

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Fifty-Third Annual General Meeting of RCE Capital Berhad will be held at Dewan AmBank Group, 7th Floor, Bangunan AmBank Group, 55, Jalan Raja Chulan, 50200 Kuala Lumpur on Thursday, 13 September 2007 at 3.30 p.m. to transact the following businesses:-

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2007 together with the Reports of the Directors and Auditors thereon. **Resolution 1**
2. To declare a Final Dividend of 10% less 26% income tax for the financial year ended 31 March 2007. **Resolution 2**
3. To re-elect the following Directors who retire pursuant to Article 106 of the Company's Articles of Association:
  - (i) Y. Bhg. Tan Sri Dato' Azman Hashim **Resolution 3**
  - (ii) Mr. Chew Keng Yong **Resolution 4**
4. To re-appoint Messrs Deloitte KassimChan as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

### AS SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following ordinary resolution, with or without modifications:

#### Payment of Directors' Fees

"THAT the payment of Directors' fees of RM140,000 for the financial year ended 31 March 2007 be and is hereby approved." **Resolution 6**

6. To consider and if thought fit, to pass the following ordinary resolution, with or without modifications:

#### Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965

"THAT subject always to the Companies Act, 1965, provisions of the Company's Memorandum and Articles of Association and the approval from the relevant authorities, where such approval is necessary, full authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965 to issue and allot shares in the Company at any 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 capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on 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 7**

7. To consider and if thought fit, to pass the following ordinary resolution, with or without modifications:

#### Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT, subject to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.2 of the Circular to Shareholders dated 22 August 2007, provided that the transactions are in the ordinary course of business which are necessary for day-to-day operations and on normal commercial terms which are" **Resolution 8**

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not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company and that the aggregate value of such transactions conducted pursuant to the shareholders' mandate during the financial year be disclosed in the annual report of the Company.

AND THAT authority conferred by the shareholders' mandate shall continue to be in force until:

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

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution."

8. To consider and if thought fit, to pass the following ordinary resolution, with or without modifications:

## **Proposed Purchase by the Company of Its Own Shares of Up To 10% of Its Issued and Paid-Up Share Capital**

"THAT subject to the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, approval be and is hereby given to the Company to purchase ordinary shares of RM0.10 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may in their absolute discretion deem fit and expedient in the interest of the Company ("Share Buy-Back Mandate") provided that:

### **Resolution 9**

- (a) the aggregate number of ordinary shares of RM0.10 each in the Company which may be purchased and/or held by the Company at any point of time pursuant to the Share Buy-Back Mandate shall not exceed ten per cent (10%) of the issued and paid-up share capital of the Company for the time being;
- (b) the amount of funds to be allocated by the Company pursuant to the Share Buy-Back Mandate shall not exceed the retained profits and share premium of the Company based on the Company's latest management accounts at that point in time;
- (c) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
  - (i) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM, the authority is renewed;
  - (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
  - (iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier; and

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- (d) the shares so purchased by the Company pursuant to the Share Buy-Back Mandate to be retained as treasury shares which may be distributed as dividends and/or resold on Bursa Securities and/or cancelled.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as they may consider expedient or necessary to implement and give effect to the Share Buy-Back Mandate.”

9. To consider and if thought fit, to pass the following special resolution, with or without modifications:

## **Proposed Amendments to the Articles of Association of the Company**

“THAT the proposed deletions, alterations, modifications, variations and additions to the Articles of Association of the Company as set out in Appendix II of the Circular to Shareholders dated 22 August 2007 be and are hereby approved.” **Resolution 10**

10. To transact any other business of which due notice shall have been received.

## **NOTICE OF DIVIDEND ENTITLEMENT**

**NOTICE IS ALSO HEREBY GIVEN THAT** the Final Dividend of 10% less 26% income tax for the financial year ended 31 March 2007, if approved by the shareholders, will be paid on 28 September 2007 to depositors who are registered in the Record of Depositors at the close of business on 20 September 2007.

A Depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 20 September 2007 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad (“Bursa Securities”) on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

**JOHNSON YAP CHOON SENG (MIA 20766)**  
**SELENA LEONG SIEW TEE (MAICSA 7017630)**  
Secretaries

Kuala Lumpur  
22 August 2007

## **NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(a) and (b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints two (2) or more proxies, he shall specify the proportion of his shareholdings 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 (1) 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 shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its Common Seal or under the hand of the attorney.
5. The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a notarially certified copy thereof shall be deposited at the Registered Office of the Company at 7th Floor, Wisma Tan Kim San, No. 518A, 3rd Mile, Jalan Ipoh, 51200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting or at any adjournment thereof.

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## EXPLANATORY NOTES ON SPECIAL BUSINESS:

### (i) **Resolution 6 - Payment of Directors' Fees**

The Ordinary Resolution proposed under item 5, if passed, will authorise the payment of Directors' fees to the Directors of the Company for their services as Directors during the financial year ended 31 March 2007.

### (ii) **Resolution 7 - Authority to Issue Shares Pursuant to Section 132D of the Companies Act, 1965**

The Ordinary Resolution proposed under item 6, if passed, will give the Directors of the Company authority to issue and allot shares of not more than 10% of the total issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

### (iii) **Resolution 8 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The Ordinary Resolution proposed under item 7, if passed, will allow RCE Group to enter into recurrent related party transactions of a revenue or trading nature pursuant to paragraph 10.09 of the Listing Requirements of Bursa Securities. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

### (iv) **Resolution 9 - Proposed Purchase by the Company of Its Own Shares of Up To 10% of Its Issued and Paid-Up Share Capital**

The Ordinary Resolution proposed under item 8, if passed, will authorise the Company to purchase up to 10% of the issued and paid-up share capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

### (v) **Resolution 10 - Proposed Amendments to the Articles of Association of the Company**

The Special Resolution proposed under item 9, if passed, will amend the Articles of Association of the Company as set out in Appendix II of the Circular to Shareholders dated 22 August 2007.

Further information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature, Proposed Purchase by the Company of Its Own Shares of Up To 10% of Its Issued and Paid-Up Share Capital and Proposed Amendments to the Articles of Association of the Company are set out in the Circular to Shareholders dated 22 August 2007 which is despatched together with the Company's 2007 Annual Report.