

AMALGAMATED INDUSTRIAL STEEL BERHAD
(Company No.: 9118-M)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Ninth Annual General Meeting of the Company will be held at Lot 6, Jalan Pagar 15/7, Section 15, 40000 Shah Alam, Selangor Darul Ehsan on Tuesday, 8 June 2010 at 11.30 a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS:-

1. To receive the Audited Financial Statements for the financial year ended 31 December 2009 together with the Directors' and Auditors' Reports thereon. Resolution 1
2. To declare a first and final tax exempt dividend of 1.5% for the financial year ended 31 December 2009 as recommended by the Directors. Resolution 2
3. To approve the payment of Directors' fees for the financial year ended 31 December 2009. Resolution 3
4. To re-elect the following Directors who retire by rotation pursuant to Article 116 of the Company's Articles of Association.
4.1 - Dato' Ghazali Bin Mat Arif Resolution 4
4.2 - Mr. Lim Chin Sean Resolution 5
5. To re-appoint Messrs Mazars as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 6

SPECIAL BUSINESS:-

To consider and, if thought fit, pass with or without modifications, the following ordinary resolutions:-

6. Authority for Directors to allot and issue shares in the Company pursuant to Section 132D of the Companies Act, 1965 Resolution 7
"THAT subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965 to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting 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 to be issued does not exceed 10% of the issued share capital of the Company for the time being."
7. Proposed Renewal of Authority for the Company to Purchase Its Own Shares ("Proposed Share Buy-Back") Resolution 8
"THAT subject to the requirements of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), Companies Act, 1965 ("the Act"), and the Articles of Association of the Company, the Company be and is hereby authorised to purchase such number of ordinary shares of RM0.50 each in the Company through Bursa Securities, as may be determined by the Directors of the Company from time to time upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:
(i) the aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the issued and paid-up ordinary share capital of the Company at any point in time;
(ii) the funds allocated by the Company for the Proposed Share Buy-Back shall not exceed the aggregate retained profits and share premium accounts of the Company; and
(iii) the authority conferred by this resolution shall continue to be in force until:
(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which this resolution was passed, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, whether unconditionally or subject to conditions; 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 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 an ordinary resolution passed by the shareholders of the Company in a general meeting,
whichever occurs first.
THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased in the following manner:
(a) cancel all the shares so purchased, and/or
(b) retain the shares so purchased as treasury shares, for distribution as share dividends to the shareholders and/or resell on the market of Bursa Securities; and/or
(c) retain part thereof as treasury shares and cancel the remainder.
AND THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed Share Buy-Back with full power to assent to any modifications and/or amendments as may be required by the relevant authorities."

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

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT DATE

NOTICE IS HEREBY GIVEN that a First and Final Tax Exempt Dividend of 1.5% in respect of the financial year ended 31 December 2009, if approved by the shareholders at the Thirty-Ninth Annual General Meeting, will be paid on Monday, 12 July 2010 to Depositors whose names appear in the Records of Depositors at the close of business on Tuesday, 15 June 2010.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- a) Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 11 June 2010 in respect of shares which are exempted from mandatory deposit;
- b) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 15 June 2010 in respect of ordinary transfers; and
- c) 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

CHIN NGEOK MUI (MAICSA 7003178)

Company Secretary

Shah Alam, Selangor Darul Ehsan

17 May 2010

Notes:-

1. A member of the Company who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead, and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company. A proxy may but need not be a member of the Company.
2. In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised in that behalf.
3. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. The instrument appointing a proxy must be deposited at the Company's registered office at Lot 11A, Jalan Ulas 15/7, 40000 Shah Alam, Selangor Darul Ehsan not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.

Explanatory Notes on Special Business

1. Resolution 7
Authority for Directors to allot and issue shares in the Company pursuant to Section 132D of the Companies Act, 1965
This Ordinary Resolution proposed is in line with the Company's plans for expansion/diversification. The Company is actively looking into prospective areas to broaden the operating base and earnings potential of the Company. As the expansion/diversification may involve the issue of new shares, the Directors, under present circumstances, would have to convene a general meeting to approve the issue of new shares even though the number involved is less than 10% of the issued share capital.
In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is considered appropriate that the Directors be empowered to issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for the time being for such purpose.
This authority is a renewal of the existing general mandate which will expire at the forthcoming Thirty-Ninth Annual General Meeting. The Company did not utilise the general mandate obtained at the last Annual General Meeting and thus no proceeds were raised from the previous mandate.
2. Resolution 8
Proposed Share Buy-Back Mandate
This proposed resolution, if passed, will empower the Directors of the Company to continue to buy back the Company's shares up to ten percent (10%) of the issued and paid-up share capital of the Company at any point in time, by utilising the funds allocated which shall not exceed the aggregate retained profits and share premium 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.
For further information on the Proposed Share Buy-Back, please refer to the Circular to Shareholders dated 17 May 2010 enclosed together with the Company's 2009 Annual Report.