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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **TWENTY-NINTH ANNUAL GENERAL MEETING** of ARUS MURNI CORPORATION BERHAD will be held at the Banquet Hall, First Floor, Kuala Lumpur Golf & Country Club, 10 Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Thursday, 20 May 2004 at 10.30 a.m. to transact the following business: -

AGENDA

AS ORDINARY BUSINESS

1. To receive and adopt the Statutory Financial Statements for the year ended 31 December 2003 and Reports of the Directors and Auditors thereon. *(Resolution 1)*

2. (a) To re-elect the following Directors retiring in accordance with Article 79 of the Company's Articles of Association: -
 - (i) Muhamed Bin Abdul Rahman *(Resolution 2)*

 - (ii) Ramli Bin Harun *(Resolution 3)*

3. To re-appoint Messrs. Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. *(Resolution 4)*

AS SPECIAL BUSINESS

4. To Consider, and if thought fit, to pass the following Ordinary Resolution:

Approval for Issuance of new ordinary shares pursuant to Section 132D of the Companies Act, 1965

“THAT, subject to the Companies Act 1965, the Articles of Association of the Company and approvals from the Malaysia Securities Exchange Berhad and other relevant government/regulatory authorities wherefrom such approval is necessary, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue shares in the Company at any time until the conclusion of the next Annual General Meeting 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 AND THAT the Directors be and are also empowered to obtain approval for the

listing of and quotation for the additional shares so issued on the Malaysia Securities Exchange Berhad”.

(Resolution 5)

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

BY ORDER OF THE BOARD

YEAP KOK LEONG
MAICSA NO. 0862549
Secretary

KUALA LUMPUR
20 April 2004

NOTES:

1. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(a) and (b) of the Companies Act shall not apply to the Company.*
2. *Where a member of the Company is an authorised nominee as defined under the Securities Industries (Central Depositories) Act 1991, it may appoint at least (1) proxy in respect of each Securities account it holds with ordinary shares of the Company standing to the credit of the said Securities account.*
3. *Proxy form duly completed must be deposited with the Company's Share Registrar, Tenaga Koperat Sdn Bhd, 20th Floor, Plaza Permata, Jalan Kampar, Off Jalan Tun Razak, 50400 Kuala Lumpur, not less than forty-eight (48) hours before the time fixed for holding the meeting or any adjournment thereof.*
4. *The Ordinary Resolution proposed under item 4, if passed will give the Directors of the Company from the date of the above meeting, authority to allot and issue ordinary shares from the unissued capital of the Company for such purpose as the Directors consider would be in the interest of the Company. The authority will, unless revoked or varied by the Company in a General Meeting, expire at the next Annual General Meeting.*

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.28(2) of the Listing Requirements of the Malaysia Securities Exchange Berhad.

a) Directors standing for re-election at the Twenty-Ninth Annual General Meeting of the Company

Pursuant to Article 79 of the Company's Articles of Association:

- (i) Muhamed Bin Abdul Rahman
- (ii) Ramli Bin Harun

b) Details of attendance of Directors at Board Meetings

Five (5) Board meetings were held during the financial year from 1 January 2003 to 31 December 2003. Details of attendance of Directors at the Board meetings are as follows: -

Name	Attendance	%
Dato' Shamsir bin Omar	5 of 5	100
Muhamed Bin Abdul Rahman	5 of 5	100
Tan Lam Hin	5 of 5	100
Ramli Bin Harun	5 of 5	100
Mohamad Malik Bin Jamal Mohamed	5 of 5	100
Zailan Bin Othman	4 of 5	80

c) Date, Time and Place of the Twenty-Ninth Annual General Meeting

The Annual General Meeting will be held at the Banquet Hall, First Floor, Kuala Lumpur Golf & Country Club, 10 Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Thursday, 20 May 2004 at 10.30 a.m.

