

# SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)

(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Fourth Annual General Meeting of SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD will be held at Thistle Johor Bahru Hotel, Rafflesia, Jalan Sungai Chat, 80720 Johor Bahru, Johor, Malaysia on Tuesday, 20 November 2012 at 10.00 a.m. to transact the following businesses:-

### Agenda

#### ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 30 June 2012 together with the Directors' and Auditors' Reports thereon. **REFER TO EXPLANATORY NOTE A**
- To approve the payment of a first and final dividend of 2% less 25% income tax for the financial year ended 30 June 2012. **RESOLUTION 1**
- To approve the payment of bonus dividend of 0.5% less 25% income tax for the financial year ended 30 June 2012. **RESOLUTION 2**
- To approve the payment of Directors' Fees of up to the maximum amount of RM400,000 for the financial year ending 30 June 2013. **RESOLUTION 3**
- To re-elect the following Directors who retire during the year in accordance with the Company's Article of Association and being eligible, offer themselves for re-election:  
a) Liew Chuan Hock - Article 84 **RESOLUTION 4**  
b) William Wong Tien Leong - Article 90 **RESOLUTION 5**
- To consider, and if thought fit, to pass the following resolution:  
"THAT pursuant to Section 129(6) of the Companies Act, 1965, Lee Soo Hoon be and is hereby re-appointed as Director of the Company to hold office until the next Annual General Meeting." **RESOLUTION 6**
- To re-appoint Messrs Ernst & Young as Auditors of the Company and authorize the Directors to fix their remuneration. **RESOLUTION 7**

#### SPECIAL BUSINESS

- To consider and, if thought fit, to pass the following Ordinary Resolutions:

##### ORDINARY RESOLUTION 1

##### CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR

"THAT the terms of office of the following Directors be remained as Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012:

- Huang Yuan Chiang
- Liew Chuan Hock
- Lee Soo Hoon"

**REFER TO EXPLANATORY NOTE B**

**RESOLUTION 8**  
**RESOLUTION 9**  
**RESOLUTION 10**

##### ORDINARY RESOLUTION 2

##### AUTHORITY TO ALLOT SHARES - SECTION 132D

"THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to 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 issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

**RESOLUTION 11**

##### ORDINARY RESOLUTION 3

##### PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH KLUANG ESTATE (1977) SDN. BHD., PURSUANT TO PARAGRAPH 10.09 OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

"THAT pursuant to Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries be and are hereby authorised to enter into and give effect to recurrent related party transactions of a revenue and trading nature with Kluang Estate (1977) Sdn. Bhd., as set out in section 2.1 of the Circular to Shareholders dated 30 October 2012 provided that such transactions are necessary for the day-to-day operations and undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and not prejudicial to the shareholders of the Company AND THAT such approval, unless revoked or varied by the Company in general meeting, shall continue in force until:-

**RESOLUTION 12**

- the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;
- the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by resolution passed by the shareholders in a general meeting; whichever is earlier."

##### ORDINARY RESOLUTION 4

##### PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH THE NYALAS RUBBER ESTATES LIMITED, PURSUANT TO PARAGRAPH 10.09 OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

"THAT pursuant to Paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries be and are hereby authorised to enter into and give effect to recurrent related party transactions of a revenue and trading nature with The Nyalas Rubber Estates Limited, as set out in section 2.1 of the Circular to Shareholders dated 30 October 2012 provided that such transactions are necessary for the day-to-day operations and undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and not prejudicial to the shareholders of the Company AND THAT such approval, unless revoked or varied by the Company in general meeting, shall continue in force until:-

**RESOLUTION 13**

- the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed;
- the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by resolution passed by the shareholders in a general meeting; whichever is earlier."

##### SPECIAL RESOLUTION

##### AMENDMENTS TO 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 14**

- To transact any other business of which due notice has been given.

##### NOTICE OF DIVIDEND ENTITLEMENT

##### FIRST AND FINAL DIVIDEND OF 2% LESS 25% INCOME TAX AND A BONUS DIVIDEND OF 0.5% LESS 25% INCOME TAX

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Fifty-Fourth Annual General Meeting, a first and final dividend of 2% less 25% income tax and a bonus dividend of 0.5% less 25% income tax in respect of the financial year ended 30 June 2012 will be payable on 20 December 2012 to Depositors registered in the Record of Depositors at the close of business on 7 December 2012.

A Depositor shall qualify for entitlement only in respect of:-

- Securities deposited into the Depositor's Securities Account before 12.30 p.m. on 5 December 2012 in respect of shares which are exempted from mandatory deposits;
- Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 7 December 2012 in respect of transfers; and
- Securities bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

#### BY ORDER OF THE BOARD

CHIN NGEOK MUI (MAICSA NO. 7003178)  
LEONG SIEW FOONG (MAICSA NO. 7007572)  
Company Secretaries

Johor Bahru  
30 October 2012

#### Notes :

- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and if he is not a Member of the Company, Section 149 of the Companies Act, 1965 shall not be applicable.
- A member shall be entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting.
- Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be presented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.
- The instrument appointing the proxy must be deposited at the Company's Registered Office situated at Suite 6.1A, Level 6, Menara Pelangi, Jalan Kuning, Taman Pelangi, 80400 Johor Bahru, Johor, Malaysia not less than forty-eight hours before the time appointed for holding the Meeting and any adjournment thereof.

#### EXPLANATORY NOTES ON ORDINARY BUSINESS:

##### Note A

This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders and hence is not put forward for voting.

##### Note B

Mr Huang Yuan Chiang, Mr Liew Chuan Hock and Mr Lee Soo Hoon are Independent Directors of the Company who have served the Company for more than nine years.

In line with the Malaysian Code on Corporate Governance 2012, the Nomination Committee has assessed the independence of the above three (3) Independent Directors pursuant to the Main Market Listing Requirements and their independence have not been compromised all these while. In fact, they have been bringing their independent and objective judgment to the board deliberations and decision making process. To that, the Board recommends Mr Huang Yuan Chiang, Mr Liew Chuan Hock and Mr Lee Soo Hoon to continue their office as Independent Directors.

#### EXPLANATORY NOTES ON SPECIAL BUSINESS:

##### (i) Ordinary Resolution 1

The Ordinary Resolution 1, if passed, is primarily to give flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting. This is a renewal of a general mandate. The Company did not utilise the mandate granted in the preceding year's Annual General Meeting.

This authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting.

The authority will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limiting to further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.

##### (ii) Ordinary Resolutions 3 and 4

Please refer to the Circular to Shareholders dated 30 October 2012.

##### (iii) Special Resolution

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