

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 11th ANNUAL GENERAL MEETING OF PADIBERAS NASIONAL BERHAD ("THE COMPANY") WILL BE HELD AT DEWAN BUNGA TANJUNG, KELAB SHAH ALAM SELANGOR, PERSIARAN ISTANA KAYANGAN, SECTION 13, 40740 SHAH ALAM, SELANGOR DARUL EHSAN ON 21 JUNE 2005 AT 10.00 AM, FOR THE FOLLOWING PURPOSES:

To receive and adopt the Audited Accounts for the financial year ended 31 December 2004 together with the Report of the Directors and Auditors thereon. *RESOLUTION 1*

To approve the payment of a final dividend of 3.5% tax exempt for the financial year ended 31 December 2004. *RESOLUTION 2*

To approve the payment of a sum of RM402,500 as Directors' fees for the financial year ended 31 December 2004. *RESOLUTION 3*

To re-elect the following Directors who retire in accordance with the Articles of Association of the Company:

Article 115

Abdul Rahman Bin Datuk Haji Dahlan

RESOLUTION 4

Dohat Bin Shafie

RESOLUTION 5

Dato' Bukhari Bin Mohd Sawi

RESOLUTION 6

To re-appoint Messrs Hanafiah Raslan & Mohamad as Auditors and to authorise the Directors to fix their remuneration. *RESOLUTION 7*

As special business, to consider and if thought fit, to pass the following ordinary resolutions:-

I. Proposed Renewal of Shareholders' Mandate And Approval For New Recurrent Transactions For The BERNAS Group To Enter Into Recurrent Related Party Transactions of a Revenue or Trading Nature

THAT approval be and is hereby given to the Company and its subsidiaries to enter into and give effect to specified recurrent related party transactions of a revenue or trading nature and with specified classes of the related parties as stated in Section 2.2.1 of the Circular to Shareholders dated 27 May 2005 which are necessary for the Group's day to day operations subject further to the following:-

- i. the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders;
- ii. disclosure shall be made in the annual report of the Company on the breakdown of the aggregate value of the transactions conducted pursuant to the proposed renewal of the shareholders' mandate for the recurrent related party transactions and approval of the new recurrent related party transactions as disclosed in Section 2.2.1 of the Circular to Shareholders dated 27 May 2005, during which the shareholders' mandate shall remain in force, amongst others, based on the following information:
 - The type of recurrent related party transactions; and
 - The names of the related parties involved in each type of recurrent related party transaction entered into and their relationship with the Company.

AND THAT approval shall continue in force until:-

- a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- b) the expiration of the period within which the next Annual General Meeting after the date it is to be held pursuant to Section 143 (1) of the Companies Act, 1965 ("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 resolution passed by the shareholders in general meeting, whichever is the earlier.

AND THAT, for avoidance of doubt, all transactions to be entered into by BERNAS Group as disclosed in Section 2.2.1 of the Circular to the Shareholders dated 27 May 2005 for the period from 22 June 2005 until 21 June 2006 be and are hereby approved AND THAT the Directors and/or any one of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

RESOLUTION 8

II. Authority to Directors to Issue Shares Pursuant to Section 132D of the Companies Act, 1965

THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue shares of the Company at any time until the conclusion of the next Annual General Meeting of the Company 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 are also empowered to obtain the approval for the listing and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad.

RESOLUTION 9

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

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT, SUBJECT TO THE APPROVAL OF THE SHAREHOLDERS AT THE 11th ANNUAL GENERAL MEETING, A FINAL DIVIDEND OF 3.5% TAX EXEMPT WILL BE PAYABLE ON 31 JULY 2005 TO DEPOSITORS REGISTERED IN THE RECORDS OF DEPOSITORS AT THE CLOSE OF BUSINESS ON 2 JULY 2005

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

- Shares transferred into the Depositors' Securities Account before 4.00 pm on 2 July 2005 in respect of ordinary transfers.
- Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

AZLINA BINTI HASAN BASHRI (LS008142)

Company Secretary

Petaling Jaya

27 May 2005

NOTES :

1. Proxy

- *A member of the Company is entitled to appoint a proxy to attend and vote in his stead and a proxy may but need not be a member of the Company.*
- *Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be presented by each proxy.*
- *Where a member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to credit of the said securities account.*
- *The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly appointed under a power of attorney or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney.*
- *The instrument appointing a proxy or representative shall be deposited at the registered office of the Company of Level 19, CP Tower, No 11, Section 16/11, Jalan Damansara, 46350 Petaling Jaya Selangor not less than forty eight (48) hours before the time for holding the meeting or any adjournment thereof.*

2. Explanatory Note On Special Business

- *Ordinary Resolution 8 - This general mandate will permit the BERNAS Group to enter into specified recurrent related party transactions of a revenue or trading nature and with specified classes of the related parties as stated in Section 2.2.1 of the Circular to Shareholders dated 27 May 2005 and the approval shall continue in force until the conclusion of the next AGM of the Company or revoked or varied by resolution passed in general meeting.*
- *Ordinary Resolution 9 - This authorisation will empower Directors to issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.*

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

PURSUANT TO PARAGRAPH 8.28(2) OF THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

1. Directors standing for re-election at the 11th Annual General Meeting of the Company

Directors retiring pursuant to Article 115 of the Articles of Association:-
(Retirement by Rotation)

- i. Abdul Rahman Bin Datuk Haji Dahlan
- ii. Dohat Bin Shafiee
- iii. Dato' Bukhari Bin Mohd Sawi

The details of the Directors seeking re-election are set out on page 8 to 11 of this Annual Report.

2. Details of Board of Directors Meeting

There were eight meetings held during the financial year ended 31 December 2004 as follows:-

Date	Time	Venue
6 January 2004	9.30 am	Petaling Jaya
25 February 2004	9.30 am	Petaling Jaya
23 April 2004	3.00 pm	Petaling Jaya
25 May 2004	3.00 pm	Petaling Jaya
21 June 2004	3.00 pm	Petaling Jaya
17 August 2004	2.30 pm	Petaling Jaya
25 August 2004	9.30 am	Petaling Jaya
30 November 2004	3.00 pm	Petaling Jaya

Details of the attendance of the Directors are set out on page 16 of this Annual Report