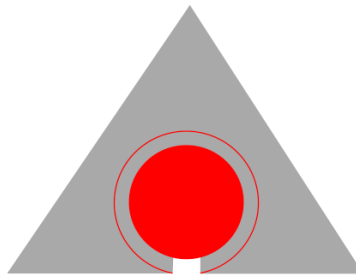


**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused this Circular prior to its issuance as it is an Exempt Circular pursuant to Practice Note 18 of Main Market Listing Requirements of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or due to your reliance upon the whole or any part of the contents of this Circular.



**A-RANK BERHAD**  
(200301031200 [633621-X])  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR  
THE COMPANY AND/OR ITS SUBSIDIARIES TO ENTER INTO  
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The ordinary resolution in respect of the above proposal will be tabled as Special Business at the forthcoming Annual General Meeting ("AGM") of A-Rank Berhad to be held at Ujong Pandang Room, Staffield Country Resort, Batu 13, Jalan Seremban-Kuala Lumpur (Country Road), 71700 Mantin, Negeri Sembilan Darul Khusus on Wednesday, 9 December 2020 at 10.00 a.m. or any adjournment thereof. The Notice of the AGM and the Proxy Form are enclosed in the 2020 Annual Report, which is despatched together with this Circular.

The completed Proxy Form must be lodged at the Company's Registered Office at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on or before the time and date indicated below should you be unable to attend the meeting. The lodging of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last day and time for lodging of Proxy Form : Monday, 7 December 2020 at 10.00 a.m.  
Date and time of AGM : Wednesday, 9 December 2020 at 10.00 a.m.

This Circular is dated 6 November 2020

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## DEFINITIONS

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Unless otherwise indicated, the following definitions shall apply throughout this Circular:

<b>2020 Annual Report</b>	:	Annual report of A-Rank for the financial year ended 31 July 2020
<b>Act</b>	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
<b>AGM</b>	:	Annual General Meeting
<b>A-Rank or the Company</b>	:	A-Rank Berhad (200301031200 [633621-X])
<b>A-Rank Group or Group</b>	:	A-Rank and its subsidiaries
<b>Board</b>	:	The Board of Directors of A-Rank
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (200301033577 [635998-W])
<b>CDL</b>	:	City Data Limited (1886291)
<b>Circular</b>	:	This Circular to Shareholders of A-Rank in relation to the Proposed RRPT Mandate dated 6 November 2020
<b>Director(s)</b>	:	A director as defined in Section 2(1) of the Capital Markets and Services Act, 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or a chief executive of A-Rank, its subsidiary or holding company
<b>Datuk Leow</b>	:	Datuk Leow Chong Howa
<b>FSHM</b>	:	Formosa Shyen Horng Metal Sdn Bhd (199701018803 [434300-K]), a wholly-owned subsidiary of A-Rank
<b>LBA</b>	:	LB Aluminium Berhad (198501006093 [138535-V])
<b>LBAS</b>	:	LB Aluminium (Sarawak) Sdn Bhd (200801009978 [811266-T]), a wholly-owned subsidiary of LBA
<b>LPD</b>	:	15 October 2020, being the latest practicable date prior to the printing of this Circular
<b>Major Shareholder</b>	:	Means a person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares is:  (a) 10% or more of the total number of voting shares in the Company; or  (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.  For the purpose of this definition, “interest in shares” has the meaning given in Section 8 of the Act and a Major Shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a Major Shareholder of the Company or any other corporation which is its subsidiary or holding company.
<b>MMLR</b>	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time

