

# HONG LEONG ASIA LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 196300306G)

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## PROPOSED PLACEMENT OF 50,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE PLACEMENT PRICE OF S\$2.90 FOR EACH PLACEMENT SHARE

### - ENTRY INTO PLACEMENT AGREEMENT AND APPOINTMENT OF PLACEMENT AGENT

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#### 1. INTRODUCTION

- 1.1 The Board of Directors (the "**Board**" or "**Directors**") of Hong Leong Asia Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 28 April 2026 entered into a placement agreement (the "**Placement Agreement**") with CGS International Securities Singapore Pte. Ltd. as the sole placement agent (the "**Placement Agent**") in relation to the Proposed Placement (as defined herein).
- 1.2 Pursuant to the Placement Agreement, the Company has agreed to issue and offer, by way of placement, and the Placement Agent has agreed to use its best efforts, for and on behalf of the Company, to procure subscriptions for an aggregate of 50,000,000 new ordinary shares in the capital of the Company (the "**Placement Shares**") at an issue price per Placement Share of S\$2.90 (the "**Placement Price**"), amounting to an aggregate consideration of approximately S\$145,000,000 (the "**Proposed Placement**"), subject to the terms and conditions of the Placement Agreement.
- 1.3 The Proposed Placement is not underwritten and will be undertaken on the basis of the exemption(s) set out in Section 274 (offer made to institutional investors) and/or Section 275 (offer made to accredited investors and certain other persons) of the Securities and Futures Act 2001 of Singapore (the "**SFA**"). Accordingly, no prospectus, offer document or offer information statement will be issued by the Company in connection with the Proposed Placement.

#### 2. THE PROPOSED PLACEMENT

##### 2.1 The Placement Shares

- (a) The Placement Shares:
- (i) represent approximately 6.68% of the existing total number of issued shares of the Company comprising 748,141,318 fully paid-up ordinary shares in the capital of the Company ("**Shares**") (excluding nil treasury shares and nil subsidiary holdings) as at the date of this announcement; and
  - (ii) will represent approximately 6.26% of the enlarged total number of issued Shares of the Company comprising 798,141,318 Shares.
- (b) The Placement Shares will, upon allotment and issue, rank in all respects *pari passu* with the existing issued Shares, save that they will not rank for dividends, rights, allotments and other distribution, the record date of which is on or before the relevant

date of allotment and issuance of the Placement Shares, and will be freely transferable (subject to applicable laws), free and clear of any pledge, lien, charge, security interest and other encumbrances.

- (c) The Placement Shares will not be placed to any person who is a Director or a substantial shareholder of the Company, or any other person in the categories set out in Rule 812(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Listing Manual**") (unless such persons fall within the exemptions set out in Rule 812(3) of the Listing Manual).
- (d) The Proposed Placement will also not result in any transfer of controlling interest in the Company.

## 2.2 **The Placement Price**

The Placement Price represents a discount of approximately 5.76% to the volume weighted average price of S\$3.0771 for trades done on the SGX-ST on 27 April 2026, being the last full market day on which the Shares were traded prior to the trading halt called by the Company before trading hours on 28 April 2026 and up to the time of execution of the Placement Agreement.

## 3. **SALIENT TERMS OF THE PLACEMENT AGREEMENT**

### 3.1 **Placement Commission**

Pursuant to the Placement Agreement, the Company has agreed to pay the Placement Agent a placement commission equal to 1.80% of the Placement Price multiplied by the aggregate number of Placement Shares which the Placement Agent has procured the subscription for.

### 3.2 **Placement Completion**

Subject to the terms and conditions of the Placement Agreement, completion of the Proposed Placement ("**Completion**") shall take place on the date falling two (2) business days after the receipt of the approval-in-principle from the SGX-ST for the listing and quotation of the Placement Shares ("**SGX AIP**") on the Main Board of the SGX-ST, or such other date as the Company and the Placement Agent may agree) but in any event being a date not later than 11 May 2026 (or such later date as the Company and the Placement Agent may agree) (the "**Completion Date**").

### 3.3 **Conditions**

3.3.1 Completion of the Proposed Placement pursuant to the Placement Agreement is conditional upon, *inter alia*, the following:

- (a) all representations and warranties and other statements of the Company made to the Placement Agent being, at the date of the Placement Agreement and as of the Completion Date with reference to the then existing circumstances, remaining true, accurate and complete in all respects, and the Company having performed all of its undertakings or obligations to be performed on or before the Completion Date;
- (b) the transactions contemplated by the Placement Agreement not being prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgement or directive promulgated or issued by any

legislative, executive, judicial or regulatory body or authority (including without limitation, the Monetary Authority of Singapore ("**MAS**") and the SGX-ST)) in Singapore or any other jurisdiction which is applicable to the Company or the Placement Agent;

