



## COSMOSTEEL HOLDINGS LIMITED

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifth Annual General Meeting of Cosmosteel Holdings Limited (the "Company") will be held at Shan Shui Palace, 450 Jalan Ahmad Ibrahim, Raffles Country Club, Singapore 639932 on Thursday, 20 January 2011 at 10 a.m. to transact the following business:

#### ORDINARY BUSINESS

##### AS ORDINARY RESOLUTIONS

- To receive and adopt the Directors' Report, the Auditors' Report and the Audited Accounts of the Company for the financial year ended 30 September 2010. **(Resolution 1)**
- To declare a final dividend of 0.5 cent per ordinary share for the financial year ended 30 September 2010. **(Resolution 2)**
- To approve the payment of S\$240,000 as Directors' Fees for the financial year ending 30 September 2011, to be paid quarterly in arrears. **(Resolution 3)**
- To re-elect Mr Ong Chin Sum, the Director retiring by rotation pursuant to Article 99 of the Articles of Association of the Company. **(Resolution 4)**
- To re-elect Mr Low Beng Tin, the Director retiring by rotation pursuant to Article 99 of the Articles of Association of the Company. **(Resolution 5)**
- To re-elect Ms Geraldine Ong Siew Tin, the Director retiring by rotation pursuant to Article 99 of the Articles of Association of the Company. **(Resolution 6)**
- To re-appoint Mr Jovenal R. Santiago, the Director retiring to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company pursuant to Section 153(6) of the Companies Act, Chapter 50. **(Resolution 7)**
- To re-appoint RSM Chio Lim LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 8)**

#### SPECIAL BUSINESS

##### AS ORDINARY RESOLUTIONS

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

- That pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors (the "Share Issue Mandate") 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, convertible securities or other instruments convertible into Shares; and/or
  - notwithstanding that such authority conferred by this Resolution may have ceased to be in force at the time the Instruments are to be issued, issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or other capitalisation issues, 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
- issue Shares in pursuance of any Instrument made or granted by the Directors pursuant to (A)(ii) and/or (A)(iii) above, notwithstanding that such authority may have ceased to be in force at the time the Shares are to be issued,

provided that:

- 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 fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (II) 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 Resolution) does not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (II) below);
  - (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (I) above, the percentage of issued Shares shall be based on the Company's total number of issued Shares (excluding treasury shares) at the time of the passing of this Resolution after adjusting for:
    - new Shares arising from the conversion or exercise of any convertible securities;
    - new Shares arising from exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
    - any subsequent bonus issue, consolidation or subdivision of Shares;
  - in exercising such authority, 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 by ordinary resolution, the authority conferred by this 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, or the expiration of such other period as may be prescribed by the Companies Act, Chapter 50, and every other legislation for the time being in force concerning companies and affecting the Company, whichever is the earliest. **(Resolution 9)**
- That authority be and is hereby given to the Directors of the Company to offer and grant share options in accordance with the provisions of the Cosmosteel Employee Share Option Scheme approved by shareholders in general meeting held on 28 March 2007 (the "Scheme") and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the share options under the Scheme (notwithstanding that such allotment and issue may occur after the conclusion of the next or any ensuing Annual General Meeting of the Company). **(Resolution 10)**
  - To transact any other ordinary business of an Annual General Meeting.

### NOTICE OF BOOKS CLOSURE AND DIVIDEND PAYMENT DATE

NOTICE IS ALSO HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 1 March 2011 for determining the shareholders' entitlements to the proposed final dividends. Duly completed transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, up to 5.00 p.m. on 28 February 2011 will be registered to determine shareholders' entitlements to the proposed final dividends. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 28 February 2011 will be entitled to the dividends.

The proposed final dividends, if approved by shareholders at the Annual General Meeting of the Company, will be paid on 14 March 2011.

BY ORDER OF THE BOARD

Lee Pih Peng  
Company Secretary  
5 January 2011  
Singapore

#### Explanatory Notes on Ordinary and Special Businesses to be Transacted:

##### Ordinary Business

- Ordinary Resolution 3, if passed, will allow the Company to pay Directors' Fees to Directors (on a quarterly basis in arrears) as services are rendered by Directors during the course of the financial year ending 30 September 2011. This will facilitate Directors' compensation for services rendered in a timelier manner.
- Ordinary Resolution 6, if passed, will re-appoint Ms Geraldine Ong Siew Tin as director of the Company. Ms Geraldine Ong Siew Tin will, upon the re-appointment, remain as the chairperson of the Remuneration Committee, and a member of each of the Audit Committee and the Nominating Committee. She will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.
- Ordinary Resolution 7, if passed, will re-appoint Mr Jovenal R. Santiago as director of the Company to hold office until the next Annual General Meeting of the Company. Mr Jovenal R. Santiago will, upon the re-appointment, remain as the chairperson of the Audit Committee, and a member of each of the Remuneration Committee and the Nominating Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

##### Special Business

- Ordinary Resolution 9, if passed, will empower the Directors to, from the date of the above Annual General Meeting of the Company until 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, or the expiration of such other period as may be prescribed by the Companies Act, Chapter 50, and every other legislation for the time being in force concerning companies and affecting the Company, whichever is the earliest, allot and issue Shares, to make or grant Instruments, and to issue Shares in pursuance of such Instruments for such purposes as they consider in the interests of the Company.

The aggregate number of Shares that the Directors may allot and issue under this Resolution (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares), of which the aggregate number of Shares to be issued other than on a pro rata basis shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares) (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution), to shareholders. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be calculated based on the total number of issued Shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for:

- new Shares arising from the conversion or exercise of any convertible securities;
  - new Shares arising from exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
  - any subsequent bonus issue, consolidation or sub-division of Shares.
- Ordinary Resolution 10, if passed, will empower the Directors to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the share options under the Scheme, notwithstanding that such allotment and issue may occur after the conclusion of the next or any ensuing Annual General Meeting of the Company.

This authority is in addition to the general authority to issue Shares sought under Resolution 9.

#### Note:

A member of the Company entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company. The instrument appointing the proxy must be deposited at the registered office of the Company at 5 Shenton Way #07-00, UIC Building, Singapore 068808, not less than forty-eight (48) hours before the time set for holding the Annual General Meeting of the Company.