

ACTION ASIA LIMITED

(Incorporated in the Republic of Singapore - Company Registration No. 200206715M)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2015 Annual General Meeting (the "Meeting") of ACTION ASIA LIMITED will be held at Imperial Ballroom, Level 35, Orchard Wing, Mandarin Orchard Singapore, 333 Orchard Road, Singapore 238867 on Tuesday, 28 April 2015 at 10:30 a.m. to transact the following business:-

AS ORDINARY BUSINESS

- To consider the Directors' Report and Financial Statements for the year ended 31 December 2014 together with the Auditors' Report thereon.
- To approve the Directors' Fees of \$268,500/- for the year ended 31 December 2014. (2013: \$275,000/-)
- To re-appoint the following Directors who retire pursuant to Section 153 of the Companies Act, Chapter 50 of Singapore, as Directors of the Company.
 - Dato' Peng, Chiu-Ping
 - Dato' Lai Pin Yong
- To re-elect the following Directors retiring pursuant to Article 93 of the Company's Articles of Association:
 - Mr Peng, Wen-Chih
 - Tang Edmund Koon Kay
- To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.

Resolution 1
Resolution 2
Resolution 3
Resolution 4
Resolution 5
Resolution 6
Resolution 7

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions with or without modification:-

- THAT pursuant to Section 161 of the Companies Act, Chapter 50, of Singapore (the "Companies Act") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST"), the Directors be empowered to allot and issue shares in the capital of the Company and convertible securities (and any shares in the capital of the Company pursuant to the conversion of such convertible securities) at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit; and (notwithstanding the authority may have ceased to be in force) issue shares in the capital of the Company in pursuance of any convertible securities made or granted by the Directors while such authority remains in force, provided that the aggregate number of shares and convertible securities to be allotted and issued pursuant to this Ordinary Resolution (including shares in the capital of the Company to be issued in pursuance of convertible securities made or granted pursuant to this Ordinary Resolution) shall not exceed 50 per cent. of the total number of issued shares excluding treasury shares of the Company at the time of the passing of this Ordinary Resolution, of which the aggregate number of shares and convertible securities to be issued other than on a pro rata basis to all shareholders of the Company (including shares in the capital of the Company to be issued in pursuance of convertible securities made or granted pursuant to this Ordinary Resolution) shall not exceed 20 per cent. of the total number of issued shares excluding treasury shares of the Company and that such authority shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the Company's next Annual General Meeting ("AGM") or the date by which the next AGM of the Company is required by law to be held, whichever is earlier. [see statement under the heading Resolution 8]
- THAT:
 - approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual of the SGX-ST for the Company and its subsidiaries that are entities at risk (as that term is used in Chapter 9 of the Listing Manual of the SGX-ST), or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions (as defined in the Listing Manual of the SGX-ST) set out in the Appendix accompanying this Notice of AGM (the "Appendix"), with any party who falls within the classes of Interested Persons (as defined in the Listing Manual of the SGX-ST) described in the Appendix, provided that such Interested Person Transactions are carried out on normal commercial terms and in accordance with the review procedures for Interested Person Transactions as set out in the Appendix (the "IPT Mandate");
 - the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier;
 - the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; and
 - the Directors or any of them be 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. [see statement under the heading Resolution 9]

Resolution 8
Resolution 9

8. THAT:

- for the purposes of the Companies Act (Chapter 50 of Singapore) (the "Companies Act"), the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the "Shares") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - on-market purchase(s) (each a "Market Purchase") on the SGX-ST; and/or
 - off-market purchase(s) (each an "Off-Market Purchase") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act; and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Buyback Mandate");
- unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buyback 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 resolution relating to the Share Buyback Mandate and expiring on:
 - the date on which the next AGM is held or required by law to be held, whichever is the earlier;
 - the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in a general meeting; or
 - the date on which the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated, whichever is the earliest;
- in this resolution relating to the Share Buyback Mandate:

