

STRACO CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200203482R)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held by way of electronic means on Tuesday, 27 April 2021 at 3.00 pm to transact the following business:-

AS ORDINARY BUSINESS

1. To receive and consider the Audited Financial Statements of the Company for the financial year ended 31 December 2020 and the Directors' Statement and the Auditors' Report thereon. **(Resolution 1)**
2. To declare a first and final one-tier tax exempt dividend of 1.0 cent per share for the financial year ended 31 December 2020. **(Resolution 2)**
3. To approve the Directors' fees of S\$332,200/- for the financial year ended 31 December 2020 (FY2019: S\$317,825/-). **(Resolution 3)**
4. To re-elect Mr Wu Hsioh Kwang, the Director retiring by rotation pursuant to the requirements of Article 95 of the Company's Constitution. **(Resolution 4)**
5. To re-elect Mr Tay Siew Choon, a Director retiring by rotation pursuant to the requirements of Article 95 of the Company's Constitution. **(Resolution 5)**
6. To re-elect Mr Lim Song Joo, a Director retiring by rotation pursuant to the requirements of Article 95 of the Company's Constitution. **(Resolution 6)**
7. To re-appoint Messrs PricewaterhouseCoopers LLP as the 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 7)**

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AS SPECIAL BUSINESS

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

8. That subject to, and contingent upon the passing of Ordinary Resolution 5 and Ordinary Resolution 9, members to approve the continued appointment of Mr Tay Siew Choon as an Independent Director, pursuant to Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX Listing Manual”) (that will take effect on 1 January 2022), until the earlier of the retirement or resignation of Mr Tay Siew Choon as a Director, or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

(See Explanatory Note 3)

(Resolution 8)

9. That subject to, and contingent upon the passing of Ordinary Resolution 8 above, members (excluding the Directors and Chief Executive Officer (“CEO”) of the Company, and associates of such Directors and CEO), to approve the continued appointment of Mr Tay Siew Choon, as an Independent Director, pursuant to Rule 210(5)(d)(iii)(B) of the SGX Listing Manual, until the earlier of the retirement or resignation of Mr Tay Siew Choon as a Director, or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

(Resolution 9)

Note: Mr Tay Siew Choon will, upon re-election as an Independent Director of the Company, remain as the Chairman of the Nominating and Remuneration Committees and will be considered independent for the purposes of Rule 704(8) of the SGX Listing Manual.

10. That subject to, and contingent upon the passing of Ordinary Resolution 6 and Ordinary Resolution 11, members to approve the continued appointment of Mr Lim Song Joo, as an Independent Director, pursuant to Rule 210(5)(d)(iii)(A) of the SGX Listing Manual (that will take effect on 1 January 2022), until the earlier of the retirement or resignation of Mr Lim Song Joo as a Director, or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

(See Explanatory Note 3)

(Resolution 10)

11. That subject to, and contingent upon the passing of Ordinary Resolution 10 above, members (excluding the Directors and CEO of the Company, and associates of such Directors and CEO), to approve the continued appointment of Mr Lim Song Joo as an Independent Director, pursuant to Rule 210(5)(d)(iii)(B) of the SGX Listing Manual, until the earlier of the retirement or resignation of Mr Lim Song Joo as a Director, or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

(Resolution 11)

Note: Mr Lim Song Joo will, upon re-election as an Independent Director of the Company, remain as the Chairman of the Audit & Risk Committee and will be considered independent for the purposes of Rule 704(8) of the SGX Listing Manual.

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12. Authority to allot and issue shares

That:

- (a) 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 SGX Listing Manual, and
 - c) any subsequent bonus issue, consolidation or subdivision of the Company's shares, and

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- (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 12)

(See Explanatory Note 1)

13. **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 Constitution 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

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“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 Average Closing 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; 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 13)

(See Explanatory Note 2)

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua
Company Secretary

12 April 2021

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Explanatory Notes:-

1. The proposed Ordinary Resolution no. 12 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 per cent (50%) 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 per cent (20%) 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.
2. The proposed Ordinary Resolution no. 13, 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 2021. 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 Purchase Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 December 2020 are set out in greater detail in the Letter to Shareholders enclosed together with the Annual Report.
3. Mr Tay Siew Choon and Mr Lim Song Joo were appointed as directors of the Company on 5 November 2003 and 13 May 2011 respectively. Both directors have served the Board beyond nine years. Rule 210(5)(d)(iii) of the SGX Listing Manual, which takes effect on 1 January 2022, requires that the continued appointment of an independent director who has been a director for an aggregate period of more than nine years (whether before or after listing) should be approved in separate resolutions by (A) all shareholders; and (B) all shareholders, excluding shareholders who also serve as the directors or the chief executive officer of the company, and associates of such directors and chief executive officer. In connection therewith, the resolutions to seek the approval of the shareholders for the re-election of Messrs Tay Siew Choon and Lim Song Joo as Independent Directors of the Company will be put to the vote at the forthcoming Annual General Meeting in accordance with the abovementioned required two-tier voting mechanism.

Consequently, subject to and contingent upon the passing of Ordinary Resolutions 5, 6, 8, 9, 10, and 11 respectively, Messrs Tay Siew Choon and Lim Song Joo will continue to serve as Independent Directors of the Company, with effect from the passing of these resolutions proposed at the forthcoming Annual General Meeting, until the conclusion of the third Annual General Meeting of the Company following the passing of these resolutions.

