

CUSCAPI BERHAD

(43190-H)

(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the THIRTY-EIGHTH ANNUAL GENERAL MEETING ("AGM") of CUSCAPI BERHAD will be held at the Topas Room, The Saujana Hotel Kuala Lumpur, 2km, Off Sultan Abdul Aziz Shah Airport Highway, Saujana, 47200 Subang, Selangor Darul Ehsan on Friday, 9 June 2017 at 11:00 a.m. to transact the following business:-

AGENDA

As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors' and Auditors' thereon.
- To approve the payment of Directors' fees of RM353,000 for the financial year ended 31 December 2016. **Resolution 1**
- To approve the payment of meeting allowances to the Non-Executive Directors up to an amount of RM84,000 from 1 January 2017 until the next Annual General Meeting of the Company. **Resolution 2**
- To re-elect the following Directors who retire pursuant to Article 91 of the Company's Articles of Association and who being eligible offer themselves for re-election:-
 - Mr. Her Chor Siang **Resolution 3**
 - Ms. Lim Li Li **Resolution 4**
- To re-appoint Messrs Baker Tilly Monteiro Heng as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting at such remuneration to be determined by the Directors of the Company. **Resolution 5**

As Special Business

To consider and if thought fit, to pass the following Ordinary Resolutions:-

- Ordinary Resolution** **Resolution 6**

Authority to allot and issue shares in general pursuant to Sections 75 and 76 of the Companies Act 2016

"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 shares in the capital of the Company from time to 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 share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

- Ordinary Resolution** **Resolution 7**

Proposed Renewal of Authority for the Company to purchase its own shares ("Proposed Renewal of Share Buy-Back Authority")

"THAT, subject always to the Companies Act 2016, the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:

- the aggregate number of shares purchased does not exceed 10% of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase(s); and

- the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest Audited Financial Statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s).

THAT the approval and authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be valid and in force until:

- the conclusion of the next Annual General Meeting of the Company ("AGM");
 - the expiry of the period within which the next AGM is required by law to be held; or
 - revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,
- whichever occurs first.

THAT approval and authority be and are given to the Directors of the Company, in their absolute discretion to deal with the shares so purchased in the following manner:

- to cancel such shares;
- to retain such shares as treasury shares;
- to retain part of such shares as treasury shares and cancel the remainder of such shares;
- to distribute all or part of such shares as dividends to shareholders;
- to resell all or part of such shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; and/or
- in any other manner as may be prescribed by applicable laws and/or regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force,

and such authority to deal with such shares shall continue to be valid until all such shares have been dealt with by the Directors of the Company.

AND THAT approval and authority be and are given to the Directors of the Company to take all such actions that may be necessary to give effect to this resolution and, in connection therewith, to do all such acts and things as they may deem fit and expedient in the best interest of the Company."

- Ordinary Resolution** **Resolution 8**

Continuation in Office as an Independent Non-Executive Director

"THAT, Y. Bhg. Dato' Gan Nyap Liou @ Gan Nyap Liow be retained as Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012 until the conclusion of the next Annual General Meeting."

- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Articles of Association.

By Order of the Board

DATUK TAN LEH KIAH (MAICSA NO. 0719692)

LIM CHIEN JOO (MAICSA NO. 7063152)

Company Secretaries

Kuala Lumpur

Date: 28 April 2017

Notes:

- In regard of deposited securities, only members whose names appear in the Record of Depositors as at 1 June 2017 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at the meeting.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- 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") as defined under Securities Industry (Central Depositories) Act 1991 of Malaysia, 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 instrument appointing a proxy shall be in writing under the hands of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation under its common seal, or the hand of its attorney duly authorised.
- The instrument appointing a proxy together with the power of attorney, if any, must be deposited with the Company's Registered Office at Level 1, Block B, Dataran PHB, Saujana Resort, Seksyen U2, 40150 Shah Alam, Selangor Darul Ehsan at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of this AGM will be put to vote by poll.

Explanatory Notes:

- Item 1 of the Agenda**

Audited Financial Statements for the financial year ended 31 December 2016

This item of the Agenda is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 ("CA 2016") does not require the shareholders to formally approve the Audited Financial Statements. Hence, this item not put forward for voting.

- Item 3 of the Agenda - Ordinary Resolution 2**

Payment of meeting allowances to the Non-Executive Directors

The total estimated amount of meeting allowances payable is calculated based on the number of scheduled Board's and Board Committees' meetings from 1 January 2017 until the next AGM of the Company. The payment of meeting allowances to the Non-Executive Directors is to defray their travelling and other incidental costs for attending Board's and Board committees' meetings.

- Item 6 of the Agenda - Ordinary Resolution 6**

Authority to Directors pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 6, if passed, will give powers to the Directors to issue

up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of next AGM of the Company.

The Company wishes to renew the mandate on the authority to issue shares in general pursuant to Section 132D of the Companies Act, 1965 granted to the Directors at the Thirty-Seventh AGM held on 20 May 2016 (hereinafter referred to as the "General Mandate").

As at the date of this notice, the Company had placed out 43,500,000 new ordinary shares to investors which raised a total proceeds of RM9,700,500 for working capital. Those new ordinary shares issued were listed on the Main Market of Bursa Malaysia Securities Berhad. The Company proposes to utilise the proceeds for the day-to-day operations of the existing business of the Group. As at the date of this notice, the Company had utilised RM89,775 for expenses related to the private placement exercise.

This general mandate, if passed, will provide flexibility to the Directors of the Company to allot and issue shares for any possible fund raising activities, including but not limited to placement of shares, for the purposes of funding future investments, working capital, acquisitions and/or such other applications as the Directors of the Company deem fit.

- Item 7 of the Agenda - Ordinary Resolution 7**

Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 7, if passed, will allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained profit of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of period within which the next AGM is required by law to be held, whichever is earlier.

- Please refer to the Share Buy-Back Statement dated 28 April 2017 for further information.

- Item 8 of the Agenda - Ordinary Resolution 8**

Continuation in Office as an Independent Non-Executive Director

Pursuant to the Malaysian Code on Corporate Governance 2012, the Board is making a recommendation to shareholders that Y. Bhg. Dato' Gan Nyap Liou @ Gan Nyap Liow remains as Independent Non-Executive Director of the Company. Y. Bhg. Dato' Gan Nyap Liou @ Gan Nyap Liow has met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

The Board is of the view that Y. Bhg. Dato' Gan Nyap Liou @ Gan Nyap Liow has performed his duties diligently and provided independent views in participating in deliberations and decision making of the Board and Board Committees. The length of his service on the Board does not in any way interfere with his duties as an Independent Non-Executive Director of the Company.

The Board believes that with Y. Bhg. Dato' Gan Nyap Liou @ Gan Nyap Liow expertise and broad international experience together with his accumulative knowledge of the Group's business and operation provide the Board with a diverse set of experience and expertise which enhances the skills and experience profile of the Board.