

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

NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting of THETA EDGE BERHAD ("Company") will be held at Tropicana Golf & Country Resort, Ballroom I, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 31 May 2018 at 10.00 a.m. for the following purposes:-

AS ORDINARY BUSINESSES

- To receive the audited financial statements together with the reports of the Directors and Auditors for the year ended 31 December 2017. (Please refer to Explanatory Note 1)
- To re-elect the following Directors who retire by rotation as Directors of the Company pursuant to Article 96 of the Company's Articles of Association:-
 - Encik Abdul Halim bin Jantan (Resolution 1)
 - Dato' Richard George Azlan bin Abas (Resolution 2)
- To re-elect the following Director who retires by rotation as Director of the Company pursuant to Article 102 of the Company's Articles of Association:-
 - Dato' Iskandar Mizal bin Mahmood (Resolution 3)
- To approve the payment of Directors' fees for an amount up to RM260,000 for the financial year ending 31 December 2018. (Resolution 4)
- To approve the payment of Directors' benefits for an amount up to RM228,000 from 1 June 2018 until the next AGM of the Company. (Resolution 5)
- To re-appoint Messrs KPMG Desa Megat PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 6)

AS SPECIAL BUSINESSES

- To consider and if thought fit, pass the following ordinary resolutions with or without modifications as Ordinary Resolutions of the Company:- (Resolution 7)

ORDINARY RESOLUTION 1

AUTHORITY TO ISSUE SHARES

"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 ten per centum of the number of issued shares of the Company for the time being and 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 commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company in accordance with Section 76 of the Companies Act, 2016."

ORDINARY RESOLUTION 2

PROPOSED RENEWAL OF THE EXISTING 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

"THAT subject to the Companies Act, 2016 ("Act"), the provision of the Company's Articles of Association and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, 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 27 April 2018, provided that such transactions are:-

- recurrent transactions of a revenue or trading in nature;
- necessary for the Company's day-to-day operations;
- 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
- 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:-

- 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;
- the expiration of the period, within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- 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."

ORDINARY RESOLUTION 3

TO RETAIN ENCIK MOHAMED RIDZA BIN MOHAMED ABDULLA AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY

"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."

- To transact any other ordinary business for which due notice shall have been given. (Resolution 9)

By Order of the Board,

CYNTHIA GLORIA LOUIS (MAICSA 7008306)

CHEW MEI LING (MAICSA 7019175)

Company Secretaries

27 April 2018

Petaling Jaya

Notes:-

Appointment of Proxy

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy and vote in his stead. There shall be no restriction as to the qualification of the proxy. Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The Proxy Form shall be under the hand of the appointor or of his attorney duly authorised in writing. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or its duly authorised attorney.
- The instrument appointing a proxy must be deposited at the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, or alternatively, Tricor Customer Service Centre, Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur Wilayah Persekutuan not less than forty-eight (48) hours before the time set for holding the meeting or adjourned meeting.

Members Entitled to Attend

- For purposes of determining a member who shall be entitled to attend the Annual General Meeting, the Company shall be requesting Bursa Depository, in accordance with Article 67(A) of the Company's Articles of Association and Section 34(1) of the SICDA, to issue a General Meeting Record of Depositors as at 23 May 2018. Only a depositor whose name appears on the General Meeting Record of Depositors as at 23 May 2018 shall be entitled to attend, speak and vote at the said meeting or appoint a proxy(ies) on his/her behalf.

Explanatory Notes:-

- Directors' Report, Audited Financial Statement and the Auditors' Report for the financial year ended 31 December 2017**
This Agenda Item is meant for discussion only as the provision of Section 340(1) of the Companies Act, 2016 does not require a formal approval of the shareholders and hence is not put forward for voting.
- Directors' Benefit (Resolution 5)**
The benefits comprises meeting allowance payable to Non-Executive Directors, details of which are as follows:-

	Board of Directors Per Meeting RM	Management Committee Per Meeting RM	Audit & Risk Committee Per Meeting RM	Nomination Committee Per Meeting RM	Remuneration Committee Per Meeting RM
Chairman	3,000		3,000	2,000	2,000
Non-Executive Member	1,500		2,500	1,500	1,500
Group Managing Director & CEO	-		-	-	-

The Group Managing Director & CEO is not entitled to any meeting allowance.

The estimated amount of RM228,000 is derived from estimated number of meetings to be held by the Board and Board Committees from 1 June 2018 until the next Annual General Meeting (AGM).

- Authority to issue shares under Section 75 and Section 76 of the Companies Act, 2016 (Resolution 7)**
The Directors did not issue any new shares pursuant to the existing mandate.
The proposed Ordinary Resolution 1, if passed, will give a renewed mandate to the Directors of the Company, from the date of the forthcoming AGM, to allot and issue ordinary shares up to an aggregate amount of not exceeding 10% of the issued shares of the Company for the time being from the unissued capital of the Company pursuant to Section 75 and Section 76 of the Companies Act, 2016 and that such an authority, unless revoked or varied at a general meeting, will expire at the next AGM.
The mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placement of shares, funding for future investment project(s) and/or acquisitions of assets and/or working capital.
- Proposed Renewal of the existing 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 (Resolution 8)**
The proposed Ordinary Resolution 2, if approved, will allow Theta Edge Group to enter into Recurrent Related Party Transactions pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Further information on the Proposed Renewal of the existing 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 is set out in the Circular to Shareholders of the Company dated 27 April 2018 which is dispatched together with the Company's 2017 Annual Report.
- Proposal to Retain Encik Mohamed Ridza Bin Mohamed Abdulla as an Independent Non-Executive Director of the Company (Resolution 9)**
Encik Mohamed Ridza Bin Mohamed Abdulla is currently the Senior Independent Non-Executive Director of the Company who has served the Board since 7 November 2007. He has served as an Independent Non-Executive Director of the Company for cumulative term of more than nine (9) years and in applying the recommendation under the Malaysian Code of Corporate Governance, the Board has assessed with and the recommendation of the Nomination Committee would strongly recommend to the members of the Company to vote in favour of the resolution for Encik Mohamed Ridza Bin Mohamed Abdulla to continue to act as an Independent Non-Executive Director. This is because he has demonstrated throughout the term of his office to be independent not only by the mere fulfilment of the criteria under the definition of Independent Director in the Main Market Listing Requirements of Bursa Securities but subjectively too by providing objectivity, independent judgement and balance to Board deliberations. He provides wise and thoughtful counsel to the Board on a broad range of issues and has an active role in Board Committees to ensure good governance and risk management. His length of service on the Board does not in any way interfere with his exercise of objective judgement or his ability to act in the best interests of the Company and Group. He also has the necessary knowledge of the Group's business operations to make informed decisions.