

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Ninth (9th) Annual General Meeting of **COMPUGATES HOLDINGS BERHAD** will be held at Greens III, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on **Monday, 30 June 2014 at 10.00 a.m.** for the following purposes:-

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon. **(Please refer to the Explanatory Notes)**
- To approve the payment of Directors' fees of RM324,000 for the financial year ended 31 December 2013. **(Ordinary Resolution 1)**
- To re-elect Madam See Thoo Chan who retires pursuant to Article 125 of the Company's Articles of Association, and being eligible, offer herself for re-election. **(Ordinary Resolution 2)**
- To consider and if thought fit, to pass the following ordinary resolution in accordance with Section 129(6) of the Companies Act, 1965:-
"THAT pursuant to Section 129(6) of the Companies Act, 1965, Tan Sri Asmat bin Kamaludin who is over the age of 70 years and retires pursuant to Section 129(2) of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company." **(Ordinary Resolution 3)**
- To re-appoint Messrs Baker Tilly Monteiro Heng as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 4)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

- Proposed Retention of Independent Directors**
 - "THAT Tan Sri Asmat bin Kamaludin be retained and remain as Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012." **(Ordinary Resolution 5)**
 - "THAT Encik Mohamed Fauzi bin Omar be retained and remain as Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012." **(Ordinary Resolution 6)**
- Authority to Issue and Allot Shares Pursuant To Section 132D of The Companies Act, 1965** **(Ordinary Resolution 7)**

"THAT subject to Section 132D of the Companies Act, 1965 and approvals of the relevant government/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 percentum (10%) of the total issued and paid up share capital of the Company for the time being and the Directors be and also empowered to obtain approval for the listing and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."
- Proposed Amendments to the Articles of Association** **(Special Resolution)**

"THAT the Articles of Association of the Company be and are amended in the form and manner as set out below:-

 - By deleting the existing Article 61 in its entirety and inserting the substitution thereof, the following new Article 61:-
"Article 61 - Right to sell etc forfeited shares"

Subject to the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors may determine either to the person who was before the forfeiture, the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal, a forfeited share is to be transferred to any person, the Directors may authorise some person to execute an instrument of transfer of the share to that person."
 - By deleting the existing Article 96 in its entirety and inserting the substitution thereof, the following new Article 96:-
"Article 96 - Vote"

Subject to any rights or restrictions for the time being attaching to any class or classes of shares, at meetings of Members or classes of Members, each Member entitled to vote may vote in person or by proxy or by attorney or by an authorised representative and on a show of hands, every person present who is a Member or a proxy or an attorney or an authorised representative of a Member shall have one (1) vote, and on a poll, every Member present in person or by proxy or by attorney or by an authorised representative shall have one (1) vote for every one (1) share he holds. A proxy shall be entitled to vote on a show of hands on any question at general meeting and shall have the same rights as the member to speak at the meeting."
 - By deleting the existing Article 100(1) in its entirety and inserting the substitution thereof, the following new Article 100(1):-
"Article 100(1) - Qualification of Proxy"

Where a Member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account, subject to subsection (2) below. Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account known as an 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 and there shall be no restriction as to the qualification of the proxy."

9. To transact any other business for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of the Board

COMPUGATES HOLDINGS BERHAD

WONG KEO ROU (MAICSA 7021435)

JENNY WONG CHEW BOEY (MAICSA 7006120)

Company Secretaries

Kuala Lumpur

6 June 2014

Notes:-

- Every member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote for him/her but his/her attendance will automatically revoke the proxy's authority. A proxy may but need not be a member of the Company. If the proxy is not a member, the proxy need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. A proxy shall be entitled to vote on a show of hands on any question at General Meeting and shall have the same rights as the member to speak at the General Meeting.
- A member may appoint up to two (2) proxies to attend and vote at the meeting. If a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his holding 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 (1) securities account known as 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 and there shall be no restriction as to the qualification of the proxy.
- The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the common seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited with the Registered Office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.
- In respect of deposited securities, only Members whose names appear in the Record of Depositors on 23 June 2014 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 9th Annual General Meeting.

Explanatory Notes

- Item 1 of the Agenda**
To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon

This item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require shareholders' approval for the Audited Financial Statements. Henceforth, this item is not put forward for voting.
- Proposed Retention of Independent Directors**

The proposed Ordinary Resolutions 5 and 6, if passed will allow Tan Sri Asmat bin Kamaludin and Encik Mohamed Fauzi bin Omar to be retained and continue to act as Independent Directors to fulfil the requirement of Paragraph 3.04 of Bursa Securities Main Market Listing Requirements and in line with the Recommendation 3.3 of the Malaysian Code of Corporate Governance 2012. Both Tan Sri Asmat bin Kamaludin and Encik Mohamed Fauzi bin Omar were appointed as Independent Directors since 8 November 2005 and will have served as Independent Directors for a period of 9 years by 8 November 2014. They have met the independence criteria and definition of an Independent Directors as set out in Paragraph 1.01 of Bursa Securities Main Market Listing Requirements. Therefore, the Board considers them to be independent and believes that they should be retained as Independent Non-Executive Directors.
- Authority to Issue and Allot Shares Pursuant to Section 132D of the Companies Act, 1965**

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to issue and allot shares in the Company from time to time and for such purposes as the Directors consider would be in the best interest of the Company ("Renewed Mandate"). This Renewed Mandate will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company. As at the date of this Notice, no shares had been issued and allotted since the general mandate granted to the Directors at the last Annual General Meeting held on 21 June 2013 and this general mandate will lapse at the conclusion of the 9th Annual General Meeting of the Company. The Renewed Mandate will provide flexibility to the Company to raise funds, including but not limited to placing of shares, for purpose of funding future investment projects and/or working capital and/or acquisitions.
- Proposed Amendments to the Articles of Association**

The proposed Special Resolution, if passed, will bring the Company's Articles of Association in line with the amendments made to Bursa Malaysia Securities Berhad Main Market Listing Requirements and for administrative purposes.