

# ZAGRO ASIA LIMITED

Registration No. : 199406784D  
(Incorporated in the Republic of Singapore)  
(the *Company*)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Fifteenth Annual General Meeting of the Company will be held at Zagro Global Hub, 5 Woodlands Terrace #06-00, Singapore 738430, on Friday, the 30th day of April 2010 at 11.00 a.m. to transact the following business:

### Ordinary Business

1. To receive and adopt the Directors' Report and the Audited Accounts for the financial year ended 31 December 2009, together with the Auditors' Report thereon.
2. To declare a first and final tax exempt one-tier dividend of one cent per share.
3. To approve payment of Directors' fees amounting to S\$113,197.00 for the year ended 31 December 2009 (2008: S\$130,000.00).
4. To re-elect Dr Thomas Stunzi Zuellig as Director under Article 91.
5. To re-elect Dr Ngiam Tong Tau as Director under Article 97.
6. To re-appoint Ernst & Young LLP as auditors and to authorise the Directors to fix their remuneration.

### Special Business

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

7. That pursuant to Section 161 of the Companies Act (Chapter 50) (*Act*) 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 :-
  - (A) (i) issue shares in the capital of the Company (*Shares*) (whether by way of rights, bonus or otherwise); and/or
  - (ii) 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 or exchangeable 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
- (B) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution), does not exceed 50 per cent. of the total number of issued Shares excluding treasury shares (as calculated in accordance with sub-paragraph (2) below), and provided further that where shareholders of the Company are not given the opportunity to participate in the same on a pro rata basis, then the aggregate number of Shares to be issued under such circumstances (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20 per cent. of the total number of issued Shares excluding treasury shares (as calculated in accordance with sub-paragraph (2) below); and
- (2) (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 excluding treasury shares that may be issued under sub-paragraph (1) above : -

- (a) the total number of issued Shares excluding treasury 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 :-
      - (aa) new Shares arising from the conversion or exercise of convertible securities;
      - (bb) new Shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
      - (cc) any subsequent bonus issue, consolidation or subdivision of Shares;
    - (b) 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;
  - (3) the 50 per cent. limit in sub-paragraph (1) above may be increased to 100 per cent. for issues of Shares and/or Instruments by way of a renounceable rights issue where shareholders of the Company are given the opportunity to participate in the same on a pro-rata basis;
  - (4) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the listing rules 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
  - (5) (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.
- 8. (A) That subject to and conditional upon the passing of Ordinary Resolution 7 above, authority be and is hereby given to the directors of the Company to issue Shares (other than on a pro-rata basis to shareholders of the Company) at an issue price for each Share which shall be determined by the directors of the Company in their absolute discretion provided that such price shall not represent a discount of more than 20 per cent. to the weighted average price of a Share for trades done on the SGX-ST (determined in accordance with the requirements of the SGX-ST); and
  - (B) That (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.
- 9. That approval be and is hereby given to the Directors:
  - (A) to offer and grant options from time to time in accordance with the provisions of the Zagro Employees' Share Option Scheme 2008 (*Scheme 2008*); and
  - (B) pursuant to Section 161 of the Act, 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 under the Zagro Employees' Share Option Scheme (*Scheme 1998*) and/or the Scheme 2008 (collectively, *Schemes*), as the case may be, and to do all such acts and things as may be necessary or expedient to carry the same into effect, provided always that the aggregate number of Schemes to be issued, when aggregated together with Shares issued and issuable pursuant to the Scheme 1998, the Scheme 2008 and any other existing employee share schemes of the Company shall not exceed 10 per cent. of the total number of issued shares excluding treasury shares of the Company from time to time.

10. (A) That approval be and is hereby given (*IPT Mandate*) for the purposes of Chapter 9 of the Listing Manual of the SGX-ST, for the Company, its subsidiaries, or its related or associated corporations (*Zagro Group*) to enter into any of those categories of interested person transactions as set out in the Addendum to Shareholders of the Company dated 26 March 2010 (*Addendum*), provided that such transactions are made at arm's length and on normal commercial terms and are carried out in accordance with the guidelines and procedures of the Company for interested person transactions as set out in the Addendum.
- (B) That the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier; and
- (C) That the Directors of the Company be and are hereby authorised to do any and all such acts and things as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.
11. To transact any other business.

#### Closure of Books

Notice is also hereby given that the Transfer Books and Register of Members of the Company will be closed on 18 May 2010 for the purpose of determining shareholders' entitlements to the proposed first and final tax exempt one-tier dividend of one cent per share in respect of the financial year ended 31 December 2009.

