

General Announcement

Reference No **KG-050512-42120**

Company Name : **KNM GROUP BERHAD**
Stock Name : **KNM**
Date Announced : **18/05/2005**
Type : **Announcement**
Subject : **Notice of Third Annual General Meeting.**

Contents :

Notice is hereby given that the Third Annual General Meeting of the Company shall be held at the Rafflesia Suite, First Floor, West Wing, Hilton Petaling Jaya, No. 2, Jalan Barat, 46200 Petaling Jaya, Selangor Darul Ehsan on 9 June 2005 at 10.00 a.m.

Kindly refer to the attached file for details of the Third Annual General Meeting.



Attachment to Notice of AGM.doc

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 3rd Annual General Meeting of KNM Group Berhad will be held at the Rafflesia Suite, 1st Floor, West Wing, Hilton Petaling Jaya, No. 2 Jalan Barat, 46200 Petaling Jaya, Selangor Darul Ehsan on 9 June 2005 at 10.00 a.m. for the following purpose -

AGENDA

As ordinary business

1. To receive and adopt the audited Financial Statements of the Company for the financial year ended 31 December 2004 and the reports of the Directors and Auditors. **Ordinary Resolution 1**
2. To declare a first and final dividend of 3 sen per share less income tax of 28% for the year ended 31 December 2004 as recommended by the Directors and payable on 10 August 2005 to shareholders registered in the Company's books at the close of business on 8 July 2005. **Ordinary Resolution 2**
3. To approve the payment of Directors' fees for the year ended 31 December 2004. **Ordinary Resolution 3**
4. To re-elect the following Director who retire in accordance with Section 129(6) of the Companies Act, 1965, and being eligible, has offered himself for re-election -
 - (a) YBhg. Dato' Abdul Rani bin Mohd Razalli **Ordinary Resolution 4**
5. To re-elect the following Directors who retire in accordance with Article 132 of the Company's Articles of Association, and being eligible, have offered themselves for re-election -
 - (a) Ir Lee Swee Eng **Ordinary Resolution 5**
 - (b) YBhg. Dato' Ab. Halim bin Mohyiddin **Ordinary Resolution 6**
 - (c) Sofiyani bin Yahya **Ordinary Resolution 7**
6. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 8**

As special business

To consider and if thought fit, with or without modifications, to pass the following Resolutions as Ordinary Resolutions -

7. Proposed renewal of authority to issue shares pursuant to Section 132D of the Companies Act, 1965 - **Ordinary Resolution 9**

THAT subject to 132D of the Companies Act, 1965 and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered 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 in any one financial year does not exceed 10% of the issued and paid-up share capital of the Company for the time being AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.
8. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue Nature - **Ordinary Resolution 10**

THAT approval be and is hereby given for the renewal of Shareholders' Mandate for the Company and its subsidiaries and associate companies (**KNM Group**) to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the KNM Group's day-to-day operations with the parties set out in Section 4(b) of the Circular to Shareholders of the Company dated 19 May 2005, subject to the following -

- (a) the transactions are carried out 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 to the detriment of the minority shareholders of the Company; and
- (b) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year based on the following information -
 - (i) the type of recurrent related party transactions made; and
 - (ii) the names of the related parties involved in each type of recurrent related party transaction made and their relationships with the Company,

and any other arrangements and/or transactions as are incidental thereto;

AND THAT the authority conferred by this resolution will commence immediately upon the passing of this Ordinary Resolution until -

- (a) 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 mandate is again renewed; or
- (b) 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
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting

whichever is the earlier.

AND THAT the Directors of the Company be empowered to complete and do all such acts and things as they may be consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate and transactions contemplated and/or authorised by this Ordinary Resolution.

9. To transact any other ordinary business of which due notice shall have been given. **Ordinary Resolution 11**

Notice of Dividend Entitlement

Notice is hereby given that the first and final dividend of 3 sen per share less income tax of 28% for the year ended 31 December 2004, if approved at the forthcoming Annual General Meeting, will be paid on 10 August 2005 to Depositors registered in the Record of Depositors on 8 July 2005. A Depositor shall qualify for entitlement only in respect of -

- (a) Shares transferred into the Depositor's securities accounts before 4.00 p.m. on 8 July 2005 in respect of transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

Chia Kwok Why (MAICSA 7005833)
Yeoh Seng Chong (LS 006878)
Joint Company Secretaries

Seri Kembangan
19 May 2005

Explanatory Note on Special Business -

Resolution 9

Renewal of authority pursuant to Section 132(D) of the Companies Act, 1965

The effect of this Ordinary Resolution, if passed, will give authority to the Directors of the Company, from the date of the above Annual General Meeting, to issue and allot shares in the Company up to and not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being, for such purposes as the Directors consider are in the best interest 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.

Resolution 10

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

Please refer to the Circular to Shareholders dated 19 May 2005 for further information.

Notes

1. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Act shall not apply to the Company.
2. This instrument duly completed must be deposited at the Registered Office of the Company at 15, Jalan Dagang SB 4/1, Taman Sungai Besi Indah 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time for holding the meeting.
3. The instrument appointing a proxy or proxies shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing, or if such appointee is a corporation under its Seal or the hand of its attorney.
4. Where a member appoints more than 1 proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.