

## **THETA EDGE BERHAD (260002-W)**

(Incorporated in Malaysia)

**MINUTES** of the Twenty-Third (23<sup>rd</sup>) 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 Wednesday, 18 May 2016 at 10.00 a.m.

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- 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
  - : Dato’ Adi Azuan Bin Abdul Ghani
  - : Datuk Nor Badli Munawir Bin Mohamad Alias Lafti
  - : Dato’ Richard George Azlan bin Abas
  - : Encik Abdul Halim Bin Jantan
  - : Puan Anis Zuhani binti Ahmad
  - : Encik A. Shukor bin S.A. Karim
- Shareholders, Proxies & Invitees
- : As per Attendance List
- IN ATTENDANCE
- : Madam Irene Chew (Secretary)
  - : Cik Nur Aini Saharudin

### **1. QUORUM**

The Chairman welcomed the shareholders to the Company’s Twenty-Third 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 10.00 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 2015**

The Audited Financial Statements for the financial year ended 31 December 2015 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.

Encik Ahmad bin Ibrahim (“Encik Ahmad”), a shareholder of the Company sought clarification on the composition of the “Other Expenses” of RM9.350 million stated on page 54 of the 2015 Annual Report (“the AR”). The Chairman then invited Pn Karen Yap, the Chief Financial Officer of the Company to clarify the query. Pn Karen Yap explained that the amount included in the “Other Expenses” was the provision for litigation of RM2.940 million filed by Infortential Sdn Bhd against Theta Edge Berhad (“Theta”) & 4 Others. Theta has received the Ground of Judgment of the High Court Judge and the case is currently being perused by the solicitors before filing of the Memorandum of Appeal. However, in the event Theta wins the case, the amount would be written back to the Profit and Loss.

Encik Ahmad also suggested that the Company should include the Company’s 5 years financial highlights in its future Annual Report which was duly noted by the Board.

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

**4. RE-ELECTION OF ENCIK MOHAMED RIDZA BIN MOHAMED ABDULLA WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

In accordance with Article 96 of the Company's Articles of Association, Encik Mohamed Ridza Bin Mohamed Abdulla was due to retire and being eligible, has offered himself for re-election.

Encik Shikh Nora Fizul Afandi Bin Sheikh Abd Rahman proposed and Encik Othman bin Omar seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

"THAT Encik Mohamed Ridza Bin Mohamed Abdulla 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' RICHARD GEORGE AZLAN BIN ABAS WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

In accordance with Article 96 of the Company's Articles of Association, Dato' Richard George Azlan Bin Abas was due to retire and being eligible, has offered himself for re-election.

Encik Othman bin Omar proposed and Encik Shikh Nora Fizul Afandi Bin Sheikh Abd Rahman seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

"THAT Dato' Richard George Azlan Bin Abas 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 ENCIK A. SHUKOR BIN S. A. KARIM WHO RETIRES BY ROTATION PURSUANT TO ARTICLE 96 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

In accordance with Article 96 of the Company's Articles of Association, Encik A. Shukor Bin S. A. Karim was due to retire and being eligible, has offered himself for re-election.

Encik Othman bin Omar proposed and Encik Shikh Nora Fizul Afandi Bin Sheikh Abd Rahman seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

"THAT Encik A. Shukor Bin S. A. Karim 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 PUAN ANIS ZUHANI BINTI AHMAD WHO RETIRES IN ACCORDANCE WITH ARTICLE 102 OF THE COMPANY'S ARTICLES OF ASSOCIATION**

In accordance with Article 102 of the Company's Articles of Association, Puan Anis Zuhani Binti Ahmad was due to retire and being eligible, has offered herself for re-election.

Puan Fauziah Binti Mahmud proposed and Encik Sufian Bin Bakri seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

"THAT Puan Anis Zuhani Binti Ahmad 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 2016**

A query was raised by Mr Alvin Tan, a shareholder of the Company on the composition of "Other Emoluments" amounting to RM100,500.00 for Executive Directors and RM296,500.00 for Non-Executive Directors appearing on page 26 of the AR and if the Directors' fees amounting of RM210,000.00 were paid to all directors. Pn Karen Yap was invited to clarify the queries. Pn Karen Yap informed that the "Other Emoluments" comprised of transport and travel allowances for the Executive Director and meeting allowances for the Non-Executive Directors. The directors fees of RM210,000.00 were payable to all directors of the Company.

Encik Shikh Nora Fizul Afandi Bin Sheikh Abd Rahman proposed and Encik Othman bin Omar seconded the following motion.

The following motion then 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 2016 be hereby approved."

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

Puan Fauziah Mahmud proposed and Encik Othman bin Omar 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 and is hereby re-appointed Auditors and that they are 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 proposal from Encik Othman bin Omar which was seconded by Encik Ibrahim Bin Abdul Rahman, 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**

Encik Ibrahim Bin Abdul Rahman proposed and Encik Othman bin Omar 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. ORDINARY RESOLUTION 3**

**- RETENTION OF ENCIK MOHAMED RIDZA BIN MOHAMED ABDULLA AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

On the invitation of the Chairman, Datuk Nor Badli Munawir Bin Mohamad Alias Lafti who is a member of the Nominating Committee stated on behalf of the Board that the Nominating Committee and the Board had assessed Encik Ridza’s independency and recommended that he be retained as an Independent Non-Executive Director.

The Chairman proposed and Encik Othman bin Omar seconded the following motion which was put to the meeting for a vote and declared carried without any vote given against it:-

“THAT approval be and is hereby given to Encik Mohamed Ridza Bin Mohamed Abdulla, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012.”

**13. CLOSURE**

There being no other business for which due notice had been given, the Meeting was declared closed at 10.35 a.m. with a vote of thanks to the Chair.

**Confirmed as a true and correct record: -**

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**CHAIRMAN**

Dated this