



KESM INDUSTRIES BERHAD (13022-A) NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 41st Annual General Meeting of the Company will be held in **Banyan & Casuarina Room, Ground Floor, SIME DARBY CONVENTION CENTRE, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia** on **Wednesday, 16 January 2013 at 10.30 a.m.** for the following purposes: -

A G E N D A

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 July 2012 together with the reports of the Directors and of the Auditors thereon. Resolution 1
2. To declare a first and final tax exempt dividend of 3 sen per share in respect of the financial year ended 31 July 2012. Resolution 2
3. To approve payment of Directors' fees in respect of the financial year ended 31 July 2012. Resolution 3
4. To re-elect the following Directors who are retiring pursuant to Article 80 of the Company's Articles of Association and being eligible, have offered themselves for re-election: -
 - (a) Mr Yong Chee Hou Resolution 4
 - (b) Mr Kenneth Tan Teoh Khoon Resolution 5
5. To re-appoint Messrs Ernst & Young as the Company's Auditors and to authorise the Board of Directors to fix their remuneration. Resolution 6

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following Resolution as Special Resolution:-

6. **Proposed Amendments to the Articles of Association**

"THAT the proposed alterations, modifications, amendments or deletions to the Articles of Association of the Company as contained in Appendix A be hereby approved." Resolution 7
7. To transact any other business which may be properly transacted at an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act, 1965 and the Company's Articles of Association.

BY ORDER OF THE BOARD

LEONG OI WAH (MAICSA 7023802)

Company Secretary

Petaling Jaya

29 October 2012

Notes: -

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/proxies who may but need not be a member/members of the Company to attend and vote in his/her stead and Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. When a member appoints two or more proxies the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorized in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorized.
4. The instrument appointing a proxy must be deposited at the Registered Office at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia, at least forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof.
5. Depositors whose name appear in the Record of Depositors as at 10 January 2013 shall be regarded as Member of the Company entitled to attend the 41st Annual General Meeting or appoint a proxy to attend and vote on his/her behalf.

Explanatory Notes on Special Business: -

Resolution pursuant to the Proposed Amendments to Articles of Association

This Resolution is to amend the Company's Articles of Association in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN that the First and Final Tax Exempt Dividend of 3 sen per share in respect of the financial year ended 31 July 2012, if approved at the forthcoming Annual General Meeting, will be paid on 6 February 2013 to Depositors registered in the Record of Depositors on 18 January 2013. A Depositor shall qualify for entitlement only in respect of:

- a) Shares transferred into the Depositor's securities accounts before 4.00 p.m. on 18 January 2013, in respect of ordinary transfers; and
- b) Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

LEONG OI WAH (MAICSA 7023802)

Company Secretary

Petaling Jaya

29 October 2012