

# STRACO CORPORATION LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200203482R)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Company will be held at Amara Singapore, 165 Tanjong Pagar Road, Singapore 088539 on 27 April 2012 at 10.00 a.m. to transact the following business:-

### AS ORDINARY BUSINESS

- To receive and consider the Audited Financial Statements of the Company for the financial year ended 31 December 2011 and the Directors' Report and the Auditors' Report thereon. **(Resolution 1)**
- To declare a first and final one-tier tax exempt dividend of 0.75 cents per share for the financial year ended 31 December 2011. **(Resolution 2)**
- To approve the Directors' fees of S\$269,329 for the financial year ended 31 December 2011 (31 December 2010: S\$253,333). **(Resolution 3)**
- To re-elect the following Directors retiring pursuant to Article 95 of the Company's Articles of Association:-  
Mr. Guo Qiang **(Resolution 4)**  
Mr. Tay Siew Choon **(Resolution 5)**  
Mr. Tay Siew Choon will, upon re-election as Director of the Company, remain as Chairman of the Nominating and Remuneration Committees and will be considered independent.
- To re-elect the following Directors retiring pursuant to Article 96 of the Company's Articles of Association:-  
Mr. Lim Song Joo **(Resolution 6)**  
Mr. Neo Poh Kok David **(Resolution 7)**  
Mr. Lim Song Joo and Mr. Neo Poh Kok David will, upon re-election as Directors of the Company, remain as members of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. Mr. Neo Poh Kok David will also remain as a member of the Nominating Committee.
- To re-appoint Mr. Fu Xuezhong as Director of the Company to hold office until the next Annual General Meeting of the Company pursuant to Section 153(6) of the Singapore Companies Act (Cap. 50). **(Resolution 8)**
- To re-appoint Messrs. KPMG LLP as auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 9)**

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:-

- Authority to allot and issue shares**  
(a) That, pursuant to Section 161 of the Companies Act, Chapter 50, and the listing rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:  
(i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;  
(ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;  
(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and  
(b) (Notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,  
provided always that  
(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued shares excluding treasury shares of the Company, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) 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 of the Company, and for the purpose of this resolution, the issued share capital shall be the Company's total number of issued shares excluding treasury shares at the time this resolution is passed, after adjusting for;  
a) new shares arising from the conversion or exercise of convertible securities, or  
b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the Singapore Exchange Securities Trading Limited, and  
c) any subsequent bonus issue, consolidation or subdivision of the Company's shares, and  
(ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier." **(Resolution 10)**  
(See Explanatory Note 1)
- Authority to grant options and to issue shares under Straco Share Option Scheme**  
That authority be and is hereby given to the Directors of the Company to offer and grant options from time to time in accordance with the provisions of the Straco Share Option Scheme (the "Scheme"), and pursuant to Section 161 of the Companies Act, Chapter 50, 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 options granted under the Scheme, provided that the aggregate number of shares to be issued pursuant to the Scheme shall not exceed fifteen (15) per cent of the total number of issued shares excluding treasury shares of the Company from time to time, as determined in accordance with the provisions of the Scheme." **(Resolution 11)**  
(See Explanatory Note 2)
- The Proposed Renewal of Share Buy Back Mandate**  
That:  
(a) 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 ("Shares") in the capital of the Company not exceeding in aggregate the Prescribed Limit (as defined hereinafter), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined hereinafter), whether by way of:  
(i) market purchases (each a "Market Purchase") on the Singapore Exchange Securities Trading Limited (the "SGX-ST"); and/or  
(ii) off-market purchases (each an "Off-Market Purchase") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which scheme 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 as may for the time being be applicable and is hereby authorised and approved generally and unconditionally (the "Share Buy Back Mandate");  
(b) unless varied or revoked by the shareholders of the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:  
(i) the date on which the next annual general meeting of the Company is held; or  
(ii) the date by which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held;  
(c) In this Resolution:  
"Prescribed Limit" means that number of Shares representing 10% of the total number of issued Shares in the capital of the Company as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares); and  
"Maximum Price" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:  
(i) in the case of a Market Purchase: 105% of the Average Closing Price  
(ii) in the case of an Off-Market Purchase: 120% of the Highest Last Dealt Price  
where:  
"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-day market period;  
"Highest Last Dealt Price" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and  
"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and  
(d) any of the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Resolution." **(Resolution 12)**  
(See Explanatory Note 3)
- To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

### BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua  
Company Secretary  
12 April 2012

#### Notes:

- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy in his stead.
- A proxy need not be a member of the Company.
- If the instrument is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- The instrument appointing a proxy must be deposited at the registered office of the Company at 10 Anson Road, #30-15 International Plaza, Singapore 079903 not later than 48 hours before the time appointed for the Meeting.