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**DEFINITIONS (CONT'D)**

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<b>Proposed RRPT Mandate</b>	:	The proposed renewal of the existing shareholders' mandate for A-Rank Group to enter into Recurrent Transactions as set out in Section 2.2 of this Circular
<b>Person Connected</b>	:	In relation to a Director or a Major Shareholder, means such person who falls under any one of the following categories: <ul style="list-style-type: none"><li>(a) a family member of the Director or Major Shareholder;</li><li>(b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder, is the sole beneficiary;</li><li>(c) a partner of the Director or Major Shareholder;</li><li>(d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;</li><li>(e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;</li><li>(f) a body corporate in which the Director or Major Shareholder and/or Persons Connected with him are entitled to exercise, or control the exercise of, not less than twenty percent (20%) of the votes attached to voting shares in the body corporate; or</li><li>(g) a body corporate which is a related corporation of the Director or Major Shareholder</li></ul>
<b>Recurrent Transaction(s) or RRPT(s)</b>	:	Transactions of a revenue or trading nature entered into by A-Rank Group which are recurrent, involve the interest, direct or indirect, of a Related Party(ies) and which are necessary for its day-to-day operations
<b>Related Parties</b>	:	Directors or Major Shareholders and/or Persons Connected with such Directors or Major Shareholders
<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively; the legal currency in Malaysia
<b>Share(s)</b>	:	Ordinary share(s) in A-Rank
<b>Shareholders</b>	:	Shareholders of A-Rank

All references to "you" in this Circular are referred to A-Rank's Shareholders.

In this Circular, words referring to the singular shall, where applicable, include the plural and *vice versa*, and words referring to the masculine gender shall, where applicable, include the feminine and/or neuter gender, and *vice versa*. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment or guidelines is a reference to that enactment or guidelines as for the time being amended or re-enacted or guidelines. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

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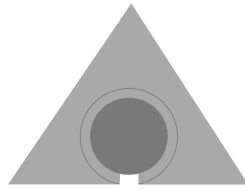
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**A-RANK BERHAD**  
(200301031200 [633621-X])  
(Incorporated in Malaysia)

**Registered Office**

Unit 30-01, Level 30, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

6 November 2020

**Board of Directors:**

Dato' Shahrir Bin Abdul Jalil

*(Independent Non-Executive Director - Chairman)*

Tan Wan Lay

*(Managing Director)*

Datuk Leow Chong Howa

*(Non-Independent Non-Executive Director)*

Tuan Haji Ahmed Azhar Bin Abdullah

*(Senior Independent Non-Executive Director)*

Dr Leong Chik Weng

*(Independent Non-Executive Director)*

Wong Tze Kai

*(Independent Non-Executive Director)*

Gan Choon Sun

*(Executive Director)*

Leow Vinzie

*(Non-Independent Non-Executive Director)*

To: The Shareholders of A-Rank

Dear Sir/Madam,

**PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR THE COMPANY AND/OR ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

---

**1. INTRODUCTION**

The Company had on 4 December 2019 at its AGM obtained the mandate from its shareholders for A-Rank Group to enter into Recurrent Transactions, which are necessary for the day-to-day operations of the Group. The existing shareholders' mandate shall lapse at the conclusion of the forthcoming AGM unless the renewal of the authority is obtained from the shareholders of the Company at the forthcoming AGM.

On 24 September 2020, the Board announced to Bursa Securities that the Company intends to seek its shareholders' approval for the Proposed RRPT Mandate at the forthcoming AGM.

The purpose of this Circular is to provide you with the relevant information of the Proposed RRPT Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM.

Shareholders are advised to read the contents of this Circular carefully before voting on the resolution pertaining to the Proposed RRPT Mandate to be tabled at the forthcoming AGM.

## 2. DETAILS OF THE PROPOSED RRPT MANDATE

Pursuant to Paragraph 10.09 of the MMLR, the Company may seek shareholders' mandate in respect of the RRPTs subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed in Paragraph 10.09(1) of the MMLR;
- (c) the Company's circular to shareholders for the shareholders' mandate includes the information set out in Annexure 12-A of Practice Note 12 of the MMLR;
- (d) in a meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or Person Connected with the interested Director or Major Shareholder, and where it involves the interest of an interested Person Connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution approving the transactions. The interested Director or interested Major Shareholder must ensure that Persons Connected with him abstain from voting on the resolution approving the transactions; and
- (e) the Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPT disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in the announcement.

