



**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Fifty-First Annual General Meeting (the "Meeting") of HONG LEONG ASIA LTD. (the "Company") will be held at M Hotel Singapore, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908 on Wednesday, 25 April 2012 at 3.00 p.m. for the following purposes:

**A. ORDINARY BUSINESS:**

- To receive and adopt the Audited Financial Statements and Reports of the Directors and Auditors for the year ended 31 December 2011.
- To declare a tax exempt (1-tier) final dividend of 5 cents per ordinary share for the year ended 31 December 2011 as recommended by the Directors.
- To approve Directors' fees of \$252,740 (excluding the Audit Committee fees) for the year ended 31 December 2011 (year 2010: \$260,384) and Audit Committee fees of \$20,000 per quarter for the period commencing from 1 July 2012 to 30 June 2013 (period from 1 July 2011 to 30 June 2012: \$20,000 per quarter), 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 in accordance with the Articles of Association of the Company and who, being eligible, offers themselves for re-election:
  - Mr Yuen Kin Pheng, Francis (appointed on 18 May 2011)
  - Mr Goh Kian Hwee
- To re-appoint the following Directors 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:
  - 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:
- 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), 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 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 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 "Share Option Scheme") to eligible participants under the Share Option Scheme other than Parent Group Employees and Parent Group Non-Executive Directors (each as defined under the terms of the Share Option Scheme) 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 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
    - 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 to the Directors to offer and grant options in accordance with the provisions of the Share Option Scheme to eligible participants under the Share Option Scheme who are Parent Group Employees and Parent Group Non-Executive Directors (each as defined under the terms of the Share Option Scheme) 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 Share Option Scheme, provided that:
    - the aggregate number of shares to be issued to Parent Group Employees and Parent Group Non-Executive Directors shall not exceed 3% of the total number of issued shares excluding treasury shares, if any, in the capital of the Company from time to time;
    - the aggregate number of shares to be issued to all participants (including Parent Group Employees and Parent Group Non-Executive Directors) 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
    - 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 Scheme) shall not exceed such limits or (as the case may be) sub-limits as may be prescribed in the Share Option Scheme.
  - 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 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 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 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  
3 April 2012  
Singapore

Directors have recommended a tax exempt (1-tier) final dividend of 5 cents per ordinary share in respect of the year ended 31 December 2011 for approval by Shareholders at the Annual General Meeting to be held on 25 April 2012. The final dividend, if approved, will be payable on 21 May 2012.

The Company had on 29 February 2012 advised that the Share Transfer Books and Register of Members of the Company will be closed on 10 May 2012. Duly completed returns received by the Company's Share Registrar, M & C Services Private Limited of 138 Robinson Road, #17-00 The Corporate Office, Singapore 068906 up to 5.00 p.m. on 9 May 2012 will be registered to shareholdings of the proposed dividend for the year ended 31 December 2011.

**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 Company 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(b) 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 Committee ("AC"), Remuneration Committee ("RC") and the Share Option Scheme Committee. Mr Goh is an independent Director.
- 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").
- 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 chairman of the NC, RC and Share Option Scheme Committee, and as a member of the AC. Mr Lee is an independent Director.
- 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 Share Option Scheme Committee. Mr Quek is an independent Director.
- 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 Annual General Meeting ("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 Share Option Scheme to eligible participants under the Share Option Scheme 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 Share Option Scheme subject to such limits or sub-limits as prescribed in the Share Option Scheme.
- The Ordinary Resolution proposed in item 9 above (under the heading "Special Business"), if passed, will empower the Directors to offer and grant options in accordance with the Share Option Scheme to eligible participants under the Share Option Scheme who are 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 Share Option Scheme subject to such limits or sub-limits as prescribed in the Share Option Scheme.
- The Ordinary Resolution proposed in item 10 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.
- The Ordinary Resolution proposed in item 11 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 the Share Option 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.

**Notes on voting restrictions pursuant to the SGX-ST Listing Manual**

**Rules 859 and 860**

Please note that if a shareholder is eligible to participate in the Share Option Scheme (other than as a director and/or employee of the 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 8 in relation to the Share Option Scheme, 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 Parent Company and its associates (as defined in the Listing Manual of the SGX-ST) and the directors and employees of the Parent Company and its subsidiaries (including the Company and its subsidiaries), who are also shareholders of the Company and are eligible to participate in the Share Option Scheme (the "Parent Group Directors and Employees"), are required to abstain from voting at the Meeting in respect of the Ordinary Resolution 9 in relation to the Share Option Scheme. For the avoidance of doubt, the Parent Company and its associates and the Parent Group Directors and Employees are not required to abstain from voting at the Meeting in respect of Ordinary Resolution 8.

**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 11 in relation to the proposed renewal of the IPT Mandate.