

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Fifth Annual General Meeting of **KLUANG RUBBER COMPANY (MALAYA) BERHAD** will be held at Thistle Johor Bahru Hotel, Rafflesia & Jasmine (LG Floor), Jalan Sungai Chat, 80720 Johor Bahru, Johor, Malaysia on Thursday, 4 December 2014 at 11.00 a.m. to transact the following businesses:

Agenda

ORDINARY BUSINESS

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| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2014 together with the Directors' and Auditors' Reports thereon. | REFER TO EXPLANATORY NOTE A |
| 2. To approve the payment of single tier First and Final Dividend of 1% for the financial year ended 30 June 2014. | RESOLUTION 1 |
| 3. To approve the payment of Directors' Fees of up to the maximum amount of RM450,000 for the financial year ending 30 June 2015. | RESOLUTION 2 |
| 4. To re-elect the following Directors who retire during the year in accordance with the Company's Articles of Association and being eligible, offer themselves for re-election:
(a) William Wong Tien Leong - Article 85
(b) Balaraman a/l Annamaly - Article 91 | RESOLUTION 3
RESOLUTION 4 |
| 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 5 |
| 6. To re-appoint Messrs Ernst & Young as Auditors of the Company and authorize the Directors to fix their remuneration. | RESOLUTION 6 |

SPECIAL BUSINESS

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| 7. To consider and, if thought fit, to pass the following Ordinary Resolutions: | RESOLUTION 7 |
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ORDINARY RESOLUTION 1

CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR

"THAT subject to the passing of Resolution 5, authority be and is hereby given to Lee Soo Hoon to continue to serve as an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012."

REFER TO EXPLANATORY NOTE B

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 8

ORDINARY RESOLUTION 3

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR KLUANG 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 BURSA MALAYSIA MAIN MARKET LISTING REQUIREMENTS

RESOLUTION 9

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Main Market Listing Requirements, the Company be and is 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 2.2 of the Circular to Shareholders dated 10 November 2014 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:

- (a) 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;
- (b) 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
- (c) 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 KLUANG 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 BURSA MALAYSIA MAIN MARKET LISTING REQUIREMENTS

RESOLUTION 10

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Main Market Listing Requirements, the Company be and is 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 2.2 of the Circular to Shareholders dated 10 November 2014 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:

- (a) 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;
- (b) 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
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier."

ORDINARY RESOLUTION 5

PROPOSED SHAREHOLDERS' MANDATE FOR NEW RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR KLUANG RUBBER COMPANY (MALAYA) BERHAD AND GROUP'S DAY-TO-DAY OPERATIONS ENTERED INTO WITH ESTATES AND TRUST AGENCIES (1927) LIMITED, PURSUANT TO PARAGRAPH 10.09 OF THE BURSA MALAYSIA MAIN MARKET LISTING REQUIREMENTS

RESOLUTION 11

"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Main Market Listing Requirements, the Company be and is hereby authorised to enter into and give effect to recurrent related party transactions of a revenue and trading nature with Estates and Trust Agencies (1927) Limited, as set out in section 2.2 of the Circular to Shareholders dated 10 November 2014 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:

- (a) 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;
- (b) 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
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier."

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

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Fifty-Fifth Annual General Meeting, single tier First and Final Dividend of 1% in respect of the financial year ended 30 June 2014 will be payable on 08 January 2015 to Depositors registered in the Record of Depositors at the close of business on 22 December 2014.

A Depositor shall qualify for entitlement only in respect of:

- (a) Securities deposited into the Depositor's Securities Account before 12.30 p.m. on 18 December 2014 in respect of shares which are exempted from mandatory deposits;
- (b) Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 22 December 2014 in respect of transfers; and
- (c) 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
10 November 2014

Notes :

- a. 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.
- b. 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 and shall have the same right as the member to speak at the Meeting.
- c. 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.
- d. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- e. 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.
- f. 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 RESOLUTIONS:

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

In addition to William Wong Tien Leong and Balaraman a/l Annamaly who retires during the financial year, Liew Chuan Hock also retires in accordance with Article 85 of the Company's Articles of Association. However he will not be seeking for re-election at the Annual General Meeting and therefore he shall retire at the conclusion of the said Annual General Meeting.

Note C

Lee Soo Hoon is an Independent Directors of the Company who has served the Company for more than nine years.

In line with the Malaysian Code on Corporate Governance 2012, the Nomination Committee has assessed his independence as define in Bursa Securities Listing Requirement. To that, the Board recommends Mr Lee Soo Hoon to continue his office as Independent Director according to the resolution put forth in the forthcoming Annual General Meeting.

Liew Chuan Hock and Huang Yuan Chiang decided not to continue their terms of office as Independent Directors of the Company in accordance with the Malaysian Code on Corporate Governance 2012.

(i) **Ordinary Resolution 2**

The Ordinary Resolution 2, 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 utilize 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, 4 and 5**

Please refer to the Circular to Shareholders dated 10 November 2014.