



# YONGNAM

YONGNAM HOLDINGS LIMITED  
Company Registration No.: 199407612N  
(Incorporated in the Republic of Singapore)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Yongnam Holdings Limited (the "Company") will be held at 51 Tuas South Street 5, Singapore 637644 on Friday, 30 April 2010 at 10.30 a.m. to transact the following business:

### ORDINARY BUSINESS

- To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2009 and the Reports of the Directors and the Auditors thereon. **(Resolution 1)**
- To declare a first and final one-tier tax exempt dividend of 0.5 Singapore cent per share in respect of the financial year ended 31 December 2009. **(Resolution 2)**
- To approve the Directors' fees of S\$234,000 for the financial year ended 31 December 2009 (2008: S\$188,260). **(Resolution 3)**
- To re-elect the following Directors retiring in accordance with Article 104 of the Company's Articles of Association:-  
(a) Mr Goon Kok Loon **(Resolution 4)**  
(b) Mr Seow Soon Hee **(Resolution 5)**  
(c) Mr Chia Sin Cheng **(Resolution 6)**  
Mr Goon Kok Loon will, upon re-election as Director, continue to serve as the Chairman of the Audit Committee and members of Nominating Committee and Remuneration Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- To re-appoint Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

### SPECIAL BUSINESS

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

#### 6. Authority to allot and issue shares

"That pursuant to Section 161 of the Companies Act, Chapter 50 and the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company 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
- issue Shares in pursuance of any Instruments made or granted by the Directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this resolution).  
provided that:
  - the aggregate number of Shares to be issued pursuant to such authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 50% (unless paragraph (3) below applies) of the total number of issued Shares (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company ("Shareholders") are not given the opportunity to participate in the same on a pro-rata basis ("non pro-rata basis"), then the Shares to be issued under such circumstances (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 20% of the total number of issued Shares (as calculated in accordance with paragraph (2) below);
  - (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under paragraph (1) above, the total number of issued Shares shall be based on the issued Shares of the Company (excluding treasury shares) at the time such authority was conferred, after adjusting for:
    - new Shares arising from the conversion or exercise of any convertible securities;
    - new Shares arising from the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time such authority was conferred; and
    - any subsequent consolidation or subdivision of the Shares;and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;
  - the 50% limit in paragraph (1) above may be increased to 100% for issues of Shares and/or Instrument by way of a renounceable rights issue where Shareholders are given the opportunity to participate in the same on a pro-rata basis;
  - in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Articles of Association of the Company for the time being; and
  - (unless revoked or varied by the Company in General Meeting) 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, whichever is the earlier except for renounceable rights issue under paragraph 3 above which will expire on 31 December 2010 or such other deadline as may be extended by the SGX-ST, whichever is the earlier." **(Resolution 8)**

[See Explanatory Note 1]

#### 7. Authority to grant options and to issue shares under the Yongnam Employee 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 Yongnam Employee 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 15% 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 9)**

[See Explanatory Note 2]

### OTHER BUSINESS

- To transact any other ordinary business that may be properly transacted at an Annual General Meeting of the Company.

### BY ORDER OF THE BOARD

SEOW SOON YONG  
Chief Executive Officer  
15 April 2010

### Notes:

- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead.
- A proxy need not be a member of the Company.
- If the appointor 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 51 Tuas South Street 5, Singapore 637644 not later than 48 hours before the time appointed for the Meeting.

### Explanatory Note:

- The proposed Resolution 8, if passed, will empower the Directors of the Company from the date of the above meeting to issue Shares in the Company up to an amount not exceeding in total 50 per centum of the total number of issued Shares in the capital of the Company (or 100% in the case of pro-rata renounceable rights issue) with a sub-limit of 20% other than on a pro-rata basis to shareholders for the time being for such purposes as they consider would be in the interest of the Company. The authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting (or on 31 December 2010 or a date to be extended by the SGX-ST, subject to their review, for pro-rata renounceable rights issue as mentioned in paragraph (3) of the proposed Resolution 8) of the Company.
- The proposed Resolution 9, if passed, will empower the Directors of the Company to offer and grant options under the Yongnam Employee Share Option Scheme and to allot and issue Shares pursuant to the exercise of such options under the Yongnam Employee Share Option Scheme. The aggregate amount of new Shares over which the Company may grant options on any date, when added to the amount of new Shares to be issued in respect of (a) all options granted under the Scheme, and (b) all awards granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) of the Company from time to time.