

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-Fourth 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 Thursday, 30 April 2015 at 3.00 p.m. for the following purposes:

**A. ORDINARY BUSINESS:**

- To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 December ("FY") 2014 and the Auditors' Report thereon.
- To declare a final one-tier tax exempt dividend of 2 cents per ordinary share for FY 2014 ("Final Dividend").
- To approve Directors' fees of \$414,789 for FY 2014 (FY 2013: \$272,466) and Audit Committee fees of \$31,250 per quarter for the period commencing from 1 July 2015 to 30 June 2016 (period from 1 July 2014 to 30 June 2015: \$28,750 per quarter), with payment of the Audit Committee fees to be made in arrears at the end of each calendar quarter.
- To re-elect Mr Kwek Leng Peck as a Director of the Company who would be retiring by rotation in accordance with the Articles of Association of the Company and who, being eligible, offers himself for re-election.
- To re-appoint the following Directors pursuant to Section 153(6) of the Companies Act, Chapter 50, to hold office from the date of the Meeting until the next Annual General Meeting ("AGM"):
  - Mr Kwek Leng Beng
  - Mr Ernest Colin Lee
  - Mr Quek Shi Kui
- To re-appoint Ernst & Young LLP as Auditors 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 as Ordinary Resolutions:

7. 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 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, if any, in the capital 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, if any, in the capital of the Company (as calculated in accordance with sub-paragraph (2) 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-paragraph (1) above, the total number of issued shares, excluding treasury shares shall be based on the total number of issued shares, excluding treasury shares, if any, 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 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 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 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 in the capital 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, if any, in the capital 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 maybe) sub-limits as may be prescribed in the SOS.

**Notes to Resolutions:**

- With reference to item 3 above (under the heading "Ordinary Business"), the Directors' Fees of \$414,789 for FY 2014 excludes the quarterly fees of \$28,750 commencing from 1 January 2014 to 31 December 2014 paid to the Audit Committee ("AC") for FY 2014, which had been approved by shareholders at the 2013 and 2014 AGMs of the Company.
- With reference to item 4 above (under the heading "Ordinary Business"), Mr Kwek Leng Peck will, upon re-election as a Director of the Company, remain as a member of the SOS Committee ("SOSC"). Mr Kwek Leng Peck is an executive Director of the Company. Key information on Mr Kwek Leng Peck is 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 39 to 41 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 interest in the Company.
- With reference to item 5(a) above (under the heading "Ordinary Business"), Mr Kwek Leng Beng will, upon re-appointment as a Director of the Company, remain as Chairman of the Board and as a member of the Nominating Committee ("NC"). Mr Kwek Leng Beng is considered a non-executive non-independent Director. Key information on Mr Kwek Leng Beng is found on page 15 of the Annual Report. Mr Kwek Leng Beng is a cousin of Mr Kwek Leng Peck. Details of Mr Kwek Leng Beng's share interest in the Company and its related corporations can be found on pages 39 to 41 of the Annual Report. Mr Kwek Leng Beng is also a director of HLCH and HLE, and a director and shareholder of HLIH and Kwek Holdings Pte Ltd, each of which hold more than 10% direct and/or deemed interest in the Company.
- With reference to item 5(b) above (under the heading "Ordinary Business"), Mr Ernest Colin Lee will, upon re-appointment as a Director of the Company, remain as Lead Independent Director, chairman of the NC, Remuneration Committee ("RC") and SOSC, and as a member of the AC. Key information on Mr Lee is found on page 16 of the Annual Report. Details of Mr Lee's share interest in the Company can be found on page 39 of the Annual Report. Mr Lee has no shareholdings in any of the Company's related corporations, and has no relationships with the Company's 10% shareholders or Directors.
- With reference to item 5(c) 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 AC and as a member of the NC, RC and SOSC. Mr Quek is considered an independent Director. Key information on Mr Quek is found on page 16 of the Annual Report. Mr Quek has no shareholdings in the Company or any of its related corporations, and has no relationships with the Company, its 10% shareholders or its Directors.
- The Ordinary Resolution proposed in item 7 above (under the heading "Special Business"), if passed, will empower the Directors from the date of the Meeting until the next AGM (unless such authority is previously revoked or varied at a general meeting), to issue shares whether by way of rights, bonus or otherwise and/or make or grant Instruments that might require new shares to be issued up to and not exceeding 50% of the Company's total number of issued shares, excluding treasury shares, if any, with a limit of 20% of the Company's total number of issued shares excluding treasury shares, if any, for any issue of shares not made on a *pro rata* basis to shareholders. This authority will expire at the next AGM of the Company, unless revoked or varied at a general meeting.
- The Ordinary Resolution proposed in item 8 above (under the heading "Special Business"), 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 in the capital 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).
- The Ordinary Resolution proposed in item 9 above (under the heading "Special Business"), if passed, will empower the Directors 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 this Notice of Meeting. This authority will continue in force until 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. 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 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 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 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 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 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 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 AGM (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 AGM 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

Singapore, 7 April 2015

**BOOKS CLOSURE DATE AND PAYMENT DATE FOR FINAL DIVIDEND**

Subject to the approval of the shareholders at the Meeting for the payment of the Final Dividend, the Share Transfer Books and Register of Members of the Company will be closed on 18 May 2015. 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 2015 will be registered to determine shareholders' entitlement to the Final Dividend.

The Final Dividend, if approved by the shareholders at the Meeting, will be paid on 26 May 2015.

- The Ordinary Resolution proposed in item 10 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 this Notice of Meeting. 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 (see note below on voting restrictions).

**Voting restrictions pursuant to the Listing Manual of the SGX-ST**

**Rule 859**

Please note that if a shareholder is eligible to participate in the SOS (other than as a director and/or employee of HLIH (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 8 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.

**Rule 921(7)**

The Parent Company, 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 10 in relation to the proposed renewal of the IPT Mandate.

**Notes:**

- A member of the Company entitled to attend and vote at the Meeting may appoint not more than two proxies to attend and vote in his stead.
- A proxy need not be a member of the Company.
- The instrument appointing a proxy must be deposited at the Company Secretary's office at 36 Robinson Road, #03-01 City House, Singapore 068877, not less than 48 hours before the time appointed for holding the Meeting.
- The Chairman of the Meeting will be exercising his rights under article 61 of the Company's articles of association ("Article 61") to call for all resolutions at the Meeting and at any adjournment thereof to be put to the vote by way of poll. Accordingly, each resolution at the Meeting will be voted on by way of a poll. Article 61 provides that a poll may be demanded by:
  - the chairman of the meeting; or
  - not less than two members present in person or by proxy and entitled to vote at the meeting; or
  - a member present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - a member present in person or by proxy and holding not less than ten per cent of the total number of paid-up shares of the Company (excluding treasury shares).
- Polling will be done by way of an electronic poll voting system and shareholders 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 proxy(ies) or representative 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 and administration by the Company (or its agents or service providers) of proxies or representative 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 laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");
- warrants that where the member discloses the personal data of the member's proxy(ies) 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) 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.