The Board herein seeks the approval from the Shareholders for the Proposed RRPT Mandate that will allow the Group, in the normal course of business, to enter into the Recurrent Transactions referred to in Section 2.2 of this Circular with the Related Parties, provided that such transactions are made at arm's length, on the Group's normal commercial terms and transaction prices not more favourable to the Related Parties than those generally available to the public and which will not be detrimental to the minority shareholders of the Company.

### 2.1 Information on A-Rank Group

The principal activity of A-Rank is investment holding. The particulars of its subsidiaries and their principal activities as at LPD are as follows:

<b>Subsidiaries</b>	<b>Interest in equity</b>	<b>Principal activities</b>
FSHM	100.00%	Manufacturing and marketing of aluminium billets
Emerald Innovations Sdn Bhd (201701029063 [1243232-V])	100.00%	Property holding
Tambun Kekal Sdn Bhd ("TKSB") (202001000618 [1356937-V])	57.10%	Investment holding
<b><u>Subsidiary of TKSB</u></b>		
Konsep Juara Sdn Bhd (201401013598 [1089682W])	50.10%	Property developer

## 2.2 Classes of Related Parties and Nature of Recurrent Transactions

The Proposed RRPT Mandate will apply to the Recurrent Transactions by A-Rank Group with the following classes of Related Parties, details of which are as follows:

Subsidiary involved	Transacting parties	Nature of recurrent transactions	Previous estimated value <sup>(i)</sup>	Actual value transacted <sup>(i)</sup>	Estimated value <sup>(ii)</sup>	Interested Related Parties and Nature of Relationship
			RM'000	RM'000	RM'000	
FSHM	LBA	Sales and tolling services of aluminium billets from FSHM to LBA	150,000	62,597	150,000	1. Datuk Leow <sup>(iii)</sup> , a Director and Major Shareholder of A-Rank, is a Director and Major Shareholder of LBA.  2. CDL, a Major Shareholder of A-Rank is connected to Datuk Leow.  3. Leow Vinzie, a Director of A-Rank is the daughter of Datuk Leow.
FSHM	LBAS	Sales and tolling services of aluminium billets from FSHM to LBAS	22,000	8,007	22,000	

### Notes:

- (i) In respect of the preceding Circular to shareholders dated 1 November 2019. The actual value pertains to the amounts transacted from the date of the approval of the previous shareholders' mandate granted to the Company at the last AGM held on 4 December 2019 up to the LPD.
- (ii) It should be noted that the values are estimated, excluding government tax, may vary and are subject to changes. The validity period of the mandate is based on the timeframe from the forthcoming AGM to the next AGM.
- (iii) Deemed interested by virtue of his direct and indirect shareholdings (via his spouse, CDL and LBA) in A-Rank pursuant to Section 8 of the Act.

As at LPD, there was no deviation of 10% or more between the actual value transacted for the Recurrent Transactions from 4 December 2019 up to the LPD, and estimated value of Recurrent Transactions as disclosed in the Circular to shareholders dated 1 November 2019.

## 2.3 Sum(s) due and owing to A-Rank by Related Party(ies)

As at the financial year ended 31 July 2020, there is no amount owing by the Related Parties pursuant to the Recurrent Transactions that have exceeded the credit terms. Hence, there was no late payment charges imposed on the Related Parties.

## 2.4 Procedures engaged to determine transaction prices

The transaction prices, terms and conditions of the transactions are determined by market forces, under similar commercial terms for transactions with third parties which depend on the demand and supply of the products in the market and with no special treatment accorded to the Related Parties. Transactions entered into will be at prevailing market prices and/or taking into consideration the prevailing market conditions as well as *inter-alia*, pricing, quality of the products and/or services and the timing of delivery.

A-Rank Group has implemented procedures to ensure proper identification and reporting of Recurrent Transactions, and to ensure that the Recurrent Transactions are conducted on arms-length basis, on prices and terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of the Group.