Resolution 10

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded, immediately preceding the day on which the purchase or acquisition of Shares was made or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the basis set out below) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"Market Day" means a day on which the SGX-ST is open for trading in securities;

"Maximum Limit" means that number of Shares representing 10.0% of the total number of issued Shares (excluding treasury shares) as at the date of the passing of this resolution relating to the Share Buyback Mandate unless the Company has, at any time during the Relevant Period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered after such capital reduction (excluding any Shares which are held as treasury shares as at that date);

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

- in the case of a Market Purchase, 105.0% of the Average Closing Price; and
- in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Average Closing Price; and

"Relevant Period" means the period commencing from the date on which the last AGM was held (or, if Section 43(c) of the Companies (Amendment) Act 2014 has come into force as at the date of this resolution, the date on which this Resolution is passed) and expiring on the date on which the next AGM is held or is required by law to be held, whichever is the earlier, after the date the resolution relating to the Share Buyback Mandate is passed; 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 and necessary to give effect to the transactions contemplated and/or authorised by this resolution relating to the Share Buyback Mandate. [see statement under the heading Resolution 10]

ANY OTHER BUSINESS

- To transact any other business.

BY ORDER OF THE BOARD
JULIANA LOH JOO HUI
Company Secretary
Singapore, 13 April 2015

Notes:

- A member entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a Member of the Company.
- If the appointer is a corporation, the instrument of proxy must be executed under seal or by the hand of its duly authorised attorney or a duly authorised officer of the corporation.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at 3 Anson Road #27-01, Springleaf Tower, Singapore 079909 not less than 48 hours before the time for holding the meeting.
- Dato' Lai Pin Yong will, upon re-appointment as Director of the Company, continue to serve as Chairman of Nominating Committee and Remuneration Committee and member of the Audit Committee, he is considered to be independent by the Board of Directors of the Company in view of Guideline 2.3 of the revised Code of Corporate Governance 2012; and Guideline 2.4 relating to director who has served on the Board beyond nine years, which reasons are disclosed in the Report of the Corporate Governance.
- Mr Tang Edmund Koon Kay will, upon re-election as Director of the Company, continue to serve the Chairman of the Audit Committee, member of the Nominating and Remuneration Committee, and he is considered to be independent by the Board of Directors of the Company

EXPLANATORY NOTES

STATEMENT PURSUANT TO ARTICLE 54 OF THE COMPANY'S ARTICLES OF ASSOCIATION

Resolution 8

The Resolution 8 proposed in item 6 above, if passed, will empower the Directors from the date of the above Meeting until the date of the next AGM, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Ordinary Resolution would not exceed 50 per cent. of the total number of issued shares excluding treasury shares of the Company at the time of the passing of this Ordinary Resolution. For issue of shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed 20 per cent. of the total number of issued shares excluding treasury shares of the Company. The percentage of issued share capital is based on the total number of issued shares excluding treasury shares of the Company at the time of passing of the resolution approving the mandate after adjusting for (a) new shares arising from the conversion or exercise of convertible securities, (b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of the resolution approving the mandate, and (c) any subsequent bonus issue, consolidation or subdivision of shares.

Resolution 9

The Resolution 9 proposed in item 7 above, if passed, will empower the Directors to continue to enter into recurrent revenue transactions with interested persons. This authority will, unless previously revoked or varied by the Company at a general meeting expire at the conclusion of the Company's next AGM. Please refer to the Appendix for further details.

The Audit Committee has reviewed the terms of the IPT Mandate, as proposed to be renewed and is satisfied that the methods or procedures set out in the IPT Mandate are sufficient to ensure that the 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.

Resolution 10

The Resolution 10 proposed in item 8 above, if passed, will empower the Directors to exercise all powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate 10.0% of the total number of issued Shares (excluding treasury shares) as at the date of the passing of this Resolution, whether by way of Market Purchase(s) or Off-Market Purchase(s), as set out in the Appendix.