



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Ninth Annual General Meeting (the "Meeting") of HONG LEONG ASIA LTD. will be held at M Hotel Singapore, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908 on Thursday, 29 April 2010 at 3.00 p.m. for the following purposes:

A. ORDINARY BUSINESS:

- To receive and adopt the Financial Statements and Reports of the Directors and Auditors for the year ended 31 December 2009.
- To declare a tax exempt (1-tier) final dividend of 7 cents per ordinary share for the year ended 31 December 2009 as recommended by the Directors.
- To approve Directors' fees of \$190,000 (excluding the Audit Committee fees) for the year ended 31 December 2009 (year 2008: \$190,000) and Audit Committee fees of \$20,000 per quarter for the period commencing from 1 July 2010 to 30 June 2011, with payment of the Audit Committee fees to be made in arrears at the end of each calendar quarter.
- To re-elect the following Directors retiring by rotation in accordance with the Articles of Association of the Company and who, being eligible, offer themselves for re-election:
 - Mr Kwek Leng Beng
 - Mr Goh Kian Hwee
- To re-appoint Mr Quek Shi Kui as a Director of the Company pursuant to Section 153(6) of the Companies Act, Chapter 50, to hold office from the date of this Meeting until the next Annual General Meeting.
- To appoint Ernst & Young LLP as Auditors of the Company in place of the retiring auditors, KPMG LLP, and to authorise the Directors to fix their remuneration.

B. SPECIAL BUSINESS:

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

- That authority be and is hereby given to the Directors to:
 - issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
 - 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 as the Directors may, in their absolute discretion, deem fit; and
- (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 was in force; provided that:
 - 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):
 - by way of renounceable rights issues on a *pro rata* basis to shareholders of the Company ("Renounceable Rights Issues") does not exceed 100% of the total number of issued shares, excluding treasury shares, in the capital of the Company (as calculated in accordance with sub-paragraph (3) below); and
 - otherwise than by way of Renounceable Rights Issues ("Other Share Issues") does not exceed 50% of the total number of issued shares, excluding treasury shares, in the capital of the Company (as calculated in accordance with paragraph (3) of this Ordinary Resolution), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company does not exceed 20% of the total number of issued shares, excluding treasury shares, in the capital of the Company (as calculated in accordance with sub-paragraph (3) below);
 - the Renounceable Rights Issues and Other Share Issues shall not, in aggregate, exceed 100% of the total number of issued shares, excluding treasury shares, in the capital of the Company (as calculated in accordance with sub-paragraph (3) below);
 - (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraphs (1)(A) and (1)(B) above, the total number of issued shares, excluding treasury shares, shall be based on the total number of issued shares, excluding treasury shares, in the capital of the Company at the time 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 and subsisting at the time this Ordinary Resolution is passed; and
 - any subsequent bonus issue, consolidation or subdivision of shares;
 - in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
 - (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 of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
- That, contingent on the passing of the Ordinary Resolution in 7 above, authority be and is hereby given to the Directors to fix the issue price for shares in the capital of the Company that may be issued by way of placement pursuant to the 20% sub-limit for Other Share Issues on a *pro rata* basis referred to in Resolution 7 above, at a discount exceeding 10% but not more than 20% of the price as determined in accordance with the Listing Manual of the SGX-ST.
- That approval be and is hereby given to the Directors to give and grant options in accordance with the provisions of the Hong Leong Asia Share Option Scheme 2000 (the "Share Option Scheme") and to allow and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options granted under the Share Option Scheme provided that the aggregate number of shares to be issued pursuant to the Share Option Scheme shall not exceed 15% of the total number of issued shares excluding treasury shares, if any, in the capital of the Company from time to time, and provided further that the aggregate number of shares to be issued during the entire operation of the Share Option Scheme (subject to adjustments, if any, made under the Share Option Scheme) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the Share Option Scheme.
- That approval be and is hereby given, pursuant to Rule 16.1 of the rules of the Share Option Scheme, for the extension of the duration of the Share Option Scheme for a further period of 10 years from 30 December 2010 to 29 December 2020.
- That:
 - for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the "Companies Act"), the exercise by the Directors of the Company 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 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:
 - market purchase(s) on the 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
 - off-market purchase(s) (if effected otherwise than on the 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 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 and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");
 - the authority conferred on the Directors of the Company 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 Resolution and expiring on the earlier of:
 - the date on which the next Annual General Meeting of the Company is held or required by law to be held;
 - the date on which the authority conferred by the Share Purchase Mandate is varied or revoked in general meeting; or
 - the date on which the purchase or acquisition of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
 - in this 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 the 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 the SGX-ST for any corporate action which occurs after the relevant five-day period;

"date of the making of the offer" means the date on which the Company makes 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 of the Company (excluding any Shares which are held as treasury shares) as at the date of the passing of this Resolution; and

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:
 - in the case of a market purchase of a Share, 105% of the Average Closing Price of the Shares; and
 - in the case of an off-market purchase of a Share pursuant to the equal access scheme, 110% of the Average Closing Price of the Shares; and
 - the Directors of the Company 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 Resolution.
- That approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual of SGX-ST, for the Company, its subsidiaries and its associated companies that are not listed on the 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 types of Interested Person Transactions, particulars of which are set out in the Appendix to this Notice of Annual General Meeting (the "Appendix") with any party who is of the class of Interested Persons described in the Appendix; provided that such transactions are entered in accordance with the review procedures set out in the Appendix, and that such approval (the "IPT Mandate") shall, unless revoked or varied by the Company in General Meeting, continue in force until the conclusion of the next Annual General Meeting of the Company, and the Directors of the Company 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 may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.

