Person Transactions are required under the review procedures to be approved by the Audit and Risk Committee prior to the entry thereof.
- 7.4 The annual internal audit plan incorporates a review of the established review procedures for the monitoring of Interested Person Transactions entered into pursuant to the IPT Mandate.

- 7.5 The Audit and Risk Committee reviews the internal audit report on Interested Person Transactions to ascertain that the established review procedures to monitor Interested Person Transactions have been complied with. If during a review by the Audit and Risk Committee, the Audit and Risk Committee is of the view that the established review procedures are not sufficient or have become inappropriate, in view of changes to the nature of, or the manner in which, the business activities of the HLA EAR Group are conducted, it will take such actions as it deems appropriate and/or institute additional procedures as necessary to ensure that future transactions of a similar nature are on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, and the Company will revert to Shareholders for a fresh mandate based on new review procedures for transactions with Interested Persons.
- 7.6 For the purpose of the review process, if a member of the Audit and Risk Committee has an interest in the transaction to be reviewed by the Audit and Risk Committee, he will abstain from any decision-making by the Audit and Risk Committee in respect of that transaction. Accordingly, where two members of the Audit and Risk Committee each has an interest in the transaction to be reviewed by the Audit and Risk Committee, the review of that transaction will be undertaken by the remaining member(s) of the Audit and Risk Committee.

## **8. EXPIRY AND RENEWAL OF THE IPT MANDATE**

- 8.1 The IPT Mandate which was adopted at the 2003 EGM is subject to renewal on an annual basis at the annual general meeting of the Company (unless revoked or varied by the Company in general meeting). The IPT Mandate that was renewed at the last annual general meeting of the Company held on 26 April 2023 is currently in force until the next annual general meeting of the Company, being the 63<sup>rd</sup> Annual General Meeting ("**Forthcoming AGM**"), which is to be held on 25 April 2024, and if renewed at the Forthcoming AGM, will take effect until the next annual general meeting of the Company to be held in year 2025. Approval from Shareholders will be sought for the annual renewal of the IPT Mandate subject to review by the Audit and Risk Committee of its continued application to the Interested Person Transactions.
- 8.2 If the Audit and Risk Committee is of the view that the review procedures under the IPT Mandate are not sufficient to ensure that the Interested Person Transactions are transacted on normal commercial terms and will be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh mandate from Shareholders based on new review procedures for Interested Person Transactions.

## **9. DISCLOSURE**

In accordance with Chapter 9, the Company will disclose in its annual report the aggregate value of the Interested Person Transactions conducted pursuant to the IPT Mandate during the financial year (as well as in the Company's annual reports for subsequent financial years that the IPT Mandate continues to be in force). In addition, the Company will announce the aggregate value of the Interested Person Transactions conducted pursuant to the IPT Mandate for the financial periods which it is required to report on (pursuant to Rule 705 of the Listing Manual) within the time required for the announcement of such report. These disclosures will be in the form set out in Rule 907 of the Listing Manual.