

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 40th Annual General Meeting ("AGM") of Compact Metal Industries Ltd (the "Company") will be held at 120 Pioneer Road, #01-03, Singapore 639597 on Monday, 27 April 2015 at 10.30am to transact the following business:-

AS ORDINARY BUSINESS

- To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2014 and the Directors' Report and the Auditors' Report thereon. **(Resolution 1)**
- To re-elect Mr Ma Zhao Yang as Director pursuant to Article 104 of the Company's Articles of Association. **(Resolution 2)**
- To re-elect Mr Zhang Zeng Tao as Director pursuant to Article 104 of the Company's Articles of Association. **(Resolution 3)**
- To re-elect Mr Kan Ah Chye @ Kan Poh Thong as Director pursuant to Article 100 of the Company's Articles of Association. **(Resolution 4)**
Mr Kan Ah Chye @ Kan Poh Thong, if re-elected as Director of the Company, will remain as the Chairman of the Audit Committee and Remuneration Committee and a member of the Nominating Committee. He is considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").
- To approve payment of Directors' fees of S\$103,000 for the financial year ending 31 December 2015 and to authorise the Directors of the Company an option to pay the said fees quarterly in arrears. (2014:\$73,000) **(Resolution 5)**
- To re-appoint KPMG LLP as auditors of the Company for the financial year ending 31 December 2015 and to authorise the Directors to fix their remuneration. **(Resolution 6)**
- To transact any other ordinary business which may be properly transacted at an AGM.

AS SPECIAL BUSINESS

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

8. Authority to Issue Shares

"That pursuant to Section 161 of the Companies Act, Chapter 50, and the Listing Manual of SGX-ST, authority be and is hereby given to the Directors of the Company 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, at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding that 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

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 Company's total number of issued shares (excluding treasury shares), 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) in the Company, and for the purpose of this resolution, the total number of issued shares (excluding treasury shares) 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;
 - (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 SGX-ST, and
 - (c) any subsequent bonus issue, consolidation or subdivision of the Company's shares, and such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier."
- (See Explanatory Note 1) **(Resolution 7)**

BY ORDER OF THE BOARD

Heng Fook Chang
Ang Siew Koon
Company Secretaries
10 April 2015
Singapore

Explanatory Notes:

- Resolution 7, if passed, will authorise and empower the Directors of the Company from the date of the above AGM until the next AGM to issue shares in the capital of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) up to an amount not exceeding in aggregate 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company 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 20% of the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this 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 AGM of the Company.
- For the purpose of Resolution 7, the total number of issued shares (excluding treasury shares) is based on the Company's total number of issued shares (excluding treasury shares) at the time this proposed ordinary resolution is passed after adjusting for new shares arising from the conversion or exercise of Instruments or the vesting of share awards outstanding or subsisting at the time when this proposed ordinary resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

- A member of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote in his stead.
- Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy, failing which, the first named proxy may be treated as representing 100% of the shareholding and the second named proxy as an alternate to the first named.
- 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 120 Pioneer Road, #01-03, Singapore 639597 not later than 48 hours before the time appointed for the AGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) or proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendances lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company(or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) 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.