



# KINSTEEL BHD

(Company No.: 210470-M)  
(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Nineteenth Annual General Meeting of the Company will be held at Meranti II, Hyatt Regency Kuantan Resort, Telok Chempedak, 25050 Kuantan, Pahang Darul Makmur on Thursday, 17 June 2010 at 12.30 p.m.

### AGENDA

1. To receive the Statutory Financial Statements for the financial year ended 31 December 2009 together with the Reports of the Directors and Auditors thereon. **RESOLUTION 1**
2. To approve the payment of the Directors' fees for the financial year ended 31 December 2009. **RESOLUTION 2**
3. To re-elect the following directors who retire pursuant to the Company's Articles of Association and being eligible offer themselves for re-election:  
(a) Tan Sri Dato' Pheng Yin Huah (Article 83) **RESOLUTION 3**  
(b) Dato' Hong Thian Hock (Article 83) **RESOLUTION 4**  
(c) Dato' Abu Talib bin Mohamed (Article 83) **RESOLUTION 5**  
(d) Dato' Md Sharif bin Shamsuddin (Article 83) **RESOLUTION 6**  
(e) Tan Sri Abu Sahid bin Mohamed (Article 83) **RESOLUTION 7**  
(f) Dato' Siew Mun Chuang (Article 90) **RESOLUTION 8**  
(g) Amro F F A H Alkhadhra (Article 90) **RESOLUTION 9**
4. To approve the payment of a final dividend of 1 sen per ordinary share tax exempt for the year ended 31 December 2009. **RESOLUTION 10**
5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. **RESOLUTION 11**

### As Special Business

6. To consider and if thought fit, to pass the following resolution as Ordinary Resolution:

#### APPROVAL FOR ISSUANCE OF NEW ORDINARY SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"THAT, subject to the Companies Act, 1965, the Articles of Association of the Company and the approvals from Bursa Malaysia Securities Berhad and other relevant government/regulatory authorities, where such approval is necessary, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue new ordinary shares of RM0.20 each in the Company, from time to time and upon such terms and conditions and for such purposes and to such persons whomsoever the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid-up share capital for the time being of the Company AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company". **RESOLUTION 12**

7. To consider and if thought fit, to pass the following as Special Resolution:

#### PROPOSED AMENDMENT TO THE COMPANY'S ARTICLES OF ASSOCIATION

"THAT the existing Article 148 of the Company's Articles of Association be deleted in its entirety and substituted therefore with the following new Article 148:

##### Existing Article 148

Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant, sent through the post directed to the registered address of the holder. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the money represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged. Every such cheque or warrant shall be sent at the risk of the person entitled to the money thereby represented.

##### New Article 148

Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or paid via electronic transfer of remittance to the account provided by the holder who is named in the Record of Depositors. Every such cheque or warrant or electronic transfer of remittance shall be made payable to the order of the person to whom it is sent or remitted, and the payment of any such cheque or warrant or electronic transfer of remittance shall operate as a good discharge to the Company in respect of the dividend, interest, or other money payable in cash represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon, or the instruction for the electronic transfer of remittance, has been forged. Every such cheque or warrant or electronic transfer of remittance shall be sent or remitted at the risk of the person entitled to the money thereby represented. **SPECIAL RESOLUTION 1**

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

### NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

**NOTICE IS ALSO HEREBY GIVEN THAT** subject to the approval of Members at the Nineteenth Annual General Meeting of the Company to be held on 17 June 2010, a final dividend of 1 sen per ordinary share tax exempt, for the financial year ended 31 December 2009 will be paid on 20 August 2010 to Depositors whose names appear in the Record of Depositors on 23 July 2010.

A Depositor shall qualify for entitlement only in respect of:

- (a) Securities transferred into the Depositor's securities account before 4:00 p.m. on 23 July 2010 in respect of ordinary transfers; and
- (b) Securities bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

**YEO CHEE LIANG**  
**YEAP KOK LEONG**  
**CHAN LAI CHOON**

Joint Secretaries

24 May 2010

### NOTES :

1. A proxy may but need not be a Member and / or a qualified legal practitioner, an approved company auditor or a person approved by the Registrar.
2. To be valid, this form, duly completed and must be deposited at the Registered Office of the Company at B-38, 1st Floor, Lorong Sri Teruntum 139, Off Jalan Bukit Ubi, 25200 Kuantan, Pahang Darul Makmur not less than 48 hours before the time for holding the Meeting Provided That in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the proxy form, other than the particulars for the proxy have been duly completed by the member(s).
3. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting and the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member is an authorised nominee as defined under the Security Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. If the appointer is a corporation this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.
6. If this Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under Authorisation Document which is still in force, no notice of revocation having been received". If this Proxy Form is signed under the attorney duly appointed under a Power of Attorney, it should be accompanied by a statement reading "signed under Power of Attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed in this Proxy Form.
7. **Explanatory Notes On Special Business :  
Section 132D of the Companies Act, 1965**  
The proposed resolution 12, if passed, will give the Directors of the Company, from the date of the above General Meeting, authority to issue and allot ordinary shares from the unissued capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority will unless revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting.

The general mandate for issue of shares is a renewal. As at the date of notice of meeting, no shares have been issued pursuant to the general mandate granted at the last Annual General Meeting of the Company.

The general mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares for purpose of funding investment(s), working capital and/ or acquisitions, at any time to such persons in their absolute discretion without convening a general meeting as it would be both costs and time-consuming to organize a general meeting.

8. **Proposed Amendment to the Articles of Association of the Company**

The proposed Special Resolution under item 7 if passed, will allow for payment of dividend, interest or other money payable in cash in respect of shares of the Company by way of electronic transfer of remittance.