



# 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 Fifty-Sixth Annual General Meeting (the "Meeting") of HONG LEONG ASIA LTD. (the "Company") will be held at Grand Copthorne Waterfront Hotel, Galleria Ballroom, Level 3, 392 Havelock Road, Singapore 169663 on Friday, 28 April 2017 at 3.00 p.m. for the following purposes:

### A. ORDINARY BUSINESS:

- To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December ("FY") 2016 and the Auditors' Report thereon.
- To declare a first and final one-tier tax exempt dividend of 1 cent per ordinary share for FY 2016 ("First and Final Dividend").
- To approve Directors' Fees of \$483,790 for FY 2016 (FY 2015: \$438,603); additional Audit Committee ("AC") Fees of up to \$10,688 for the period from 11 August 2016 to 30 June 2017; and AC Fees comprising \$29,000 payable to the AC chairman and \$19,000 payable to each AC member for the half year period from 1 July 2017 to 31 December 2017 (period from 1 July 2016 to 30 June 2017: \$55,000 per annum payable for the AC chairman and \$35,000 per annum for each AC member), with payment of the AC Fees to be made quarterly in arrears at the end of each calendar quarter.
- To re-elect Mr Kwek Leng Peck who would be retiring by rotation in accordance with the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company.  
Note: Mr Kwek Leng Beng and Mr Goh Kian Hwee, who would be retiring by rotation in accordance with the Company's Constitution, have notified the Company that they will not be seeking re-election as Directors at the Meeting.
- To re-appoint Ernst & Young LLP as Auditor of the Company 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, of which Resolutions 6, 7, 8 and 9 will be proposed as Ordinary Resolutions and Resolutions 10 and 11 will be proposed as Special Resolutions:

- That authority be and is hereby given to the Directors to:
    - issue shares 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 and to such persons 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) does not exceed 50% of the total number of issued shares, excluding treasury shares, 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, of the Company (as calculated in accordance with sub-paragraph (2) below);
    - (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, excluding treasury shares, shall be based on the total number of issued shares, excluding treasury shares, 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 or 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 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
    - (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.
  - 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 of the Company 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 of the Company from time to time; and
    - the aggregate number of shares to be issued during the entire operation of the SOS (subject to adjustments, if any, made under the SOS) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the SOS.
  - That:
    - for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (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 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 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 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 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 Ordinary Resolution and expiring on the earliest of:
      - the date on which the next AGM 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 purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
    - 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 after the relevant five-day period;  
"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 of the Company (excluding any Shares which are held as treasury shares) 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:
      - 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 an 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 Ordinary Resolution.
- That 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 Appendix Accompanying this Notice of AGM (the "Appendix") with any party who is of the class or classes of Interested Persons described in the Appendix; provided that such transactions are entered into in accordance with the review procedures for Interested Person Transactions as 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 next AGM of the Company; and
  - That the Directors and 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.
- That the new constitution of the Company ("New Constitution") submitted to this Meeting and, for the purpose of identification, subscribed to by the Company Secretaries be approved and adopted as the New Constitution in substitution for, and to the exclusion of, the existing memorandum and articles of association of the Company.
- Subject to and conditional upon the Resolution set out in item 10 above being passed, that the objects of the Company, as contained in Clause 4 of the New Constitution, be altered in the manner and to the extent as set out in Annexures VI and VII of the Appendix.

### C. TO TRANSACT ANY OTHER ORDINARY BUSINESS

BY ORDER OF THE BOARD

Ng Siew Ping, Jaslin  
Yeo Swee Gim, Joanne  
Company Secretaries  
Singapore, 4 April 2017

### BOOKS CLOSURE DATE AND PAYMENT DATE FOR FIRST AND FINAL DIVIDEND

Subject to the approval of the shareholders at the Meeting for the payment of the First and Final Dividend, the Share Transfer Books and Register of Members of the Company will be closed on 16 May 2017. Duly completed registrable transfers received by the Company's Share Registrar, M & C Services Private Limited of 112 Robinson Road #05-01, Singapore 068902 up to 5.00 p.m. on 15 May 2017 will be registered to determine shareholders' entitlement to the First and Final Dividend.

The First and Final Dividend, if approved by the shareholders at the Meeting, will be paid on 24 May 2017.

