

THETA EDGE BERHAD (260002-W)
(Incorporated in Malaysia)

MINUTES of the Twenty-Second (22nd) Annual General Meeting (“**AGM**”) of the Company held at TH Hotel Kelana Jaya, Jalan SS6/1, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan on Monday, 15 June 2015 at 10.10 a.m.

PRESENT

The Board of Directors

- : Tan Sri Dato’ Hashim bin Meon (Chairman)
- : Dato’ Syed Saleh bin Syed Abdul Rahman
- : Encik Mohamed Ridza Bin Mohamed Abdulla
- : Encik Adi Azuan Bin Abdul Ghani
- : Datuk Nor Badli Munawir Bin Mohamad Alias Lafti
- : Dato’ Richard George Azlan bin Abas
- : Encik A. Shukor bin S.A. Karim
- : Encik Abdul Halim Bin Jantan

Shareholders, Proxies & Invitees

- : As per Attendance List

ABSENT : YB Datuk Seri Panglima Hj. Abdul Azeez bin Abdul Rahim

IN ATTENDANCE : Madam Cynthia Louis (Secretary)
: Ms Catherine Tong
: Cik Nur Aini Saharudin

1. QUORUM

The Chairman welcomed the shareholders to the Company’s Twenty-Second Annual General Meeting and upon confirming the presence of a quorum pursuant to Article 68 of the Company’s Articles of Association, duly called the meeting to order at 10.10 a.m. He commenced the proceedings with a recitation of the surah Al-Fatihah.

2. NOTICE

There being no objection, the notice convening the meeting, having been circulated earlier to all the shareholders of the Company within the prescribed notice period, was taken as read.

3. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

The Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of the Directors and Auditors having been circulated to all the Members within the prescribed period was taken as read.

The Chairman thereupon invited questions from the floor.

Mr Tony Chew, a shareholder of the Company sought clarification on whether the Company's order book on hand of approximately RM190 million was mainly from projects awarded by Lembaga Tabung Haji ("TH"), the ultimate holding corporation. Encik Shukor explained that approximately 30% of the order book was awarded by TH and the remaining contracts comprised of contracts from other customers of Theta.

Upon a query from Mr Tony Chew, Encik Shukor informed the reason that Theta was not able to secure large Information Technologies ("IT") projects from the Government of Malaysia (GoM) although it is a Government Linked Corporation was due to the challenging economic climate, strong competition from other companies and limited IT projects. The Company noted the concern raised by Mr Tony Chew on the performance of Theta and Encik Shukor said that the Company was working hard to secure more IT projects from the GoM.

Mr Tony Chew thereafter queried on the announcement made by the Company in April 2015 with regard to entering into a joint venture for mobile services. Encik Shukor explained that the joint venture was part of Theta's plan to broaden the Company's revenue so that it is not solely based on system integration. The Company aims to attain 8 million subscribers via the TH network. With regards to the query from Mr Tony Chew whether there is additional capital for the new mobile services venture, Encik Shukor informed that there is no additional capital required at this juncture as the mobile services leverages on the existing Mobile Virtual Network Operator's (MVNO) infrastructure. The joint venture would benefit both partners as the MVNO will provides the infrastructure and Theta would focus on the marketing of mobile services.

Mr Tony Chew sought clarification on the contribution of the joint venture to Theta. Encik Shukor expects to breakeven upon attaining 200,000 subscribers targeted by the end of the year. He added that the contribution from the joint venture is expected to be significant in the long run as the targeted markets are the TH's subscribers amount to 8 million.

Another shareholder, Encik Ahmad bin Ibrahim ("Encik Ahmad") sought an update on the material litigations of the Group. Encik Shukor informed that the trial between Impianas Sdn Bhd versus Tenaga Nasional Berhad would commence on 22 June 2015. On the litigation between Inforiental Sdn Bhd versus Theta Edge Berhad & 4 others, the Company had submitted an appeal to the High Court and are currently waiting for a decision. Encik Shukor informed the shareholders that the hearing would commence sometime in July 2015.

The Board noted the error on the financial statements highlighted by Encik Ahmad on page 106. Encik Ahmad thereafter sought clarification on the composition of the "Other Expenses" that is stated on page 62. Encik Shukor then invited Ms Karen Yap, the Chief Financial Officer of the Company to clarify the query. Ms Karen explained that the amount included non-cash adjustments and was detailed out on page 64 of the Annual Report.

Encik Ahmad also suggested to the Board that the Company should include the Company's 5 years financial highlights in the Company's future Annual Reports.

There being no more questions raised by the shareholders, the Chairman moved to the next item on the Agenda.

4. RE-ELECTION OF TAN SRI DATO' HASHIM BIN MEON AS DIRECTOR PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION

In accordance with Article 96 of the Company's Articles of Association, Tan Sri Dato' Hashim bin Meon was due to retire and being eligible, has offered himself for re-election.

Mr Sang Eng Soon proposed and Encik Zulkiflee seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

"THAT Tan Sri Dato' Hashim bin Meon retiring pursuant to Article 96 of the Company's Articles of Association, and being eligible be hereby re-elected as Director of the Company."