The procedures are as follows:

- (a) A list of Related Parties has been circulated to the Directors and management of the Company and its subsidiaries to notify that all Recurrent Transactions are required to be undertaken at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public. The interested Directors and Major Shareholders are required to declare and disclose to the Board in a timely manner on transactions in which they are deemed interested;
- (b) Records pertaining to the RRPTs will be analysed and monitored by the management. The status of these RRPTs will be reported by management to the Audit Committee on a quarterly basis;
- (c) The management will ensure that transactions are made based on terms that are not more favourable to the Related Parties than those generally available to the public by considering the prevailing market prices, commercial terms of transactions with third parties, business practices, policies and terms which are generally acceptable in the industry norms, quality, quantity, delivery time and track record of past performance;
- (d) The Directors having interest in any RRPT shall abstain from the Board deliberations and shall ensure that the Major Shareholders and Persons Connected with them abstain from voting on the resolution approving the transactions;
- (e) At least two other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by related third parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities;
- (f) In the event that quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the authorised Directors and senior management who have no interest in the relevant RRPT based on the usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations to ensure that the RRPT is not detrimental to the Group;
- (g) The internal audit plan shall incorporate a review of all RRPT on an annual basis to ensure that all relevant approvals have been obtained and the review procedures in respect of such transactions are adhered to. Any divergence will be reported to the Audit Committee;
- (h) The Audit Committee will review all RRPTs to ensure that relevant approvals have been obtained and the review procedures in respect of RRPTs are adhered to. There are no thresholds for approval of RRPTs as all the transactions approved pursuant to shareholders' mandate obtained in the general meeting for RRPTs are monitored, reviewed and approved by authorised Directors and senior management who have no interest in the relevant RRPT;
- (i) The Audit Committee will report its findings to the Board for further action if any during the quarterly review, the Audit Committee is of the view that the guidelines and procedures are not sufficient to ensure that the RRPTs are carried on normal commercial terms and/or the RRPTs are deemed detrimental to the minority shareholders of the Company;
- (j) The Audit Committee/Board shall continue to review the procedures based on the internal audit report taking into consideration the effectiveness and sufficiency of the procedures; and
- (k) Disclosure shall be made in the annual report of the aggregate value of RRPTs conducted pursuant to the shareholders' mandate during the financial year.

## **2.5 Statement by the Audit Committee**

The Audit Committee of the Company has seen and reviewed the procedures mentioned in Section 2.4 above and is of the view that:

- (a) the terms of the procedures established are sufficient to ensure that the Recurrent Transactions:
  - (i) will be conducted at arm's length basis and on normal commercial terms and transaction prices and such transactions are not more favourable to the Related Parties than those generally available to the public, and
  - (ii) are not to the detriment of the minority shareholders; and
- (b) the Group has in place adequate procedures and processes to monitor, track and identify Recurrent Transactions in a timely and orderly manner, and such procedures and processes are reviewed on a quarterly basis or whenever the need arises.

## **2.6 Validity Tenure of Proposed RRPT Mandate**

The Proposed RRPT Mandate, if approved by the shareholders of A-Rank at the forthcoming AGM, will take effect from the date of the passing of the resolution proposed at the AGM and is subject to annual renewal. In this respect, the mandate arising therefrom will continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the forthcoming AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed;
- (b) 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 must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier.

## **2.7 Disclosure in Annual Report**

Disclosures will be made in the annual report of the Company of the breakdown of the aggregate value of Recurrent Transactions conducted pursuant to the shareholders' mandate during the financial year, based on the following information:

- (a) the types of Recurrent Transactions made; and
- (b) the names of the Related Parties involved in each type of the Recurrent Transactions made and their relationship with the Company.

## **3. RATIONALE FOR AND BENEFITS OF THE PROPOSED RRPT MANDATE**

The Recurrent Transactions entered or to be entered into by A-Rank Group with the Related Parties are in the ordinary course of business on normal commercial terms for the Group's day-to-day operations. These are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time. The above Recurrent Transactions will generate income and profitability to the Group which are necessary to facilitate the functions of the Group. Hence, they are of benefit to A-Rank Group.

