



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Twenty-Fourth Annual General Meeting ("AGM") of RAPID SYNERGY BERHAD ("RSB" or the "Company") will be held at Murai II, Hotel Equatorial Penang, 1, Jalan Bukit Jambul, 11900 Bayan Lepas, Penang on Wednesday, 29 May 2019 at 3.30 pm to transact the following business:

### As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2018 and the Reports of Directors and Auditors thereon.
- To re-elect the following Directors retiring pursuant to Article 133 of the Company's Constitution (Articles of Association) and who being eligible, offer themselves for re-election:
  - Mr. Ding Ming Hea
  - Mr. Ching Nye Mi @ Chieng Ngie Chay
- To approve the payment of Directors' fees and benefits up to RM400,000 for the period commencing this AGM through to the next AGM of the Company in 2020.
- To re-appoint 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**

### As Special Business

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

- Authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot and issue shares**  
 "THAT subject always to the Companies Act 2016 ("the Act"), the Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company to such persons, at any time until the conclusion of the next Annual general Meeting ("AGM") 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 to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being."

**Ordinary Resolution 5**

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

**Ordinary Resolution 6**

"THAT, subject to the provisions of the Main Market 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 as set out in Part A of the Circular to Shareholders dated 30 April 2019 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:

- 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;
- 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
- 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."

#### Retention as Independent Director(s)

- THAT, contingent upon the passing of Ordinary Resolution 1, Mr. Ding Ming Hea be retained as Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next AGM.
- THAT Mr. Lee Chun Weng be retained as Independent Non-Executive Director of the Company, in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next AGM.

**Ordinary Resolution 7**

**Ordinary Resolution 8**

- Proposed adoption of New Constitution of the Company ("Proposed Adoption of New Constitution")**

**Special Resolution**

"THAT the Company's existing Constitution be deleted in its entirety with immediate effect and in place thereof, adopt the new Constitution of the Company as set out in Part B of the Circular to Shareholders dated 30 April 2019 AND THAT the Directors and Secretaries of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all things and take all such steps as may be considered necessary and/or expedient in order to give full effect to the Proposed Adoption of New Constitution."

- 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, 30 April 2019

### Notes:

- 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.
- 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.
- 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.
- 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.
- To be valid, the Form of Proxy must be deposited at the Company's Registered Office at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 23 May 2019 (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:

- The proposed Resolution 3, if passed, will facilitate the payment of the Directors' fees and benefits payable to the Directors for the period commencing this AGM through to the next AGM. Details of the Directors' fees and benefits payable to the Directors for the financial year ended 31 December 2018 are enumerated under the Corporate Governance Overview Statement in the Annual Report 2018 and the Corporate Governance Report.  
 The Directors' fees and benefits proposed for this AGM up to the next AGM of the Company in 2020 are calculated based on the number of days scheduled for Board and Board Committees' meetings. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of any additional Director, additional unscheduled Board and Board Committees' meeting days and/or for the formation of additional Board Committees.
- 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 Sections 75 and 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 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 2018 and which will lapse at the conclusion of the Twenty-Fourth 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.
- The proposed Ordinary Resolution 6, if approved by shareholders, will authorise the Proposed Renewal of Shareholders' Mandate and allow the Company and its subsidiaries to enter into RRPT of a revenue or trading nature as set out in Section 2.5, Part A of the Circular to Shareholders dated 30 April 2019, 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 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 Renewal of Shareholders' Mandate is set out in Part A of the Circular to Shareholders dated 30 April 2019.
- The proposed Ordinary Resolutions 7 and 8, if passed, will retain Mr. Ding Ming Hea and Mr. Lee Chun Weng 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 Practice 4.2 of the Malaysian Code on Corporate Governance issued by the Securities Commission on 26 April 2017. The detail of the Board's justifications and recommendations for the retention of the Independent Non-Executive Directors are set out in the Corporate Governance Overview Statement in the Annual Report 2018.
- The Special Resolution, if passed, will align the Company's Constitution with the Companies Act 2016 which came into force on 31 January 2017, the updated provision of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and prevailing statutory and regulatory requirements as well as to enhance administrative efficiency and to provide greater clarity. The details of the Proposed Adoption of New Constitution is set out in Part B of the Circular to Shareholders dated 30 April 2019.