

BATU KAWAN BERHAD

(6292-U)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-ninth ANNUAL GENERAL MEETING of the members of the Company will be held at its Registered Office, Wisma Taiko, No. 1, Jalan S. P. Seenivasagam, 30000 Ipoh, Perak Darul Ridzuan, Malaysia on Wednesday, 19 February 2014 at 2.15 p.m. for the following purposes:

1. To receive the Financial Statements for the year ended 30 September 2013 and the Directors' and Auditors' Reports thereon.
(Please Refer Note 1)
2. To approve the payment of a final single tier dividend of 40 sen per share for the year ended 30 September 2013.
(Ordinary Resolution 1)
3. To re-elect Tan Sri Lee Oi Hian who retires as a director in accordance to the Company's Articles of Association.
(Ordinary Resolution 2)
4. To consider and, if thought fit, pass resolutions pursuant to Section 129(6) of the Companies Act, 1965 to re-appoint the following as Directors of the Company to hold office until the next Annual General Meeting of the Company:
 - (a) R.M. Alias (Ordinary Resolution 3)
 - (b) Tan Sri Datuk Seri Utama Thong Yaw Hong; and (Ordinary Resolution 4)
 - (c) Dato' Mustafa bin Mohd Ali. (Ordinary Resolution 5)
5. To approve Directors' fees for the year ended 30 September 2013 amounting to RM765,000 (2012 : RM765,000).
(Ordinary Resolution 6)
6. To consider and, if thought fit, pass the following ordinary resolution:
(Ordinary Resolution 7)

"THAT Messrs. KPMG be and are hereby appointed as Auditors of the Company in place of retiring Auditors, Messrs. Ernst & Young and to hold office until the conclusion of the next Annual General Meeting of the Company AND THAT authority be and is hereby given for the Directors to determine their remuneration."

7. As SPECIAL BUSINESS, to consider and, if thought fit, pass the following Resolutions:
 - (a) **PROPOSED AUTHORITY TO BUY BACK ITS OWN SHARES BY THE COMPANY** (Ordinary Resolution 8)

"THAT authority be given to the Company to buy back an aggregate number of ordinary shares of RM1.00 each in the Company ("Authority to Buy Back Shares") as may be determined by the Directors from time to time through Bursa Malaysia Securities Berhad ("Bursa Malaysia") upon such terms and conditions as the Directors may deem fit and expedient in the best interests of the Company provided that at the time of purchase, the aggregate number of shares purchased pursuant to this resolution does not exceed 10% of the total issued and paid-up share capital of the Company and that the maximum fund to be allocated for the Authority to Buy Back Shares shall not exceed the latest audited retained profits of the Company AND THAT the Directors may resolve to cancel the shares so purchased and/or retain the shares so purchased as treasury shares which may be distributed as dividends to the shareholders of the Company and/or resold on Bursa Securities and/or cancelled;

AND THAT the Directors be and are hereby empowered to do all such acts and things to give full effect to the Authority to Buy Back Shares with full powers to assent to any conditions, modifications, revaluations, variations and/or amendment (if any) as may be imposed by the relevant authorities AND THAT such Authority shall commence upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting ("AGM") of the Company following the passing of this ordinary resolution or the expiry of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of a purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Malaysia or any other relevant authority."

- (b) **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Ordinary Resolution 9)

"THAT subject to the Companies Act, 1965, the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into all arrangements and/or transactions as set out in Appendix II of the Circular to Shareholders dated 27 December 2013 involving the interests of Directors, major shareholders or persons connected with Directors or major shareholders ("Related Parties") of the Company and/or its subsidiaries provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the Group's day-to-day operations;
- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iv) are not to the detriment of minority shareholders ("the Mandate").

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:

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

whichever is earlier.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Mandate."

8. To transact any other ordinary business.

Ipoh,
Perak Darul Ridzuan,
Malaysia.

By Order of the Board
CHONG SEE TECK
MD SHAIZATUL AZAM BIN CHE SODA
YAP MIOW KIEN
(Company Secretaries)

27 December 2013

NOTES:

- (1) This item is meant for discussion only. Do not require a formal approval of the shareholders.
- (2) A member of the Company, other than an exempt authorised nominee, is entitled to appoint only one proxy to vote in his stead. The proxy need not be a member of the Company. Only members whose names appear in the Record of Depositors as at 12 February 2014 shall be entitled to attend the above meeting or appoint proxy to attend and/or vote in his stead.
- (3) The instrument appointing the proxy, to be valid, must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

For Ordinary Resolutions 8 and 9 mentioned above, further information is set out in the Circular to Shareholders dated 27 December 2013 of the Company which is despatched together with the Company's 2013 Annual Report.