The Recurrent Transactions are intended to meet the business needs of the Group at the best possible terms. By transacting with the Related Parties, the Group would have an advantage of familiarity with the background and management of the Related Parties. The Group and the Related Parties have close co-operation and a good understanding of each other's business needs thus providing a platform where all parties can enjoy synergistic benefits from conducting the Recurrent Transactions.

By obtaining the shareholders' approval for the Proposed RRPT Mandate on an annual basis, A-Rank Group can pursue business opportunities which are time-sensitive in nature, and will eliminate the need for the Company to make announcements and/or convene separate general meetings from time to time to seek shareholders' approval, as and when potential Recurrent Transactions arise, thereby reducing the administrative time, effort and expenses associated with the convening of such meetings. This will allow the human resources and time to be channeled towards attaining the corporate objectives and opportunities available to A-Rank Group.

#### 4. APPROVAL REQUIRED

The Proposed RRPT Mandate is subject to the approval of the shareholders of the Company at the forthcoming AGM to be convened. Save for the approval of shareholders of A-Rank, there are no other approvals required for the Proposed RRPT Mandate.

#### 5. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

The direct and indirect interests of the Directors and/or Major Shareholders and/or Persons Connected with them who are interested in the Proposed RRPT Mandate in the Company as at LPD are as follows:

	Direct		Indirect	
	No. of A-Rank Shares	%	No. of A-Rank Shares	%
<b>Interested Directors/Major Shareholders of A-Rank</b>				
Datuk Leow	31,500	0.02	46,638,887 <sup>(i)</sup>	27.42
CDL	44,507,387	26.17	-	-
Leow Vinzie	280,000	0.16	-	-
<b>Interested Persons Connected with the Directors/Major Shareholders of A-Rank</b>				
LBA	2,100,000	1.23	-	-
Datin Lim Siew Fah	31,500	0.02	-	-

**Notes:**

(i) Deemed interested through shares held by his spouse, CDL and LBA pursuant to Section 8 of the Act.

Datuk Leow is deemed interested in the Proposed RRPT Mandate by virtue of his interests and/or relationships with the Related Parties as disclosed in Section 2.2 of this Circular. Leow Vinzie is the daughter of Datuk Leow and hence, she is deemed interested in the Proposed RRPT Mandate.

The interested Directors, namely Datuk Leow and Leow Vinzie have abstained, and will continue to abstain from all Board deliberations and voting on the resolution pertaining to the Proposed RRPT Mandate.

The interested Directors, Datuk Leow and Leow Vinzie, and the interested Major Shareholders, namely Datuk Leow and CDL, and all Persons Connected with them will abstain from voting on the resolution, in respect of their direct and indirect shareholdings, approving the Proposed RRPT Mandate at the forthcoming AGM.

In addition, the aforesaid interested Directors and interested Major Shareholders have undertaken to ensure that the Persons Connected with them will also abstain from voting in respect of their direct and indirect shareholdings in the Company on the resolution approving the Proposed RRPT Mandate at the forthcoming AGM.

Save as disclosed above, none of the other Directors, Major Shareholders and/or Persons Connected with them has any interest, direct or indirect, in the Proposed RRPT Mandate.

## **6. DIRECTORS' STATEMENT AND RECOMMENDATION**

The Board (save for the interested Directors, namely Datuk Leow and Leow Vinzie, who have abstained and will continue to abstain from Board deliberations and voting in respect of the Proposed RRPT Mandate), having considered the Proposed RRPT Mandate, is of the opinion that the Proposed RRPT Mandate is in the best interest of the Group.

Accordingly, the Board (save for the interested Directors, namely Datuk Leow and Leow Vinzie) recommends that you vote in favour of the resolution pertaining to the Proposed RRPT Mandate to be tabled at the forthcoming AGM.

