



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of Rapid Synergy Berhad will be held at Kapur Room, Level 02, Eastin Hotel Penang, No. 1 Solok Bayan Indah, Queensbay, 11900 Bayan Lepas, Pulau Pinang on Friday, 26 June 2015 at 12.00 noon to transact the following business:-

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of Directors and Auditors thereon.
2. To re-elect the following Directors who retire pursuant to Article 133 of the Company's Articles of Association:
 - (i) Dato' Dr Yu Kuan Chon
 - (ii) Ms Lee Chiew Hiang
3. To approve the payment of Directors' fees amounting to RM194,000.00 for the financial year ended 31 December 2014.
4. To re-appoint Messrs KPMG as auditors of the Company and to authorise the Directors to fix their remuneration.

**Ordinary Resolution 1
Ordinary Resolution 2
Ordinary Resolution 3
Ordinary Resolution 4**

As Special Business

To consider and if thought fit, to pass the following Ordinary Resolutions with or without modification:

5. Section 132D of the Companies Act, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share 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 to be in force until the conclusion of the next Annual General Meeting ("AGM") or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier."

Ordinary Resolution 5

6. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature

"THAT, subject to the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("RSB Group") to enter into recurrent related party transactions of a revenue or trading nature as specified in Section 2.5 of the Circular to Shareholders dated 29 May 2015 which transactions are necessary for the day-to-day operations in the ordinary course of business of RSB Group on terms not more favourable to the related parties than those generally available to the public or unrelated third parties and are not to the detriment of the minority shareholders of the Company and the shareholders' mandate is subject to annual renewal and disclosure being made in the Annual Report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall continue to be in force until:

Ordinary Resolution 6

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which the authorisation is obtained, at which time it shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Companies Act 1965 ("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 of the Company in a general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorized to complete and to 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 transactions contemplated and/or authorized by this resolution."

7. Proposed Renewal of Authority to Buy-Back Its Own Shares by the Company

"THAT subject to the Companies Act 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the requirements of the Bursa Securities and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares of RM1.00 each in the Company's issued and paid-up capital through the Bursa Malaysia Securities Berhad ("Bursa Securities") at anytime and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:

Ordinary Resolution 7

- (i) the maximum number of ordinary shares which may be purchased and/or held by the Company shall be ten per centum (10%) of the issued and paid-up ordinary share capital of the Company for the time being ("RSB Shares");
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the RSB Shares shall not exceed the aggregate of the retained profits and share premium account RM42,182,000.00 and RM595,000.00 respectively of the Company, otherwise available for dividend for the time being, based on the latest Audited Financial Statements as at 31 December 2014;
- (iii) the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue to be in force until:
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (b) the expiration of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of the Bursa Securities or any other relevant authorities;
 - (iv) upon completion of the purchase(s) of the RSB Shares by the Company, the Directors of the Company be hereby authorised to deal with the RSB Shares in the following manner:
 - (a) to cancel the RSB Shares so purchased; or
 - (b) to retain the RSB Shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities and/or for cancellation subsequently; or
 - (c) to retain part of the RSB Shares so purchased as treasury shares and cancel the remainder; or
 - (d) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of RSB Shares."

Retention as Independent Director(s)

8. "THAT Mr Ding Ming Hea 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 AGM."
9. "THAT Mr Lee Chun Weng 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 AGM."
10. "THAT Dato' Paduka Mahmud bin Hj. Ali, be retained as Senior Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012, until the conclusion of the next AGM."
11. To transact any other business of which due notice shall have been given.

Ordinary Resolution 8

Ordinary Resolution 9

Ordinary Resolution 10

By Order of the Board

Tai Yit Chan (MAICSA 7009143)
Ong Tze-En (MAICSA 7026537)
Joint Company Secretaries

Penang, 29 May 2015

Notes:

1. A Member may appoint two (2) or more proxies to attend on the same occasion. A proxy may but need not be a Member and the provisions of Section 149(1)(b) of the Companies Act, 1965 ("the Act") shall not apply to the Company. If a Member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
2. Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he may appoint at least one (1) proxy in respect of each securities account he holds with ordinary shares of the Company standing to the credit of the said securities account.
3. 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 ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account its holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
5. To be valid, the proxy form must be deposited at the Company's Registered Office at Suite 16-1 (Penthouse Upper), Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Pulau Pinang at least forty eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.
6. In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on 19 June 2015 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy to attend and/or vote in his/her behalf.

Explanatory Notes on Special Business:

7. The proposed Ordinary Resolution 5 is for the purpose of granting a renewed general mandate ("General Mandate") empowering the Directors of the Company, pursuant to Section 132D of the Act to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting ("AGM") of the Company. As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the last AGM held on 29 May 2014 and which will lapse at the conclusion of the Twentieth AGM. The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.
8. The proposed Ordinary Resolution 6, if approved by shareholders, will authorise the Proposed Renewal of Shareholders' Mandate for RRPT of a revenue or trading nature and allow the Company and its subsidiaries to enter into RRPT of a revenue or trading nature as set out in Section 2.5 of the Circular to Shareholders dated 29 May 2015, with the related parties in the ordinary course of business which are necessary for the day-to-day operations based on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it 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 revoked/varied by resolution passed by the shareholders of the Company in general meeting, whichever is the earlier. Further information on the Proposed Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 29 May 2015.
9. The proposed Ordinary Resolution 7, if passed, will allow the Company to purchase its own share. The total number of shares purchased shall not exceed 10% of the issued and paid-up share capital of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.
10. The proposed Ordinary Resolutions 8, 9 and 10: retention of Independent Director(s)
 - (a) Ding Ming Hea
Mr Ding Ming Hea was appointed as an Independent Non-Executive Director on 4 December 2001 and has served the Company for more than 13 years as at the date of the notice of the Twentieth AGM. He has remained objective and independent in expressing his views during deliberation and decision-making of the Board and Board Committees. As he has met the independence guidelines as set out in Chapter 1 of the MMLR of Bursa Securities, the Board, therefore, considers Mr Ding Ming Hea to be independent and recommends for Mr Ding Ming Hea to remain as an Independent Non-Executive Director.
 - (b) Lee Chun Weng
Lee Chun Weng was appointed as an Independent Director on 17 June 2002 and has served the Company for more than 12 years as at the date of the notice of the Twentieth AGM. He has remained objective and independent in expressing his views during deliberation and decision-making of the Board and Board Committees. As he has met the independence guidelines as set out in Chapter 1 of the MMLR of Bursa Securities, the Board, therefore, considers Mr Lee Chun Weng to be independent and recommends for Mr Lee Chun Weng to remain as an Independent Non-Executive Director.
 - (c) Dato' Paduka Mahmud bin Hj. Ali
Dato' Paduka Mahmud bin Hj. Ali was appointed as a Senior Independent Non-Executive Director on 15 February 2005 and has served the Company for more than 10 years as at the date of the notice of the Twentieth AGM. He has remained objective and independent in expressing his views during deliberation and decision-making of the Board and Board Committees. As he has met the independence guidelines as set out in Chapter 1 of the MMLR of Bursa Securities, the Board, therefore, considers Dato' Paduka Mahmud bin Hj. Ali to be independent and recommends for Dato' Paduka Mahmud bin Hj. Ali to remain as a Senior Independent Non-Executive Director.