#### Explanatory Notes:-

- The ordinary resolution no. 10 is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50 percent of total number of issued shares excluding treasury shares of the Company, of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20 percent of the total number of issued shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.
- The proposed ordinary resolution no. 11, if passed, will empower the Directors of the Company to offer and grant options under the Straco Share Option Scheme and to allot and issue shares pursuant to the exercise of such options under the Straco Share Option Scheme not exceeding fifteen (15) per cent of the total number of issued shares excluding treasury shares of the Company from time to time.
- The proposed ordinary resolution no. 12, if passed, will empower the Directors of the Company effective 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, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per cent (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price as defined in the Circular dated 12 April 2012. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Buy Back Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 December 2011 are set out in greater detail in the Letter to Shareholders enclosed together with the Annual Report.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting ("EGM") of Straco Corporation Limited (the "Company") will be convened at Amara Singapore, 165 Tanjong Pagar Road, Singapore 088539 on 27 April 2012 at 10.30 a.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications the following resolutions:-

### ORDINARY RESOLUTIONS:-

- Proposed Participation by Mdm Chua Soh Har in the Straco Share Option Scheme (the "Scheme")**  
That the participation of Mdm Chua Soh Har, an Associate of a Controlling Shareholder, in the Scheme be and is hereby approved.
- Proposed Grant of Options under the Scheme to Controlling Shareholder, Mr Wu Hsioh Kwang**  
That the proposed offer and grant to Mr Wu Hsioh Kwang, a Controlling Shareholder of the Company, of Options pursuant to and in accordance with the rules of the Scheme on the following terms, be and is hereby approved, and the Directors be and are hereby authorized to allot and issue Shares upon the exercise of such Options:-  
(a) Proposed Date of Grant of Options : 5 Market Days after the date of the EGM  
(b) Number of Shares comprised in the proposed Options : 900,000 Shares (representing approximately 0.105% of the total issued Shares excluding treasury shares as at the Latest Practicable Date)  
(c) Exercise Price per Share : Market Price  
(d) Exercise Period : Exercisable at any time after the first anniversary of the Date of Grant and up to the fifth anniversary of the Date of Grant
- Proposed Grant of Options under the Scheme to Mdm Chua Soh Har, an Associate of Mr Wu Hsioh Kwang**  
That subject to and contingent upon the passing of Ordinary Resolution 1, the proposed offer and grant to Mdm Chua Soh Har, an Associate of Mr Wu Hsioh Kwang, of Options pursuant to and in accordance with the rules of the Scheme on the following terms, be and is hereby approved, and the Directors be and are hereby authorized to allot and issue Shares upon the exercise of such Options:-  
(a) Proposed Date of Grant of Options : 5 Market Days after the date of the EGM  
(b) Number of Shares comprised in the proposed Options : 300,000 Shares (representing approximately 0.035% of the total issued Shares excluding treasury shares as at the Latest Practicable Date)  
(c) Exercise Price per Share : Market Price  
(d) Exercise Period : Exercisable at any time after the first anniversary of the Date of Grant and up to the fifth anniversary of the Date of Grant
- Proposed Grant of Options under the Scheme to Ms Wu Xiuyi, an Associate of Mr Wu Hsioh Kwang**  
That the proposed offer and grant to Ms Wu Xiuyi, an Associate of Mr Wu Hsioh Kwang, of Options pursuant to and in accordance with the rules of the Scheme on the following terms, be and is hereby approved, and the Directors be and are hereby authorized to allot and issue Shares upon the exercise of such Options:-  
(a) Proposed Date of Grant of Options : 5 Market Days after the date of the EGM  
(b) Number of Shares comprised in the proposed Options : 540,000 Shares (representing approximately 0.063% of the total issued Shares excluding treasury shares as at the Latest Practicable Date)  
(c) Exercise Price per Share : Market Price  
(d) Exercise Period : Exercisable at any time after the first anniversary of the Date of Grant and up to the fifth anniversary of the Date of Grant

All capitalised terms used in this Notice of EGM which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 12 April 2012.

### BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua  
Company Secretary  
Singapore  
12 April 2012

#### Notes:-

- Every shareholder of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- A shareholder of the Company which is a corporation is entitled to appoint its authorized representative or proxies to vote on its behalf.
- The instrument appointing a proxy must be deposited at the registered office of the Company at 10 Anson Road, #30-15 International Plaza, Singapore 079903, at least 48 hours before the time set for the Extraordinary General Meeting or any postponement or adjournment thereof.