

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Second Annual General Meeting of Rapid Synergy Berhad will be held at Tekukur Room, Lower Level 1, Main Wing, Hotel Equatorial, 1, Jalan Bukit Jambul, Bayan Lepas, 11900 Penang on Thursday, 18 May 2017 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 2016 and the Reports of Directors and Auditors thereon.
- 2 To re-elect the following directors retiring pursuant to Article 133 of the Company's Constitution and who being eligible offer themselves for re-election:
 - (a) Mr Ding Ming Hea
 - (b) Ms Lee Chiew Hiang
- 3 To approve the payment of Directors' fees amounting to RM220,000.00 for the financial year ended 31 December 2016.
- 4 To approve the payment of Directors' fees and benefits up to RM270,000 for the period commencing 1 January 2017 through to the next Annual General Meeting of the Company.
- 5 To re-appoint Messrs KPMG PLT 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

Ordinary Resolution 5

As Special Business

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

6. SECTION 76 OF THE COMPANIES ACT, 2016

Ordinary Resolution 6

"THAT pursuant to Section 76 of the Companies Act, 2016 ("the Act") and subject always to the approval of all the relevant regulatory authorities, the Board of Directors of the Company be and is hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be 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 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 ("Bursa Securities") AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company 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."

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

Ordinary Resolution 7

"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 26 April 2017 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:

- (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 340(2) of the Companies Act 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) 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."

8. Retention as Independent Director(s)

Ordinary Resolution 8

Ordinary Resolution 9

"THAT the following Directors be retained as Independent Directors of the Company, in accordance with the Malaysian Code on Corporate Governance 2012 until the conclusion of the next Annual General Meeting:-

- (a) Mr Ding Ming Hea
- (b) Mr Lee Chun Weng

9. To transact any other business of which due notice shall have been given.

By Order of the Board

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

Penang, 26 April 2017

Notes:

1. A Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member of the Company. If a Member appoints more than one (1) proxy, 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"), it may appoint up to two (2) proxies in respect of each securities account it 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 members whose names appear on the Record of Depositors on 11 May 2017 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Explanatory Notes:

1. The proposed Resolution 4, if passed will facilitate the payment of the Directors' fees and benefits payable to the Directors for the period commencing 1 January 2017 through the next annual general meeting ("AGM"). Details of the Directors' fees and benefits payable to the Directors for the financial year ended 31 December 2016 are enumerated under the Corporate Governance Statement in the Annual Report 2016. The Directors' fees and benefits proposed for the period 1 January 2017 up to the next AGM are calculated based on the number of scheduled Board's and Board Committees' meetings. The Board will seek approval of the shareholders of the RSB at the next AGM in the event the Directors' fees and benefits proposed is insufficient due to an increase in the number of the Board's and Board Committees' meetings and/or increase in the Board size and/or revision to the existing Directors' fees structure.
2. The proposed Ordinary Resolution 6 is for the purpose of granting a renewed general mandate ("General Mandate") empowering the Directors of the Company, pursuant to Section 76 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 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 18 May 2016 and which will lapse at the conclusion of the Twenty-Second 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.
3. The proposed Ordinary Resolution 7, if approved by shareholders, will authorise the Proposed New and 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 26 April 2017, 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 that date it 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/varied by resolutions passed by the shareholders of the Company in general meeting; whichever is the earlier. Further information on the Proposed New and Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 26 April 2017.
4. The proposed Ordinary Resolutions 8 and 9, if passed, will retain Lee Chun Weng and Ding Ming Hea as Independent Non-Executive Directors of the Company to fulfil the requirements of Paragraph 3.04 of Bursa Securities' Main Market Listing Requirements and in line with the recommendation No. 3.2 of the Malaysian Code on Corporate Governance 2012. The detail of the Board's justification and recommendation for the retention of the Independent Directors are set out in the Corporate Governance Statement in the 2016 Annual Report.