- (c) the receipt of the SGX AIP, there not having occurred any revocation, suspension, amendment or withdrawal of such approval and where such approval is subject to conditions, such conditions being acceptable to the Placement Agent, and to the extent that any conditions to such approval are required to be fulfilled on or before the Completion Date, they are so fulfilled to the satisfaction of the SGX-ST or waived by the SGX-ST;
- (d) subsequent to the execution and delivery of the Placement Agreement, there shall not have occurred any of the following events which, in the reasonable opinion of the Placement Agent, makes the Proposed Placement or the enforcement of contracts to purchase the Placement Shares impracticable or inadvisable, or which would be reasonably likely to prejudice materially the success of the Proposed Placement or dealings in the Placement Shares in the secondary market:
  - (i) any change or development in national or international monetary, financial, political or economic conditions including any suspension, limitation or disruption to trading generally (or trading in any of the Company's securities) on the SGX-ST or currency exchange rates or foreign exchange rates or foreign exchange controls;
  - (ii) a general moratorium on commercial banking activities in Singapore, Hong Kong or the United States declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Singapore, Hong Kong or the United States;
  - (iii) any outbreak or escalation of hostilities or act of terrorism materially affecting Singapore, or the declaration by Singapore, Hong Kong or the United States of a national emergency or war;
  - (iv) the Placement Agent becoming aware of information which in the opinion of the Placement Agent would have resulted in the Placement Agent acting as placement agent in contravention of any directives, guidelines, requirements, statutes or regulations; or
  - (v) a material adverse change, or any development reasonably likely to involve a material adverse change, in the financial condition, or in the earnings, assets, business or operations of the Company or the Group taken as a whole.
- (e) the compliance with all applicable laws and regulations concerning (i) the Proposed Placement (ii) the listing of the Placement Shares on the Main Board of the SGX-ST, and (iii) the transactions contemplated in the Placement Agreement, and no new laws, regulations and directives having been promulgated, published and/or issued and/or having taken effect or any other similar matter having occurred which, in the reasonable opinion of the Placement Agent, has or may have an adverse effect on the Proposed Placement and the listing of the Placement Shares on the Main Board of the SGX-ST; and

(f) as of the Completion Date, the trading of the Placement Shares on the SGX-ST not being suspended by the SGX-ST (other than a trading halt on a temporary basis requested by the Company) and the Placement Shares not being delisted from the SGX-ST.

3.3.2 The Placement Agent may, at its discretion and upon such terms as it thinks fit, waive compliance with any of the conditions set out in paragraph 3.3.1 above (other than the conditions in paragraphs 3.3.1(b) and (c) above) by written notice, provided always that any such waiver as aforesaid shall be without prejudice to its further right to terminate the Placement Agreement in accordance with the termination provisions under the Placement Agreement.

3.3.3 If any of the conditions specified in the Placement Agreement have not been fulfilled and the Placement Agent elects not to provide a waiver in accordance with the Placement Agreement on or before 7.30 a.m. on the Completion Date, the Placement Agent may by written notice to the Company terminate the Placement Agreement, and no party shall be liable save as provided in the Placement Agreement.

#### 4. RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS

##### 4.1 Rationale

The Proposed Placement will strengthen the Group's financial position, provide flexibility to capitalise on growth opportunities, broaden the shareholder base and expand the capital base of the Group.

##### 4.2 Use of Proceeds

4.2.1 The estimated net proceeds from the Proposed Placement, after deducting estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses) of approximately S\$2.7 million, is approximately S\$142.3 million (the "**Net Proceeds**"). The Company intends to apply the Net Proceeds as follows:

<b>Use of Net Proceeds</b>	<b>S\$'million</b>	<b>As a % of Net Proceeds</b>
General corporate activities including but not limited to investments, acquisitions, business expansion and repayment of bank borrowings	113.8	80
General working capital requirements of the Group	28.5	20
<b>Total</b>	<b>142.3</b>	<b>100</b>

4.2.2 Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities, and/or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.

4.2.3 The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial statements issued under Rule 705 of the Listing Manual and the Company's annual reports, until such time the Net Proceeds have been fully utilised. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and status reports. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

## 5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

5.1 The *pro forma* financial effects of the Proposed Placement on the Company's share capital and the Group's net tangible assets ("**NTA**") per Share and earnings per Share ("**EPS**") as set out below are strictly for illustrative purposes and are not indicative of the actual financial position and results of the Group following the completion of the Proposed Placement.

The *pro forma* financial effects have been computed based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2025 ("**FY2025**"). The financial effects of the Proposed Placement are based on the following bases and assumptions:

5.1.1 the share capital of the Company as at the date of this announcement comprises 748,141,318 Shares (excluding nil treasury shares);

5.1.2 the Placement Shares are fully subscribed for by subscribers at the Placement Price of S\$2.90 each;

5.1.3 the estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses) are approximately S\$2.7 million;

5.1.4 the financial effects on the NTA per Share are computed based on the assumption that the Proposed Placement was completed on 31 December 2025; and

5.1.5 the financial effects on the EPS are computed based on the assumption that the Proposed Placement was completed on 1 January 2025.