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NOTES

1. A member of the Company (other than a member who is a relevant intermediary as defined in Note 2 below) shall not be entitled to appoint more than two proxies to attend and vote at the Annual General Meeting on his behalf. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy needs not be a member of the Company.
2. Pursuant to Section 181 of the Act, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend and vote at the Annual General Meeting. Relevant intermediary is either:
 - (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
 - (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or
 - (c) the Central Provident Fund (“CPF”) Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased on behalf of CPF investors.

A proxy needs not be a member of the Company.

3. The instrument appointing a proxy or proxies shall, in the case of an individual, be signed by the appointor or his attorney, and in case of a corporation, shall be either under the common seal or signed by its attorney or an authorised officer on behalf of the corporation.
4. The instrument appointing a proxy must be deposited at the office of the Company’s Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02, Singapore 068898 not later than 48 hours before the time appointed for the Meeting.

PRE REGISTRATION

This Annual General Meeting (“AGM”) be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, and as amended by COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) (Amendment No. 2) Order 2020. The Orders were amended on 29 September 2020 to extend the alternative meeting arrangements to 30 June 2021, and make other refinements to some Orders. On 1 October 2020, the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and Singapore Exchange Regulation have updated a checklist to guide listed and non-listed entities on the conduct of general meeting arising from the latest updates from the Multi-Ministry Taskforce to ease safe management measures to facilitate business operations.

The Company is arranging for a live webcast of the AGM proceedings (the “Live AGM Webcast”) which will take place on 27 April 2021 at 3.00 p.m. Shareholders will be able to watch the AGM proceedings through the Live AGM Webcast, and the Company will not accept any physical attendance by shareholders. Any shareholder seeking to attend the AGM physically in person will be turned away.

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Printed copies of this Notice, Annual Report of the Company for the financial year ended 31 December 2020 (“Annual Report 2020”), the proxy form, and the Circular dated 12 April 2021 will not be sent to members. Instead, these documents will be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements> and the Company’s website at www.stracocorp.com

Participation in the AGM via live webcast or live audio feed

1. As the AGM will be held by way of electronic means, shareholders will NOT be able to attend the AGM in person. All shareholders or their corporate representatives (in the case of shareholders which are legal entities) will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. To do so, shareholders are required to pre-register their participation in the AGM (“Pre-registration”) at this link: <https://on.skr.ma/straco-corp-agm-egm> (“AGM Registration Form”) by 3.00 p.m. on 25 April 2021 (“Registration Deadline”) for verification of their status as shareholders (or the corporate representatives of such shareholders).
2. Upon successful verification, each such shareholder or its corporate representative will receive an email by 3.00 p.m. on 26 April 2021. The email will contain instructions to access the live webcast or live audio feed of the AGM proceedings. Shareholders or their corporate representatives must not forward the email to other persons who are not shareholders and who are not entitled to participate in the AGM proceedings. Shareholders or their corporate representatives who have pre-registered by the Registration Deadline in accordance with paragraph 1 above but do not receive an email by 3.00 p.m. on 26 April 2021 may contact the Company for assistance at (65) 62233082.

Voting by proxy

3. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the Annual General Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting. The accompanying proxy form for the Annual General Meeting may be accessed at the Company’s website at www.stracocorp.com, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
4. Shareholders who wish to vote on any or all of the resolutions at the AGM must appoint the Chairman of the Meeting as their proxy to do so on their behalf and must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
5. The duly executed proxy form must be submitted via one of the following means:
 - (a) deposited at the office of the Company’s Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898, or

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(b) submitted by email to sg.is.proxy@sg.tricorglobal.com

not later than 48 hours before the time set for the Annual General Meeting.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

6. A Depositor shall not be regarded as a member of the Company unless his/her name appears on the Depository Register 72 hours before the time appointed for the Annual General Meeting.

Submission of Questions

7. Shareholders may submit questions relating to the items on the agenda of the AGM via the AGM Registration Form. All questions must be submitted by 3:00 p.m. on 20 April 2021.
8. The Company will endeavour to address the substantial and relevant questions received in advance of the AGM either before or during the AGM. The responses to such questions from shareholders, together with the minutes of the AGM, will be posted on the SGXNET and the Company's website within one month after the date of the AGM.
9. Please note that shareholders will not be able to ask questions at the AGM "live" during the webcast and the audio feed, and therefore it is important for shareholders to pre-register their participation in order to be able to submit their questions in advance of the AGM.

Important reminder

10. Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Shareholders are advised to regularly check the Company's website or announcements released on SGXNET for updates on the AGM. Further, in light of the current COVID-19 measures, which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email.

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PERSONAL DATA POLICY

By (a) submitting an instrument appointing the Chairman of the Meeting as a proxy to vote at the AGM and/or any adjournment thereof, or (b) completing the Pre-registration in accordance with this Notice, or (c) submitting any question prior to the AGM in accordance with this Notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) administration and analysis of the Company (or its agents or service providers) for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) 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 or service providers), 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 or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and 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;
- (iii) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the Meeting as a proxy for the AGM (including any adjournment thereof);
- (iv) the processing of the Pre-registration for purposes of granting access to members (or their corporate representatives in the case of members which are legal entities) to the live webcast or live audio feed of the AGM proceedings and providing them with any technical assistance where necessary;
- (v) addressing relevant and substantial questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;
- (vi) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
- (vii) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.