

BATU KAWAN BERHAD

(6292-U)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fiftieth (50th) 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 Monday, 16 February 2015 at 2.15 p.m. for the following purposes:

- To receive the Audited Financial Statements for the year ended 30 September 2014 and the Directors' and Auditors' Reports thereon. **(Please refer Note 1)**
- To approve the payment of a final single tier dividend of 45 sen per share for the year ended 30 September 2014. **(Ordinary Resolution 1)**
- To re-elect the following Directors who retire in accordance to the Company's Articles of Association:
(a) Dato' Lee Hau Hian **(Ordinary Resolution 2)**
(b) Dato' Yeoh Eng Khoon **(Ordinary Resolution 3)**
- 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 4)**
(b) Dato' Mustafa bin Mohd Ali **(Ordinary Resolution 5)**
- To approve Directors' fees for the year ended 30 September 2014 amounting to RM749,555 (2013 : RM765,000). **(Ordinary Resolution 6)**
- To re-appoint Auditors and authorise the Directors to fix their remuneration. **(Ordinary Resolution 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 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 earnings 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 Malaysia 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 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 30 December 2014 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:

- recurrent transactions of a revenue or trading nature;
 - necessary for the Group's day-to-day operations;
 - 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
 - are not to the detriment of minority shareholders
- ("the Mandate").

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

- 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
 - 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
 - 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."

- To transact any other business appropriate to an Annual General Meeting.

Ipoh,
Perak Darul Ridzuan,
Malaysia.

30 December 2014

NOTES:

- This item is meant for discussion only as under Section 169(1) of the Companies Act, 1965 and the Company's Articles of Association, the Audited Financial Statements are to be laid at the general meeting and do not require a formal approval of the shareholders. Hence, this matter will not be put forward for voting.
- A member, other than an exempt authorised nominee who may appoint multiple proxies in respect of each Omnibus Account held, is entitled to appoint only one proxy to vote in his stead. The proxy need not be a member of the Company.
- The instrument appointing a proxy, to be valid, must be deposited at the Registered Office of the Company at Wisma Taiko, No. 1, Jalan S. P. Seenivasagam, 30000 Ipoh, Perak Darul Ridzuan, not less than 48 hours before the time for holding the meeting.
- Only members whose names appear on the Record of Depositors as at 9 February 2015 shall be entitled to attend or appoint proxies in his stead or in the case of a corporation, a duly authorised representative to attend and vote in his stead.
- The final single tier dividend, if approved, will be paid on 19 March 2015 to all shareholders on the Register of Members as at 23 February 2015.
A Depositor with Bursa Malaysia Depository Sdn Bhd shall qualify for entitlement to the dividend only in respect of:
 - securities deposited into the Depositor's Securities Account before 12.30 p.m. on 19 February 2015 in respect of securities which are exempted from mandatory deposit;
 - securities transferred into the Depositor's Securities Account before 4.00 p.m. on 23 February 2015 in respect of transfers; and
 - securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.
- Ordinary Resolution 8 proposed under item 7(a), if passed, is to give authority to Directors to buy back the Company's own shares. This authority will expire at the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of the Company at a general meeting.
- Ordinary Resolution 9 proposed under item 7(b), if passed, will allow the Group to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature in the ordinary course of business made on normal commercial terms not more favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders.

By obtaining the Proposed Shareholders' Mandate under Ordinary Resolution 9 and the Renewal of the same on an annual basis, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Related Party Transactions occur is avoided which would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

For Ordinary Resolutions 8 and 9 mentioned above, further information is set out in the Circular to Shareholders of the Company which is despatched together with the Company's 2014 Annual Report.

By Order of the Board
CHONG SEE TECK
YAP MIOW KIEN
(Company Secretaries)