Duly completed transfers received by the Company's Registrars, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 17 May 2010 will be registered before entitlements to the dividend are determined. The dividend, if approved by shareholders at the Fifteenth Annual General Meeting, will be paid on 1 June 2010.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 17 May 2010 will be entitled to the proposed first and final tax exempt one-tier dividend.

By Order of the Board

Poh Beng Swee  
Chairman  
Singapore, 26 March 2010

#### Notes:

1. A Member of the Company entitled to attend and vote may appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member.
2. If a proxy is to be appointed, the form must be deposited at the registered office of the Company at Zagro Global Hub, 5 Woodlands Terrace #06-00, Singapore 738430 not less than 48 hours before the time fixed for holding the Meeting.

#### Explanatory Notes

**Resolution 4** - Dr Thomas Stunzi Zuellig, if re-elected, will remain as a non-independent non-executive director and member of the Audit Committee.

**Resolution 5** - Dr Ngiam Tong Tau, if re-elected, will remain as an independent non-executive director and member of the Audit Committee.

**Resolution 7** is to empower the Directors to issue further shares in the capital of the Company and to make or grant instruments convertible into shares, and to issue shares in pursuant of such instruments up to a number of shares not exceeding 50 per cent. of the total number of issued shares excluding treasury shares, with a sub-limit of 20 per cent. for shares issued other than on a pro-rata basis to shareholders. The 50 per cent. limit aforesaid may be increased to 100 per cent. for issue of shares and/or instruments by way of a renounceable rights issue where shareholders are given the opportunity to participate in the same on a pro-rata basis. For the purpose of determining aggregate number of shares that may be issued, the total number of issued shares excluding treasury shares will be calculated based on the total number of issued shares excluding treasury shares at the time of this Resolution is passed after adjusting for (a) new shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards outstanding or subsisting at the time

of the passing of this Resolution; and (b) any subsequent bonus issue, consolidation or subdivision of shares.

The authority for 100 per cent. renounceable rights issue is proposed pursuant to the SGX news release of 19 February 2009 which introduced further measures to accelerate and facilitate listed issuers' fund raising efforts.

**Resolutions 7 and 8** if passed, will empower the Directors to issue Shares (other than on a pro-rata basis to shareholders of the Company) priced at a discount of up to 20 per cent. to the weighted average price of a Share for trades done on the SGX-ST (determined in accordance with the requirements of the SGX-ST).

**Resolution 9** if passed, will empower the Directors to offer and grant options under the Scheme 2008 which was approved at the Extraordinary General Meeting of the Company held on 30 April 2008 (as from time to time amended, modified or supplemented), and to allot and issue shares in the capital of the Company pursuant to the exercise of options under the Scheme 2008 and/or the Scheme 1998, provided that the aggregate number of Shares to be issued under the Scheme 2008 and/or the Scheme 1998, when aggregated with Shares to be issued and issuable pursuant to the Scheme 1998, the Scheme 2008 and any other existing employee share schemes of the Company, does not exceed 10 per cent. of the total number of issued Shares excluding treasury shares of the Company, from time to time.

The Scheme 1998, which was adopted in 1998, was terminated and replaced by the Scheme 2008 on 30 April 2008. The termination of the Scheme 1998 does not affect the rights of outstanding options granted under the Scheme 1998. Such options continue to be exercisable in accordance with the rules of the Scheme 1998. However, upon the termination of the Scheme 1998, no further options were granted under the Scheme 1998.

**Resolution 10** if passed, will renew the IPT Mandate to allow the Zagro Group to enter into certain interested person transactions with persons who are considered "interested persons" (as defined in Chapter 9 of the Listing Manual of the SGX-ST). Please refer to the Addendum to the Shareholders of the Company dated 26 March 2010 for details.

**ZAGRO ASIA LIMITED**  
(Registration No. : 199406784D)  
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**PROXY FORM**

**IMPORTANT**

1. For investors who have used their CPF monies to buy shares in the capital of Zagro Asia Limited, this report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

Total Number of Ordinary Shares Held	
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\*I/We \_\_\_\_\_  
of \_\_\_\_\_  
being \*member/members of ZAGRO ASIA LIMITED (the "Company"), hereby appoint

Name	Address	*NRIC/ Passport Number	Percentage of Shareholdings (%)
*and/or (delete as appropriate)			

as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf and, if necessary, to demand a poll, at the Fifteenth Annual General Meeting of the Company, to be held at Zagro Global Hub, 5 Woodlands Terrace #06-00, Singapore 738430 on Friday, the 30th day of April 2010 at 11.00 a.m. and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the Notice of Fifteenth Annual General Meeting. In the absence of specific directions, the \*proxy/proxies will vote or abstain as \*he/they think fit, as \*he/they will on any other matter arising at the Fifteenth Annual General Meeting.)