Further details of Directors standing for re-election are set out on pages 8 and 9 of this Annual Report.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Shamsir Bin Omar
Executive Chairman
Non-Independent Director

Muhamed Bin Abdul Rahman
Deputy Executive Chairman
Non-Independent Director

Tan Lam Hin
Executive Director
/ Chief Executive Officer
Non-Independent Director

Ramli Bin Harun
Non-Executive Director
Independent Director

Zailan Bin Othman
Non-Executive Director
Independent Director

Mohamad Malik Bin Jamal Mohamed
Non-Executive Director
Independent Director

AUDIT COMMITTEE

Ramli Bin Harun
Chairman
Independent Director

Zailan Bin Othman
Non-Executive Director
Independent Director

Dato' Shamsir Bin Omar
Non-Independent Director

COMPANY SECRETARY

Yeap Kok Leong (MAICSA NO. 0862549)

REGISTRAR

Tenaga Koperat Sdn Bhd (Co. No 118401-V)
20th Floor
Plaza Permata
Jalan Kampar, Off Jalan Tun Razak
50400 Kuala Lumpur
Tel: 03-40416522
Fax: 03-40426352

AUDITORS

Ernst & Young (AF : 0039)

LISTING

Malaysian Securities Exchange Berhad

REGISTERED OFFICE

20th Floor, East Wing
Plaza Permata
Jalan Kampar, Off Jalan Tun Razak
50400 Kuala Lumpur
Tel: 03-40439411
Fax: 03-40431233

PRINCIPAL BANKER

Malayan Banking Berhad

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Arus Murni Corporation Berhad ("AMCB"), I am pleased to present the Annual Report and Financial Statements for the year ended 31 December 2003.

I am also pleased to report that we finalized the acquisitions of Jernih Makmur Sdn. Bhd. ("JMSB") and Consistent Harvest Sdn. Bhd. ("CHSB") on 25 August 2003 and fully completed the implementation of the two subsidiaries before the Financial Year end 31 December 2003.

FINANCIAL HIGHLIGHTS

For the financial year under review, the Group recorded an increase in revenue from RM1.7 million to RM7.3 million, an improvement of RM5.6 million as compared to the previous financial year. This was mainly due to the income contributed by the two newly acquired subsidiaries JMSB and CHSB. As a result, the Group's gross profit (before operating expenses, finance cost and taxation) improved from a Loss of RM1 million in the preceding financial year to a Profit of RM2.1 million.

However, the net results of the Group for the financial year under review on a consolidated basis recorded a pre-tax loss of RM1.5 million as compared to RM2.2 million for the previous financial year after taking into account the planned increase in overheads such as additional man-power costs that was required to effectively run the new enlarged group including the two newly acquired subsidiaries.

Although the Group recorded a loss for the Financial Year under review, it was not completely reflective of the full Group's potential to be profitable. It is to be pointed out that the revenue contributed by JMSB and CHSB from the date of their acquisitions was only for four calendar months to 31 December 2003.

We are confident that for the next Financial Year ending 31 December 2004, the Group, barring any unforeseen circumstance, would be able to return to a profitable track.

CORPORATE GOVERNANCE AND INVESTORS RELATIONS

During the financial year under review, the Group on 13 October 2003, appointed Mr. Tan Lam Hin (who is the Executive Director) as the Chief Executive Officer. This is in line with the Boards' recognition of Mr. Tan's wide experience and knowledge. Given the support of his newly selected management team he will be able to improve the future performance of the Group.

CHAIRMAN'S STATEMENT

CORPORATE GOVERNANCE AND INVESTORS RELATIONS

The remuneration committee was formed in the financial year to review director's remunerations based on their experience and performance as well as to attract and retain their expertise.

The Board is committed to protect and enhance shareholders value and is also well aware as to the principles of good corporate governance. Presently, the Group is working towards full compliance to ensure guidelines introduced by the Securities Commission and the MSEB are properly adhered to.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to take this opportunity to extend my sincere thanks to the management and employees of AMCB for their continued commitment, dedication and loyalty to the Group. I would also like to thank our shareholders, customers, financiers, business partners, suppliers and all relevant authorities for their continuing support and confidence.

DATO' SHAMSIR BIN OMAR
Executive Chairman

Kuala Lumpur
20 April 2004

PROFILE OF DIRECTORS

Dato' Shamsir Bin Omar, Malaysian aged 69, was appointed as Director and Chairman of the Company on 16 November 1998. He was appointed as the Executive Chairman on 26 August 2002. He is also a member of the Audit Committee. He is a Fellow Member of The Institute of Chartered Accountants in Australia and a member of the Malaysian Institute of Accountants. He commenced his career in 1960 as an Auditor and Accountant in the Department of Co-operative Development. In 1967, he was the Chief Accountant in the Ministry of Education and in 1968, he became the Deputy Accountant General. From 1969 to 1989, he held the position of Accountant General in the Ministry of Finance. He also holds a directorship in Tanah Emas Corporation Berhad.

