

notice of the eleventh annual general meeting

NOTICE IS HEREBY GIVEN THAT the Eleventh Annual General Meeting of the Company will be held at Sultan Ballroom II, Level 6, Le Meridien Kuala Lumpur, 2 Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Thursday, 23 June 2005 at 3.00 p.m. for the purpose of transacting the following businesses:

AGENDA

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2004 together with the Directors' and Auditors' reports thereon.
Resolution 1
2. To approve the payment of Directors' fees for Non-Executive Directors for the financial year ended 31 December 2004.
Resolution 2
3. To re-elect the following Directors who are retiring in accordance with the Company's Articles of Association and being eligible, they have offered themselves for re-election :-
 - (i) Mirzan Bin Mahathir (Article 113) *Resolution 3*
 - (ii) Michael Andrew Barclay Binney (Article 113) *Resolution 4*
 - (iii) Yip Kit Chong (Article 118) *Resolution 5*
 - (iv) Lee Yen Kee Ruby (Article 118) *Resolution 6*
4. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorize the Directors to fix their remuneration.
Resolution 7

As Special Business

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

5. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT 1965.**

"THAT, pursuant to Section 132D of the Companies Act 1965 and subject to the approval from 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 does not exceed 10% of the issued share capital of the Company as at the date of this Annual General Meeting and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company."

Resolution 8
6. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR NAKAMICHI CORPORATION BERHAD ("NCB" OR "THE COMPANY") AND ITS SUBSIDIARY COMPANIES ("THE NCB GROUP") TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES.**

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“THAT:

- 1) the mandate granted by the shareholders of the Company on 21 June 2004 pursuant to Paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad, authorizing the NCB Group to enter into the recurrent related party transactions of a revenue or trading nature with parties which are related to The Grande Holdings Limited (“TGHL”), a major shareholder of the Company, which are necessary for the NCB Group’s day-to-day operations, be and is hereby renewed in respect of the recurrent related party transactions as set out in Section 2.1.2 of the circular to shareholders dated 1 June 2005 (“the Circular”) with the related parties mentioned in Section 2.1.1 of the Circular (the “Renewed Shareholders’ Mandate”); AND
- 2) approval be and is hereby given for the NCB Group to enter into the recurrent related party transactions of a revenue or trading nature with parties which are related to TGHL which are necessary for the NCB Group’s day-to-day operations, as set out in Section 2.1.2 of the Circular with the related parties mentioned in Section 2.1.1 of the Circular (the “New Shareholders’ Mandate”).

PROVIDED THAT:

- a) the transactions under and pursuant to the Renewed Shareholders’ Mandate and the New Shareholders’ Mandate shall be in the ordinary course of business and shall be on normal commercial terms which are not more favourable to the related parties than those available to the public and shall be on terms not to the detriment of the minority shareholders; and
- b) disclosure shall be made in the annual report of the aggregate value of transactions conducted during the financial year pursuant to the approval hereby given;

AND THAT the authority conferred by the Renewed Shareholders’ Mandate and the New Shareholders’ Mandate shall continue to be in force until:

- 1) the conclusion of the next Annual General Meeting (“AGM”) of the Company following this 11th AGM, at which the authority conferred by the Renewed Shareholders’ Mandate and the New Shareholders’ Mandate will lapse, unless by a resolution passed at the next AGM such authority is renewed;
- 2) the expiration of the period within the next AGM of the Company after this 11th AGM is required to be held pursuant to Section 143(1) of the Act (but such period shall not extend to such extensions as may be allowed pursuant to Section 143(2) of the Act); or
- 3) revoked or verified by resolution passed by the shareholders in general meeting;

whichever is the earlier;

AND THAT, the Directors and/or any of them be and are hereby authorized to complete and do all such acts and things as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorized by this resolution.”

Resolution 9

7. To transact any other business which may properly be transacted at an Annual General Meeting for which due Notice shall have been given.

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By Order of the Board

LIM SECK WAH (MAICSA 0799845)

M. CHANDRASEGARAN A/L S. MURUGASU (MAICSA 0781031)

Company Secretaries

Kuala Lumpur

1 June 2005

Notes:

1. A member of the Company who is entitled to attend and vote at this Meeting is entitled to appoint a proxy to attend and vote on a show of hands or on a poll in his/her stead. 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 either under its Common Seal or signed by its attorney or by an officer of the corporation duly authorized in that behalf.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
4. The Form of Proxy must be deposited at the Registered Office of the Company at Level 15-2, Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

Explanatory Notes on Special Business:

Ordinary Resolution 8

The proposed Resolution 8, if passed, would enable the Directors to issue up to a maximum of 10% of the issued and paid up share capital of the Company as at the date of this Annual General Meeting for such purposes as the Directors consider would be in the best interest of the Company. This authority unless revoked or varied by the Company at a general meeting will expire at the next annual general meeting.

Ordinary Resolution 9

Resolution for the proposed renewal of Shareholders' Mandate and proposed new Shareholders' Mandate for NCB and the NCB Group to enter into recurrent related party transactions of a revenue or trading nature with related parties.

The detailed information on the Recurrent Related Party Transactions is set out in the Circular to Shareholders of the Company dated 1 June 2005 in relation to the Proposed Renewal of Mandate and Proposed New Shareholders' Mandate to enter into recurrent related party transactions of a revenue or trading nature with related parties, which was dispatched together with the Company's Annual Report.

statement accompanying the notice of the eleventh annual general meeting

1. NAMES OF DIRECTORS STANDING FOR RE-ELECTION

- Mirzan Bin Mahathir
- Michael Andrew Barclay Binney
- Yip Kit Chong
- Lee Yen Kee Ruby

The details of these Directors are set out in the section on Directors' Profile appearing on page 23 to 25 of the Annual Report.

2. DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETING

A total of six (6) Board Meetings were held during the financial year ended 31 December 2004. The details of the Directors' attendance are as follows:-

Name of Director	Meetings attended
Mirzan Bin Mahathir	4/6
Ma Chi Chiu	3/6
Yohan A Rajan	6/6
Lee Hock Chye	6/6
Michael Andrew Barclay Binney	6/6
Johan Zainuddin Bin Dzulkifli	5/6
Yip Kit Chong *	1/1
Lee Yen Kee Ruby *	1/1
Christopher Ho Wing On **	1/5
Paul Law Kwok Fai **	2/5

* Appointed on 28 October 2004

** Resigned on 28 October 2004

3. DATE, TIME AND PLACE OF THE 11TH ANNUAL GENERAL MEETING

Date : Thursday, 23 June 2005
Time : 3.00 p.m.
Place : Sultan Ballroom II, Level 6,
Le Meridien Kuala Lumpur,
2 Jalan Stesen Sentral,
Kuala Lumpur Sentral,
50470 Kuala Lumpur.