## **7. AGM**

The AGM will be held at Ujong Pandang Room, Staffield Country Resort, Batu 13, Jalan Seremban-Kuala Lumpur (Country Road), 71700 Mantin, Negeri Sembilan Darul Khusus on Wednesday, 9 December 2020 at 10.00 a.m., for the purpose of considering and, if thought fit, passing, *inter-alia*, the ordinary resolution to give effect to the Proposed RRPT Mandate as set out in the Notice of AGM in the 2020 Annual Report, which is dispatched together with this Circular.

If you are unable to attend and vote in person at the AGM, you are requested to complete, sign and return the Proxy Form in accordance with the instructions printed thereon to the Company's registered office at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time set for holding the AGM, or at any adjournment thereof.

The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

## **8. FURTHER INFORMATION**

Shareholders are advised to refer to the enclosed Appendices for further information.

Yours faithfully,  
for and on behalf of the Board of Directors of  
**A-RANK BERHAD**

**DATO' SHAHRIR BIN ABDUL JALIL**  
Independent Non-Executive Director – Chairman

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## **APPENDIX I - FURTHER INFORMATION**

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### **1. RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information given. The Board hereby confirms that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements contained in this Circular, or other material facts the omission of which would make any information herein false or misleading.

### **2. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at the LPD, the A-Rank Group is not engaged in any material litigation, claim or arbitration either as plaintiff or defendant, or any material claims against the Group, which have a material effect on the business or financial position of the Group and the Directors of A-Rank do not have any knowledge of proceedings pending or threatened against A-Rank Group, or any fact likely to give rise to any proceeding which might materially and adversely affect the financial position or business of A-Rank Group.

### **3. MATERIAL CONTRACTS**

Save as disclosed below, neither the Company nor its subsidiaries have as at the LPD, entered into any material contracts (not being contracts entered into in the ordinary course of business) within the two (2) years preceding the date of this Circular:

- (i) Emerald Innovations Sdn Bhd, a wholly-owned subsidiary of A-Rank, had on 27 February 2019 entered into a Sale and Purchase Agreement with Koperasi NLFCS Berhad for the acquisition of the property held under Title H.S (D) 184636, PT 47408, Mukim Semenyih, Daerah Ulu Langat, Selangor Darul Ehsan for a total cash consideration of Ringgit Malaysia: Eight Million Nine Hundred and Thirty Seven Thousand (RM8,937,000) only which had been completed on 10 May 2019; and
- (ii) Tambun Kekal Sdn Bhd (“TKSB”), a 57.1%-owned subsidiary of A-Rank, had on 6 February 2020 entered into a Shares Sale and Purchase Agreement with Idaman Sejiwa Development Sdn Bhd to acquire 1,002,000 existing ordinary shares representing 50.1% of equity interest in Konsep Juara Sdn Bhd (“KJSB”) for a cash consideration of Ringgit Malaysia One Million Two Thousand (RM1,002,000) only. Following the completion of the acquisition on 13 February 2020, KJSB became a 50.1%-owned subsidiary of TKS B and an indirect subsidiary of the Company.

### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection from the date of this Circular up to and including the date of the AGM during normal business hours at the registered office of A-Rank at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur:

- (i) the Constitution of A-Rank;
- (ii) the audited consolidated financial statements of A-Rank Group for the past two (2) financial years ended 31 July 2019 and 31 July 2020;
- (iii) Sale and Purchase Agreement dated 27 February 2019 between Emerald Innovations Sdn Bhd and Koperasi NLFCS Berhad; and
- (iv) Shares Sale and Purchase Agreement dated 6 February 2020 between Tambun Kekal Sdn Bhd and Idaman Sejiwa Development Sdn Bhd.



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## **APPENDIX II - EXTRACT OF RESOLUTION ON THE PROPOSED RRPT MANDATE**

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### **ORDINARY RESOLUTION**

**(Resolution 13)**

#### **PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR THE COMPANY AND/OR ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"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 its subsidiaries ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.2 of the Circular to Shareholders dated 6 November 2020, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "Proposed RRPT Mandate").

THAT the Proposed RRPT Mandate shall only continue to be in full force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed;
- (b) 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 Companies Act 2016 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed RRPT Mandate."