

COMAT INDUSTRIAL LTD.
Company Registration Number: 200410428C
(Incorporated in Singapore)

NOTICE OF FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the First Annual General Meeting of Comat Industrial Ltd. ("the Company") will be held at Meritus Negara Singapore, Meeting Room 2 and 3 at level 3, 10 Claymore Road (off Orchard Road), Singapore 229540 on Wednesday, 27 April 2005 at 3.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Consolidated Audited Financial Statements of the Company and its subsidiary for the period ended 31 December 2004 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring pursuant to Article 117 of the Company's Articles of Association:

Ms Zhao Guiying	(Resolution 2)
Mr Guo Yun	(Resolution 3)
Mr Yong Kun Da Richard	(Resolution 4)
Mr Yeo Wico	(Resolution 5)

Ms Zhao Guiying will, upon re-election as Director of the Company, remain as the Non-Executive Chairman of the Company

Mr Guo Yun will, upon re-election as Director of the Company, remain as a member of the Nominating Committee and of the Remuneration Committee. He is an Executive Director.

Mr Yong Kun Da Richard will, upon re-election as Director of the Company, remain as Chairman of the Nominating Committee and of the Audit Committee and a member of the Remuneration Committee. He will be considered independent for the purposes of Rule 704 (8) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Mr Yeo Wico will, upon re-election as Director of the Company, remain as Chairman of the Remuneration Committee and a member of the Audit Committee. He will be considered independent for the purposes of Rule 704 (8) of the Listing Manual of the SGX-ST.

3. To note the retirement of Mr Jiang Quan, a Director retiring under Article 117 of the Company's Articles of Association who would not be seeking for re-election.

Upon the retirement of Mr Jiang Quan, he will be relinquishing his position as a member of the Nominating and Audit Committees.

4. To consider the appointment of Mr Wang Liangfa as Independent Director of the Company.

Mr Wang Liangfa will, if appointed as Director of the Company, be considered independent for the purposes of Rule 704 (8) of the Listing Manual of the SGX-ST. If appointed, he will be invited to be a member of the Nominating Committee and a member of the Audit Committee.

(Resolution 6)

5. To approve the payment of Directors' fees of S\$40,000 for the period ended 31 December 2004.

(Resolution 7)

6. To re-appoint Messrs TKH & Company as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 8)**
7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

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 allot and issue shares up to 50 per centum (50%) of issued share capital**

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the SGX-ST, the Directors be empowered to allot and issue shares and convertible securities in the capital of the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares (including shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution) to be allotted and issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the issued share capital of the Company at the time of the passing of this Resolution, of which the aggregate number of shares and convertible securities to be issued other than on a pro rata basis to all shareholders of the Company shall not exceed twenty per centum (20%) of the issued share capital of the Company and that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company's 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 earlier or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of such convertible securities. [See Explanatory Note (i)] **(Resolution 9)**

9. **Renewal of Shareholders' Mandate for Interested Person Transactions**

That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST ("Chapter 9):-

- (a) approval be and is hereby given, for the Company and its subsidiaries, or any of them to enter into any of the transactions falling within the types of interested person transactions described in the Addendum to the Annual Report to shareholders dated 18 March 2005 ("Addendum") with any party who is of the class of interested persons as described in the Addendum, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
- (b) the approval given in paragraph (a) above ("Shareholders' Mandate") shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting; and

- (c) the Directors be and are hereby authorized to complete and do all such acts and things (including executing all such documents as may be required) as they may consider necessary, desirable or expedient to give effect to the Shareholders' Mandate and/or this Resolution. [See Explanatory Note (ii)] **(Resolution 10)**

By Order of the Board

Julie Koh Ngin Joo
Secretary
Singapore, 11 April 2005

Explanatory Notes:

- (i) The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the Directors from the date of the above Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or when varied or revoked by the Company in general meeting, whichever is earlier, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities that the Directors may allot and issue under this Resolution would not exceed fifty per centum (50%) of the issued capital of the Company at the time of the passing of this resolution. For issue of shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed twenty per centum (20%) of the issued capital of the Company. For the purpose of this resolution, the percentage of issued capital is based on the Company's issued capital at the time this proposed Ordinary Resolution is passed after adjusting for (a) new shares arising from the conversion of convertible securities or employee share options on issue when this proposed Ordinary Resolution is passed and (b) any subsequent consolidation or subdivision of shares.
- (ii) The Ordinary Resolution 10 proposed in item 9 above, if passed, will renew the Shareholders' Mandate to permit the Company and its subsidiaries, or any of them, for the purpose of Chapter 9, to enter into certain interested person transactions with the interested persons as described in the Addendum to the Annual Report.

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote in his/her/its stead. A proxy need not be a Member of the Company.

2. If the appointor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorized officer or attorney.
3. The instrument appointing a proxy must be deposited at the Share Transfer Agent's office of the Company at 10 Collyer Quay #19-08 Ocean Building Singapore 049315 not less than 48 hours before the time appointed for holding the Meeting.