### 5.2 Share Capital

	Before the Proposed Placement	After Completion of the Proposed Placement
Total number of issued Shares (excluding treasury shares) as at 31 December 2025	748,141,318	798,141,318

### 5.3 NTA

Assuming that the Proposed Placement had been completed on 31 December 2025, the Proposed Placement would have had the following financial effects on the Group's NTA per Share as at 31 December 2025:

	Before the Proposed Placement	After Completion of the Proposed Placement
NTA (S\$'000)	985,807	1,128,064 <sup>(1)</sup>
Number of issued Shares	748,141,318	798,141,318
NTA per Share (Singapore cents)	131.77	141.34

**Note:**

- (1) The NTA after Completion of the Proposed Placement is computed by aggregating the Net Proceeds of S\$142.3 million with the Group's NTA as at 31 December 2025.

**5.4 EPS**

Assuming that the Proposed Placement had been completed on 1 January 2025, the Proposed Placement would have had the following financial effects on the Group's EPS for FY2025:

	Before the Proposed Placement	After the Proposed Placement
Profit attributable to the owners of the Company (S\$'000)	112,824	112,824
Weighted average number of issued Shares	748,127,458	798,127,458
EPS – Basic (Singapore cents)	15.08	14.14

**6. MANDATE FOR THE ISSUANCE OF THE PLACEMENT SHARES**

- 6.1 The Placement Shares will be allotted and issued pursuant to the general share issue mandate granted by Shareholders at the annual general meeting of the Company held on 24 April 2026 (the "**2026 AGM**") (the "**General Mandate**"). The General Mandate grants authority to the Directors to, *inter alia*, issue Placement Shares not exceeding 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2026 AGM, of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to Shareholders shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2026 AGM.
- 6.2 As at the date of the 2026 AGM, the issued and paid-up share capital of the Company was 748,141,318 Shares (excluding nil treasury shares and nil subsidiary holdings). Accordingly, the Company may issue up to 149,628,263 Shares other than on a *pro-rata* basis.
- 6.3 As at the date of this announcement, there are outstanding and remaining unexercised options granted under the Hong Leong Asia Share Option Scheme 2000 (the "**Share Options**") to subscribe for up to an aggregate of 500,000 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 date of this Announcement, and there has not been any issue of Shares since the 2026 AGM. Accordingly, the issuance of the Placement Shares falls within the limits of the General Mandate and specific approval of the Shareholders will not be required for the allotment and issuance of the Placement Shares.

- 6.4. The Company will be making an application to the SGX-ST for the listing and quotation of the Placement Shares on the Main Board of the SGX-ST. The Company will make the necessary announcement in due course upon receipt of the SGX AIP.

## **7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Placement, (other than arising from their directorships and/or shareholdings, as the case may be, in the Company, if any).

## **8. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Placement Agreement will be available for inspection during normal business hours at the registered office of the Company at 16 Raffles Quay #26-00 Hong Leong Building Singapore 048581, for a period of three (3) months commencing from the date of this announcement.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and the Company and its subsidiaries in relation to the Proposed Placement, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 announcement in its proper form and context.

## **10. FURTHER ANNOUNCEMENTS**

The Company will make appropriate announcements as and when there are any material developments on the Proposed Placement.

## **11. CAUTIONARY STATEMENT**

Shareholders and potential investors should note that the Proposed Placement remains subject to, among others, the fulfilment of the conditions precedent under the Placement Agreement, and accordingly, should exercise caution when trading in the Shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisors.

By Order of the Board  
**HONG LEONG ASIA LTD.**

Stephen Ho Kiam Kong  
Executive Director and Chief Executive Officer  
29 April 2026

## **IMPORTANT NOTICE**

This announcement is for information only and does not constitute or form part of any offer to purchase, a solicitation of an offer to purchase, an offer to sell or an invitation or solicitation of an offer to sell, issue or subscribe for, securities in or into the United States. No securities mentioned herein have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under any state securities laws or other jurisdiction of the United States. The Company does not intend to conduct a public offering in the United States, and no securities may be offered or sold in or into the United States absent registration with the U.S. Securities and Exchange Commission or pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and any applicable state or local securities laws of the United States. The securities referred to in this announcement will be offered and sold only in "offshore transactions" as defined in, and in accordance with, Regulation S under the U.S. Securities Act.

**Notification under Section 309B of the SFA:** The Placement Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). This announcement does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase securities of the Company, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration securities of the Company. Restrictions have been imposed on offers and sales of the Placement Shares and on distributions of documents relating thereto in Singapore.