5. RE-ELECTION OF DATO' SYED SALEH BIN SYED ABDUL RAHMAN AS DIRECTOR PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION

In accordance with Article 96 of the Company's Articles of Association, Dato' Syed Saleh bin Syed Abdul Rahman was due to retire and being eligible, has offered himself for re-election.

Puan Fauziah binti Mahmud proposed and Mr Sang Eng Soon seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

"THAT Dato' Syed Saleh bin Syed Abdul Rahman retiring pursuant to Article 96 of the Company's Articles of Association, and being eligible be hereby re-elected as Director of the Company."

6. RE-ELECTION OF DATUK NOR BADLI MUNAWIR BIN MOHAMAD ALIAS LAFTI AS DIRECTOR PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION

In accordance with Article 96 of the Company's Articles of Association, Datuk Nor Badli Munawir Bin Mohamad Alias Lafti was due to retire and being eligible, has offered himself for re-election.

Encik Ahmad bin Ibrahim proposed and Encik Zulkiflee seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

“THAT Datuk Nor Badli Munawir Bin Mohamad Alias Lafti retiring pursuant to Article 96 of the Company’s Articles of Association, and being eligible be hereby re-elected as Director of the Company.”

7. RE-ELECTION OF ENCIK ABDUL HALIM BIN JANTAN AS DIRECTOR PURSUANT TO ARTICLE 102 OF THE COMPANY’S ARTICLES OF ASSOCIATION

In accordance with Article 96 of the Company’s Articles of Association, Encik Abdul Halim Bin Jantan was due to retire and being eligible, has offered himself for re-election.

Mr Sang Eng Soon proposed and Encik Zulkiflee seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

“THAT Encik Abdul Halim Bin Jantan retiring pursuant to Article 96 of the Company’s Articles of Association, and being eligible be hereby re-elected as Director of the Company.”

8. TO APPROVE THE DIRECTORS’ FEES AMOUNTING TO RM210,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2015

Mr Sang Eng Soon proposed and Puan Fauziah Mahmud seconded the following motion which was put to the meeting for a vote and was declared carried without any vote given against it:-

“THAT the payment of Directors’ fees of RM210,000.00 for the financial year ending 31 December 2015 be hereby approved.”

9. APPOINTMENT OF MESSRS KPMG DESA MEGAT & CO AS AUDITORS FOR THE ENSUING YEAR AND AUTHORITY FOR THE DIRECTORS TO FIX THEIR REMUNERATION

On the query raised from a shareholder for the change in Auditors, Encik Shukor informed the shareholders that the current Auditor was under sanction from the Securities Commission and was unable to act as an Auditor of a public listed company.

Puan Fauziah Mahmud proposed and Mr Sang Eng Soon seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

“THAT Messrs KPMG Desa Megat & Co. be appointed as Auditors of the Company in place of the retiring Auditors, Messrs Wong Weng Foo & Co. and to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Directors.”

10. ORDINARY RESOLUTION 1
- AUTHORITY TO ISSUE SHARES

Following a query on whether the Company had utilized the Mandate the previous year, Encik Shukor informed the shareholders that no shares had been allotted under the Mandate.

Following a proposal from Madam Tan Swee Wong which was seconded by Mr Sang Eng Soon the following motion which was put to the meeting for a vote, was declared carried without any vote given against it:-

“THAT subject always to the Companies Act, 1965 and the approvals of the regulatory authorities, 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 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 capital of the Company for the time being 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 the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company.”

11. ORDINARY RESOLUTION 2
- PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS’ MANDATE AND NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE AND RENEWAL OF THE EXISTING GENERAL MANDATE FOR CONTRACTS WHICH ARE REVENUE IN NATURE

Mr Alvin Tan proposed and Mr Sang Eng Soon seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

“THAT subject to the Companies Act, 1965 (“Act”), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad,

- (a) approval be and is hereby given for the Renewal of the Existing Shareholders’ Mandate and Existing General Mandate for the Company to enter into and give effect to the category of the recurrent arrangements or transactions of a revenue or trading nature from time to time with the Related Party(ies) as specified in Section 2.1.2 of the Circular to Shareholders dated 22 May 2015;

and

- (b) a New Shareholders' Mandate be and is hereby granted for the Company to enter into additional recurred related party transactions of a revenue or trading in nature from time to time with the Related Party(ies), as specified in Section 2.1.2 of the Circular to Shareholders dated 22 May 2015, provided that such transactions are:-
- (i) recurrent transactions of a revenue or trading in nature;
 - (ii) necessary for the Company's day-to-day operations;
 - (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Party(ies) than those generally available to the public; and
 - (iv) not to the detriment of minority shareholders;

(the "Mandate");

THAT the Mandate given by the shareholders of the Company shall only continue to be in force until:-

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposal is passed, at which time such Mandate will lapse, unless by a resolution passed at the meeting, the authority for the Proposal is renewed;
- (ii) 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
- (iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be authorized 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 to give effect to the Mandate".

12. CLOSURE

There being no other business for which due notice had been given, the Meeting was declared closed at 11.00 a.m. with a vote of thanks to the Chair.

Confirmed as a true and correct record: -

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CHAIRMAN

Dated this