

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifty-Second 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 Monday, 28 August 2006 at 10.30 a.m. to transact the following businesses:-

AGENDA

AS ORDINARY BUSINESS

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| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2006 together with the Reports of the Directors and Auditors thereon. | Resolution 1 |
| 2. | To re-elect the following Directors who retire by rotation pursuant to Article 106 of the Company's Articles of Association: | |
| | (i) Y. Bhg. Major General (Rtd) Dato' Haji Fauzi bin Hussain | Resolution 2 |
| | (ii) Puan Shalina Azman | Resolution 3 |
| 3. | To re-elect Y. Bhg. Dato' Che Md Nawawi bin Ismail who retires pursuant to Article 93 of the Company's Articles of Association. | Resolution 4 |
| 4. | To re-appoint Messrs. Deloitte KassimChan as Auditors of the Company and to authorise the Directors to determine their remuneration. | Resolution 5 |

AS SPECIAL BUSINESS

5. To consider and if thought fit, pass the following ordinary resolution:

Payment of Directors' Fees

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| "THAT the payment of Directors' fees of RM91,250 in respect of the financial year ended 31 March 2006 be and is hereby approved." | Resolution 6 |
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6. To consider and if thought fit, pass the following ordinary resolution:

Authority to Directors to Issue Shares

“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 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, pass the following ordinary resolution:

Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

“THAT, pursuant to Chapter 10, Paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiaries be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature (“Recurrent Transactions”) with the related parties detailed in Section 2.2 of the Circular to Shareholders dated 4 August 2006, provided that the transactions are in the ordinary course of business and on normal commercial terms which are 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.

Resolution 8

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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 resolution passed at the AGM, the authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after that date 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 in general meeting,

whichever is the earlier; and the aggregate value of the Recurrent Transactions be disclosed in the annual report of the Company.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interests of the Company and/or its subsidiaries to give effect to the Recurrent Transactions contemplated and authorised by this Resolution."

8. To transact any other business for which due notice shall have been received.

By Order of the Board

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

Kuala Lumpur
4 August 2006

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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 situated 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.
6. Explanatory notes on Special Business
 - (i) Resolution 6 - Payment of Directors' fees
 The Ordinary Resolution 6 proposed under item 5, if passed, will authorise the payment of Directors' fees to the Non-Executive Directors of the Company for their services as Directors during the financial year ended 31 March 2006.
 - (ii) Resolution 7 - Authority to Directors to issue shares
 The Ordinary Resolution 7 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, subject to the approvals of all relevant governmental/regulatory bodies, for such purposes as the Directors in their absolute discretion consider to be in the interest of the Company, without having to convene a general meeting. This authority will expire at the next Annual General Meeting of the Company.
 - (iii) Resolution 8 - Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature
 The Ordinary Resolution 8 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 Malaysia Securities Berhad. Further information on the proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature is set out in the Circular to Shareholders dated 4 August 2006 which is despatched together with the Company's 2006 Annual Report.