



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fourth Annual General Meeting of THETA EDGE BERHAD ("Company") will be held at TH Hotel Kelana Jaya, Jalan SS6/1, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan on Monday, 22 May 2017 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 2016. (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:-
 - Dato' Adi Azuan Bin Abdul Ghani (Resolution 1)
 - Dato' Syed Saleh Bin Syed Abdul Rahman (Resolution 2)
 - Tan Sri Dato' Hashim Bin Meon (Resolution 3)
- To approve the payment of Directors' fees amounting to RM310,000 for the financial year ending 31 December 2017. (Resolution 4)
- To approve the payment of Directors' benefits for an amount up to RM350,000 from 1 January 2017 up to the next AGM of the Company. (Resolution 5)
- To approve the payment of additional increase in Directors' fees amounting to RM100,000 for the financial year ended 31 December 2016. (Resolution 6)
- To re-appoint Messrs KPMG Desa Megat PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 7)

AS SPECIAL BUSINESSES

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

**ORDINARY RESOLUTION 1
AUTHORITY TO ISSUE SHARES**

(Resolution 8)

"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**

(Resolution 9)

"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 28 April 2017, 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".

(Resolution 10)

**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 2012."

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

By Order of the Board,

CYNTHIA GLORIA LOUIS (MAICSA 7008306)
CHEW MEI LING (MAICSA 7019175)
Company Secretaries

28 April 2017
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 12 May 2017. Only a depositor whose name appears on the General Meeting Record of Depositors as at 12 May 2017 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 2016**
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' Fees (Resolution 4)**
During the financial year, the Remuneration Committee conducted a review of the remuneration levels of the Directors taking into account various factors which include the time commitment required, the fiduciary and statutory duties required under the various laws and regulations. The Board subsequently approved the Remuneration Committee's recommendation for the increase in the Directors' fees based on the following:

	Number	Fee for FY2016 Approved in 2015 AGM Per Annum (RM)	Proposed Fee For FY2016 Per Annum (RM)
Chairman of the Board	1	35,000	80,000
Chairman of the Audit & Risk Management Committee	1	25,000	50,000
Non-Executive Directors	6	25,000	30,000
Group Managing Director & Chief Executive Officer	1	-	-
TOTAL	9	210,000	310,000

The Company will be seeking the approval for the additional increase of RM100,000 Directors' fees for the financial year ended 31 December 2016 and the proposed RM310,000 total Directors' fees for financial year ending 31 December 2017 in the forthcoming Twenty-Fourth (24th) Annual General Meeting (AGM).
The proposed increase in Directors' fees is to reflect the additional responsibilities of the Non-Executive Directors as the Directors focus areas have expanded considerably. The Group Managing Director & Chief Executive Officer is not entitled to any Directors' Fees.
The additional proposed fees for FY 2016 are not paid until the approval of the shareholders in the forthcoming AGM.

- Meeting Allowances (Resolution 5)**

	Board Per Meeting RM	Audit & Risk Management 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 & Chief Executive Officer	-	-	-	-

The Group Managing Director & Chief Executive Officer is not entitled to any meeting allowances.

The estimated amount of RM350,000 is derived from estimated number of meetings to be held by the Board and Board Committees from 1 January 2017 up to the date of the next Annual General Meeting (AGM) which is about a duration of eighteen (18) months.

- Authority to issue shares under Section 75 and Section 76 of the Companies Act, 2016 (Resolution 8)**
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 the such 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 9)**
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 28 April 2017 which is dispatched together with the Company's 2016 Annual Report.
- Proposal to Retain Encik Mohamed Ridza Bin Mohamed Abdulla as an Independent Non-Executive Director of the Company (Resolution 10)**
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 a cumulative term of more than nine (9) years and in applying the recommendation under the Malaysian Code of Corporate Governance 2012, the Board has assessed and with the recommendation of the Nominating 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 fulfillment 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.