C. TO TRANSACT ANY OTHER ORDINARY BUSINESS.

BY ORDER OF THE BOARD

Yeo Swee Gim, Joanne
Ng Siew Ping, Jaslin
Company Secretaries
31 March 2010
Singapore

Directors have recommended a tax exempt (1-tier) final dividend of 7 cents per ordinary share in respect of the financial year ended 31 December 2009 for approval by Members at the Annual General Meeting to be held on 29 April 2010. The final dividend, if approved, will be payable on 24 May 2010.

The Company had on 26 February 2010 advised that the Register of Members of the Company will be closed on 11 May 2010 for the preparation of dividend warrants. Duly completed transfers received by the Company up to 5.00 p.m. on 10 May 2010 will be registered before entitlements to the proposed dividend for the year ended 31 December 2009 are determined.

NOTES:

- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies (whether a member or not) as his proxy to attend and vote on his behalf. The instrument appointing a proxy must be deposited at the Secretary's Office at 36 Robinson Road, #03-01 City House, Singapore 068877, not less than forty-eight (48) hours before the time appointed for holding the Meeting.
- With reference to item 4(i) above (under the heading "Ordinary Business"), Mr Kwek Leng Beng will, upon re-election as a Director of the Company, remain as a member of the Nominating Committee.
- With reference to item 4(ii) above (under the heading "Ordinary Business"), Mr Goh Kian Hwee will, upon re-election as a Director of the Company, remain as a member of the Audit, Remuneration and Share Option Scheme Committees. Mr Goh is an independent Director.
- With reference to item 5 above (under the heading "Ordinary Business"), Mr Quek Shi Kui will, upon re-appointment as a Director of the Company, remain as Chairman of the Audit Committee and as a member of the Nominating, Remuneration and Share Option Scheme Committees. Mr Quek is an independent Director.
- With reference to item 6 above (under the heading "Ordinary Business"), Ernst & Young LLP will be appointed as the Company's Auditors for the financial year ending 31 December 2010 in place of KPMG LLP. The notice of nomination has been given by a shareholder and circulated by the Company pursuant to Section 205(11) and (12) of the Companies Act, Chapter 50. The proposed appointment of Ernst & Young LLP has been reviewed and recommended by the Audit Committee. The Directors have accepted the Audit Committee's recommendation, and in turn, recommend that Ernst & Young LLP be appointed as Auditors of the Company.
- The Ordinary Resolution proposed in item 7 above (under the heading "Special Business"), if passed, will empower the Directors of the Company from the date of the Meeting until the next Annual General Meeting (unless such authority is previously revoked or varied at a general meeting), to issue shares and/or make or grant Instruments that might require new shares to be issued up to a number not exceeding (i) 100% for Renounceable Rights Issues, and (ii) 50% for Other Share Issues of which up to 20% may be issued other than on a *pro rata* basis to shareholders, provided that the total number of shares which may be issued pursuant to (i) and (ii) shall not exceed 100% of the total number of the Company's issued shares, excluding treasury shares, in the capital of the Company. 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, in the capital 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 and subsisting at the time this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares. The authority for 100% Renounceable Rights Issues is proposed pursuant to the SGX news release of 19 February 2009 which introduced further measures to accelerate and facilitate listed issuers' fund raising efforts ("SGX News Release"), which permits the authority for 100% Renounceable Rights Issues to be effective until 31 December 2010. The effectiveness of this measure will be reviewed by the SGX-ST at the end of the period.
- The Ordinary Resolution proposed in item 8 above (under the heading "Special Business"), if passed, will empower the Directors to fix the issue price for shares that may be issued by way of placement pursuant to the 20% sub-limit for Other Share Issues on a non *pro rata* basis (referred to in the Ordinary Resolution proposed in 7 above) at a discount exceeding 10% but not more than 20% of the price as determined in accordance with the Listing Manual of the SGX-ST. This Ordinary Resolution is proposed pursuant to the SGX News Release, which permits this authority to be effective until 31 December 2010. The effectiveness of this measure will be reviewed by the SGX-ST at the end of the period.
- The Ordinary Resolution proposed in item 9 above (under the heading "Special Business"), if passed, will empower the Directors to offer and grant options under the Share Option Scheme and to issue from time to time such number of shares in the capital of the Company pursuant to the exercise of such options under the Share Option Scheme subject to such limits or sub-limits as prescribed in the Share Option Scheme.
- The Ordinary Resolution set out in item 10 above (under the heading "Special Business"), if passed, will extend the duration of the Share Option Scheme for a further period of 10 years from 30 December 2010 to 29 December 2020. Please refer to Annexures II and III of the Appendix to the Notice of this Meeting for more information.
- The Ordinary Resolution proposed in item 11 above (under the heading "Special Business"), if passed, will empower the Directors of the Company to make purchases or otherwise acquire issued shares in the capital of the Company from time to time subject to and in accordance with the guidelines set out in Annexure I of the Appendix to the Notice of this Meeting. This authority will continue in force until the next Annual General Meeting of the Company, unless previously revoked or varied at a general meeting.
- The Ordinary Resolution proposed in item 12 above (under the heading "Special Business"), 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 Appendix to the Notice of this Meeting. The IPT Mandate will continue in force until the next Annual General Meeting of the Company, unless previously revoked or varied at a general meeting.