

KHONG GUAN FLOUR MILLING LIMITED

(Company Regn. No. 19600096G)
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of KHONG GUAN FLOUR MILLING LIMITED will be held at 2 MacTaggart Road (Level 2), Singapore 368078 on Thursday, 27 November 2014 at 12.00 noon to transact the following business:-

Ordinary Business

1. To adopt the audited financial statements for the financial year ended 31 July 2014 and the Independent Auditor's Report and Directors' Report thereon.
2. To declare a first and final tax exempt one-tier dividend of \$0.03 per ordinary share for the financial year ended 31 July 2014.
3. To approve the payment of directors' fees of \$84,000 (2013: \$84,000) for the financial year ended 31 July 2014.
4. To re-elect Mr Chew Soo Lin, who retires in accordance with Article 94 of the Company's Articles of Association and who being eligible, offers himself for re-election as a director of the Company.
5. To re-elect Mr Sam Teng Choong, who retires in accordance with Article 94 of the Company's Articles of Association and who being eligible, offers himself for re-election as a director of the Company.
Note:- Mr Sam Teng Choong, will upon re-election, remain as a member of the Audit Committee and will be considered as an independent director.
6. To re-elect Mr Tay Kwang Lip Willie, who retires in accordance with Article 99 of the Company's Articles of Association and who being eligible, offers himself for re-election, as Director of the Company.
Note:- Mr Willie Tay, will upon re-election, remain as the Chairman of the Audit and Remuneration Committees and a member of the Nominating Committee. Mr Willie Tay is considered as independent director.
7. To re-appoint RT LLP as Independent Auditor and to authorise the directors to fix their remuneration.
8. To transact any other ordinary business.

Special Business

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

9. Renewal of shareholders' mandate for interested person transactions

"That:-

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST"), for the renewal of the mandate (the "Shareholders' Mandate") which has been amended to incorporate certain changes including the revised individual and aggregate thresholds, particulars of which are set out in the Appendix to this Notice of Annual General Meeting for the Company and its subsidiaries or any of them to enter into any of the transactions falling within the types of the interested person transactions described in the said Appendix;
- (b) the Shareholders' Mandate shall, unless revoked or varied by the Company in general meeting, continue to be in force until the next Annual General Meeting of the Company; and
- (c) the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to this Resolution."

10. Share Issue Mandate

"That pursuant to Section 161 of the Act, the Articles of Association of the Company and the Listing Manual of SGX-ST, authority be and is hereby given to the directors of the Company to:-

- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares,
at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the directors while this Resolution was in force,

provided that:-

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution), does not exceed 50% of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above:-
 - (i) the percentage of issued share capital is based on the issued share capital of the Company as at the date of the passing of this Resolution after adjusting for:-
 - (a) new shares arising from the conversion of convertible securities or employee share options on issue when this Resolution is passed; and
 - (b) any subsequent consolidation or subdivision of shares; and
 - (ii) in relation to an Instrument, the number of shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;
- (3) in exercising the power to make or grant Instruments (including the making of any adjustments under any relevant Instrument), the Company shall comply with the provisions of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

NOTICE OF BOOKS CLOSURE

NOTICE IS ALSO HEREBY GIVEN that the Transfer Book and Register of Members of the Company will be closed on 5 December 2014 for the preparation of dividend warrants. Duly completed registrable transfers received by the Company's share registrar, B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758, up to 5.00 p.m. on 4 December 2014 will be registered to determine members' entitlements to the proposed dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with Shares at 5.00 p.m. on 4 December 2014 will be entitled to the proposed dividend. Payment of the dividend, if approved by shareholders at the Annual General Meeting, will be made on 15 December 2014.

By Order of the Board
Koe Eng Chuan
Company Secretary

Singapore, 12 November 2014

NOTE: A member of the Company entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the registered office of the Company at 2 MacTaggart Road (Level 3), Singapore 368078 (Attention : Company Secretary) not less than forty-eight hours before the time appointed for holding the meeting.