



## KUANTAN FLOUR MILLS BERHAD

(Company No.: 119598-P)

(Incorporated in Malaysia under the Companies Act, 1965)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting ("EGM") of Kuantan Flour Mills Berhad ("KFM" or the "Company") will be held at Casuarina Hall, Swiss Garden Beach Resort, 2656 – 2657, Mukim Sungai Karang, Balok Beach, 26100 Beserah, Kuantan, Pahang on Tuesday, 18 August 2015 at 2:30 p.m or at any adjournment thereof for the purpose of considering, and if thought fit, passing the following resolutions, with or without modification:

#### SPECIAL RESOLUTION 1

**PROPOSED REDUCTION OF RM0.45 OF THE PAR VALUE OF EACH EXISTING ORDINARY SHARE OF RM0.50 EACH IN KFM PURSUANT TO SECTION 64 OF THE COMPANIES ACT, 1965 ("ACT") ("PROPOSED PAR VALUE REDUCTION")**

"**THAT** subject to and conditional upon Special Resolution 2 in relation to the Proposed MOA Amendment (as defined herein), the relevant confirmation/approval by the High Court of Malaya and the necessary approvals of the relevant authorities/parties being obtained, approval be and is hereby given for the Company to undertake the following:

- (i) the proposed reduction of RM0.45 of the par value of each existing ordinary share of RM0.50 each in KFM pursuant to Section 64 of the Act; and
- (ii) the credit arising from the Proposed Par Value Reduction to be utilised to reduce the entire accumulated losses of the Company and that the remaining credit after the set-off of the accumulated losses will be credited to the reserves of the Company, which shall be utilised and/or distributed, in such manner as the Board of Directors of the Company ("**Board**") may deem fit and as permitted by the relevant and applicable laws or guidelines;

**AND THAT**, in order to implement, complete and give full effect to the Proposed Par Value Reduction, approval be and is hereby given to the Board to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Par Value Reduction, with full powers to assent to any conditions, modifications, variations and/or amendments thereto as may be imposed by the relevant authority and/or as the Board may deem fit."

#### SPECIAL RESOLUTION 2

**PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF KFM TO FACILITATE THE IMPLEMENTATION OF THE PROPOSED PAR VALUE REDUCTION ("PROPOSED MOA AMENDMENT")**

"**THAT**, subject to and conditional upon Special Resolution 1 in relation to the Proposed Par Value Reduction being passed, and the necessary approvals of the relevant authorities/parties being obtained, the proposed amendment to the Memorandum of Association of the Company in the form and manner as set out below be approved and adopted:

The existing clause 5 of the Memorandum of Association of the Company be deleted in its entirety and substituting in place thereof, the following new Clause 5:

Existing clause in the Memorandum of Association	Proposed amendment to the existing clause in the Memorandum of Association
<p><b>Clause 5 of the Memorandum of Association</b></p> <p>The share capital of the Company is Ringgit Malaysia <b>Seventy Five Million (RM75,000,000.00)</b> divided into 150,000,000 shares of Ringgit Malaysia <b>Fifty Cents (RM0.50)</b> each. The shares forming the capital (original, increased or reduced) may be divided into several classes and any preferential, special or qualified rights, privileges or conditions as regards to dividends, repayment of capital, voting or otherwise may be attached thereto respectively.</p>	<p><b>Clause 5 of the Memorandum of Association</b></p> <p>The share capital of the Company is Ringgit Malaysia <b>Seven Million and Five Hundred Thousand (RM7,500,000.00)</b> divided into 150,000,000 shares of Ringgit Malaysia <b>Five Cents (RM0.05)</b> each. The shares forming the capital (original, increased or reduced) may be divided into several classes and any preferential, special or qualified rights, privileges or conditions as regards to dividends, repayment of capital, voting or otherwise may be attached thereto respectively.</p>

**AND THAT**, in order to implement, complete and give full effect to the Proposed MOA Amendment, approval be and is hereby given to the Board to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed MOA Amendment, with full powers to assent to any conditions, modifications, variations and/or amendments thereto as may be imposed by the relevant authority and/or as the Board may deem fit."

#### BY ORDER OF THE BOARD

##### TAN YOKE MAY

(MACS 01531)

Company Secretary

Kuala Lumpur

24 July 2015

#### Notes:

- (1) Only a member whose name appears on the Record of Depositors as at 11 August 2015 shall be entitled to attend the meeting and to speak and vote thereat. A member entitled to attend and vote at the meeting may appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- (2) A member may appoint one or more than one proxy to attend and vote instead of the member. Where a member appoints two or more proxies, the appointments shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- (3) Where a member 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.
- (4) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or by his attorney duly authorised and in the case of a corporation, the instrument appointing a proxy must be under seal or under the hand of an officer or attorney duly authorised. In the case of joint holders, all holders must sign the Form of Proxy.
- (5) The instrument appointing a proxy must be deposited at the registered office of the Company at Kawasan Lembaga Pelabuhan Kuantan, KM 25, Jalan Kuantan/Kemaman, Tanjung Gelang, 25740 Kuantan, Pahang not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.