Dato' Shamsir does not have any family relationship with any other Director and / or major shareholder of the Company and has no conflict of interests with the Company. He has had no convictions for offences within the past ten years other than traffic offences.

Dato' Shamsir attended five (5) Board meetings of the Company held during the financial year ended 31 December 2003

Muhamed Bin Abdul Rahman, Malaysian aged 60, was appointed as an Executive Director on 16 November 1998. On 26 August 2002 he was appointed as the Deputy Executive Chairman. He graduated from the Royal Military College ("RMC") and after commissioning in December 1965, he served in various parts of Malaysia until his early retirement in mid-1980. While in service, he attended various courses both locally and overseas. From mid-1980's, he has been actively involved in international trading, petroleum, timber and construction industries.

Encik Muhamed does not have any family relationship with any other Director and / or major shareholder of the Company and has no conflict of interests with the Company. He has had no convictions for offences within the past ten years other than traffic offences.

Encik Muhamed attended five (5) Board meeting of the Company held during the financial year ended 31 December 2003.

Tan Lam Hin, Malaysian aged 50, was appointed as an Executive Director cum Chief Executive Officer on 30 July 2002 and 13 October 2003 respectively. He graduated from the University Malaya with a Bachelor of Science (Hons.) degree in 1978. He is a Licentiate Member of the Institute of Chemists. He was involved in the timber industry from 1980 to 1986 and with S.E.A Piling Sdn Bhd before being appointed a Director of Pembinaan Kansalles Sdn Bhd, a development and construction company. He has a strong background in property development and property management skills that he acquired through "hands on" experiences.

Mr. Tan does not have any family relationship with any other Director and / or major shareholder of the Company and has no conflict of interests with the Company. He has had no convictions for offences within the past ten years other than traffic offences.

PROFILE OF DIRECTORS

Mr. Tan attended five (5) Board meetings of the Company held during the financial year ended 31 December 2003.

Ramli Bin Harun, Malaysian aged 46, was appointed as an Independent Non-Executive Director on 30 July 2002. He is the Chairman of the Audit Committee. He was a Director of Palembang Usahaniaga Sdn Bhd from 1984 to 1992, managing various large housing projects in Negeri Sembilan Darul Khusus. During his tenure in Palembang Usahaniaga Sdn Bhd, he focused his attention predominantly on project management. Thereby, he has gained a good working knowledge in property management and property development.

Encik Ramli does not have any family relationship with any other Director and / or major shareholder of the Company and has no conflict of interests with the Company. He has had no convictions for offences within the past ten years other than traffic offences.

Encik Ramli attended five (5) Board meetings of the Company held during the financial year ended 31 December 2003.

Zailan Bin Othman, Malaysian aged 42, was appointed as an Independent Non-Executive Director on 7 August 2002. He is a member of the Audit Committee. He was a Director for Kemanyan Resources Sdn Bhd, managing project "Rasah Kemayan" from 1995 to 1998. His role thence was predominately in business development. In 1999, he ventured into trading and distribution of branded sports goods where he was the Director in charge of operations. He has a strong background in successful operational business management.

Encik Zailan does not have any family relationship with any other Director and / or major shareholder of the Company and has no conflict of interests with the Company. He has had no convictions for offences within the past ten years other than traffic offences.

Encik Zailan attended four (4) Board meetings of the Company held during the financial year ended 31 December 2003.

Mohamad Malik Bin Jamal Mohamed, Malaysian aged 34, was appointed as an Independent Non-Executive Director on 30 July 2002. He holds a Masters of Business Administration from the Imperial College Management, London. He started his career in 1991 with Matsushita Electric Company as a Production Engineer and later moved into corporate finance. He has a strong background in engineering and finance.

Encik Mohamad Malik does not have any family relationship with any other Director and / or major shareholder of the Company and has no conflict of interests with the Company. He has had no convictions for offences within the past ten years other than traffic offences.

Encik Mohamad Malik attended five (5) Board meetings of the Company held during the financial year ended 31 December 2003.