### Explanatory Notes:

- With reference to item 3 of the Ordinary Business above, the Directors' Fees of \$483,790 for FY 2016 excludes the AC Fees of \$55,000 per annum paid to the AC chairman and \$35,000 per annum paid to each AC member for FY 2016 which had been approved by shareholders at the 2015 and 2016 AGMs of the Company. The additional AC Fees of up to \$10,688 have been proposed to take into consideration the additional responsibility undertaken by the AC since 11 August 2016 for overseeing the Company's sustainability governance and reporting issues. Further information on the Directors' Fees structure can be found on page 32 of the Annual Report.
- With reference to item 4 of the Ordinary Business above, Mr Kwek Leng Peck will, upon re-election as a Director of the Company, remain as a member of the SOS Committee ("SOSC"). As part of the Board's succession planning, he has been identified to succeed Mr Kwek Leng Beng following the latter's retirement upon the conclusion of the Meeting and subject to his re-election as Director, the Board at the recommendation of the Nominating Committee ("NC") will appoint Mr Kwek Leng Peck as the Executive Chairman of the Board. Information on these proposed changes to the Board were announced by the Company via SGX-Net on 26 January 2017.  
Key information on Mr Kwek Leng Peck, who is seeking re-election as a Director of the Company under item 4 of the Ordinary Business above, can be found on page 15 of the Annual Report. Mr Kwek Leng Peck is a cousin of Mr Kwek Leng Beng. Details of Mr Kwek Leng Peck's share interest in the Company and its related corporations can be found on pages 63 to 66 of the Annual Report. Mr Kwek Leng Peck is also a director of Hong Leong Corporation Holdings Pte Ltd ("HLCH") and Hong Leong Enterprises Pte. Ltd. ("HLE"), and a director and shareholder of Hong Leong Investment Holdings Pte. Ltd. ("HLIH"), each of which hold more than 10% direct and/or deemed interests in the Company.
- Mr Kwek Leng Beng, who is due for retirement by rotation in accordance with the Company's Constitution, will not be seeking re-election as a Director at the Meeting. Consequent thereto, Mr Kwek will also cease as the Non-Executive Chairman and a member of NC following the conclusion of the Meeting.
- Mr Goh Kian Hwee, who is due for retirement by rotation in accordance with the Company's Constitution, will not be seeking re-election as a Director at the Meeting. Consequent thereto, Mr Goh will also cease as a member of the AC, NC, Remuneration Committee and SOSC, following the conclusion of the Meeting.
- The Ordinary Resolution set out in item 6 of the Special Business above, if passed, will empower the Directors of the Company 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, 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, 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 which are outstanding or subsisting at the time this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.
- The Ordinary Resolution set out in item 7 of the Special Business above, 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 or sub-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 if a shareholder 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)), he should abstain from voting at the Meeting in respect of the Ordinary Resolution set out in item 7 in relation to the SOS, and should not accept nominations as proxies or otherwise for voting at the Meeting, in respect of the aforesaid Ordinary Resolution, unless specific instructions have been given in the proxy form on how the vote is to be cast for the aforesaid resolution.
- The Ordinary Resolution set out in item 8 of the Special Business above, 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 Appendix. 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.
- The Ordinary Resolution set out in item 9 of the Special Business above, 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. 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 the Ordinary Resolution set out in item 9 in relation to the proposed renewal of the IPT Mandate.
- The Special Resolution set out in item 10 of the Special Business ("Resolution 10") above is to adopt a new constitution for the Company following the numerous amendments to the Companies Act introduced pursuant to the Companies (Amendment) Act 2014 ("Companies (Amendment) Act"). The New Constitution consists of the existing provisions of the memorandum and articles of association of the Company, which have been revised mainly to give effect to the amendments made to the Companies Act pursuant to the Companies (Amendment) Act. Please refer to Annexures IV and V of the Appendix for more details on the New Constitution.
- The Special Resolution set out in item 11 of the Special Business above is to alter the objects of the Company, as contained in Clause 4 of the New Constitution ("Clause 4"), in the event that shareholders of the Company vote in favour of Resolution 10 above for the proposed adoption of the New Constitution. Clause 4, as amended, will provide that the Company has full capacity, rights, powers and privileges to carry on or undertake any business or activity, do any act or enter into any transaction, subject to the Companies Act, any other written law and the New Constitution. Please refer to Annexures VI and VII of the Appendix for more details.

### Meeting Notes:

- 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.
  - 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 share or shares held by such member. Where such member's form of proxy appoints more than two proxies, 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.
- A proxy need not be a member of the Company.
- The form of proxy must be deposited at the Share Registrar's office at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time appointed for holding the Meeting.
- Completion and return of the form of proxy shall not preclude a member from attending 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 this form of proxy to the Meeting.
- Pursuant to Rule 730(A)(2) of the Listing Manual of SGX-ST, all resolutions at this Meeting shall be voted on by way of a poll.
- To allow for a more efficient voting system, polling will be done by way of an electronic poll voting system. With poll voting, 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.

### Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company:

- 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 the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance 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 legislations, the Listing Manual of SGX-ST and/or other regulatory guidelines (collectively, the "Purposes");
- 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), the member has obtained the 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; and
- agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.