No.	Resolutions	For	Against
1.	To receive and adopt the Directors' Report and the Audited Accounts for the financial year ended 31 December 2009, together with the Auditors' Report thereon.		
2.	To declare a first and final tax exempt one-tier dividend of one cent per share.		
3.	To approve Directors' fees.		
4.	To re-elect Dr Thomas Stunzi Zuellig as Director under Article 91.		
5.	To re-elect Dr Ngiam Tong Tau as Director under Article 97.		
6.	To re-appoint Ernst & Young LLP as auditors and to authorise the Directors to fix their remuneration.		

7.	To approve ordinary resolution to authorise Directors to issue shares pursuant to Section 161 of the Companies Act, Cap. 50.		
8.	To authorise Directors to issue shares (other than on a pro-rata basis) priced at a discount of up to 20 per cent.		
9.	To authorise Directors to offer and grant options and to issue shares pursuant to the grant of the options under The Zagro Employees' Share Option Scheme 2008.		
10.	To approve the ordinary resolution to renew the mandate on interested person transactions.		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

\_\_\_\_\_  
Signature(s) of member(s)/Common Seal

**Notes:-**

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company and where there is more than one proxy, the proportion of Shares to be represented by each proxy must be stated.
2. Where a member appoint two proxies, the appointments shall be invalid unless he specified the proportion (expressed as a percentage of the whole) of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.
3. This instrument of proxy must be signed by the appointor or his/her duly authorised attorney or, if the appointor is a body corporate, signed by a duly authorised officer or its attorney or affixed with its common seal thereto.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore to act on behalf of such body corporate.
5. This instrument appointing a proxy or proxies, (together with the power of attorney (if any) under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at Zagro Global Hub, 5 Woodlands Terrace #06-00, Singapore 738430 not less than 48 hours before the time fixed for holding the Annual General Meeting.
6. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.
7. Please insert the total number of shares held by you. If you have shares entered against your name on the Depository Register (as defined in Section 130A or the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this instrument of proxy will be deemed to relate to all the shares held by you.
8. The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in the case of members whose shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for the holding of the annual general meeting as certified by CDP to the Company.

\* Delete accordingly

Date: 26<sup>th</sup> March 2010

Dear Shareholder,

**IMPORTANT - PAPERLESS ANNUAL REPORT 2009**

In our effort to protect the environment and to save costs, we have gone paperless with the Company's Annual Report for the financial year ended 31<sup>st</sup> December 2009 ("FY2009"). Enclosed is a CD-Rom containing the FY2009 Annual Report. The Addendum Relating to Proposed Renewal of Shareholders' Mandate for Interested Person Transactions (IPT Addendum 2009), a corporate video and interactive Zagro are also included in the CD-Rom for your information.

The Company's FY2009 Annual Report and all future Annual Reports will be available for access on-line from the Company's website at [www.zagro.com](http://www.zagro.com) for the period commencing at least 14 days before the date of the respective annual general meeting.

If you wish to receive printed copies of the FY2009 Annual Report, you may request so by completing the Request Form below and returning it to us at No. 5, Woodlands Terrace, Singapore 738430, by 3<sup>rd</sup> April, 2010. However, we encourage you to help us go green and accordingly, to provide us your request in the Request Form below, not to receive future Annual Reports but to agree to access the future Annual Reports from the Company's website, for so long as you are a shareholder. If we do not receive your request form, it would indicate that you agree to access the Company's future Annual Reports from the Company's website.

Yours faithfully  
For and on behalf of  
Zagro Asia Limited

Madelyn Kwang (Ms)  
Company Secretary

**REQUEST FORM**

To: ZAGRO ASIA LIMITED

*N.B. Please tick only one box. We regret that we will not be able to process any incomplete or improperly completed request.*

1. Please send me/us printed copies of the Annual Report for FY2009.
2. I/We wish to receive the CD-Rom for future financial years for as long as I am/we are a shareholder(s) of Zagro Asia Limited.
3. I/We do not wish to receive the CD-Rom nor the printed version of the Company's future Annual Reports for so long as I am/we are a shareholder(s) of Zagro Asia Limited. I agree to access the Company's future Annual Reports from the Company's website.

Name(s) of Shareholder(s): \_\_\_\_\_ NRIC/Passport Number(s) \_\_\_\_\_

The shares are held by me under or through:

- CDP Securities Account Number \_\_\_\_\_
- CPFIS Account
- Physical Scrips

Address: \_\_\_\_\_

Signature(s): \_\_\_\_\_ Date: \_\_\_\_\_

*\* Please note that if your shares are held under CPFIS, Option 3 above is not applicable.*

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AFFIX  
STAMP

The Company Secretary  
**ZAGRO ASIA LIMITED**  
No. 5 Woodlands Terrace  
Singapore 738430

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