

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

SUMMARY OF KEY MATTERS DISCUSSED AT THE ANNUAL GENERAL MEETING OF THE COMPANY HELD ON WEDNESDAY, 9 DECEMBER 2020 AT 10.00 A.M.

1. Are there any labour issues between the employees and the Company?

The Company's response:

The Company has about 200 workers, of which only 30% are foreigners. There are no labour issues in the Company.

2. What keeps the Chief Executive Officer of the Company awake after working hours?

The Company's response:

During the two (2) months of Movement Control Order (“**MCO**”) due to the COVID-19 pandemic, the Company had to reschedule the delivery of aluminium products with its overseas customers and defer the shipment of raw materials from suppliers.

3. What is the impact of the trade war on the Company?

The Company's response:

The trade war between the United States of America and China will not have any impact on the Company because the Company does not have any aluminium-related business with companies in these two countries.

As for raw materials, about 70% to 80% of the aluminium is imported from the Middle East countries. The rest of the supplies come from within Malaysia.

On the business perspective, 60% of the Company's revenue comes from the local market. The remaining 40% comes from the export market, mainly from countries in the Africa, South-east Asia and South Asia.

4. What is the impact of COVID-19 on the Company?

The Company's response:

The Company had to cease production and business during the MCO. As a result, we registered a drop in sales of RM60 million. The total revenue also decreased from the preceding year.

There was also delay in collection from local customers for about 20 to 60 days. After the MCO, we initiated a credit plan with our customers, whereby we provided cash back to customers who settled their invoices earlier.

5. What are the Company' strategies in the next twelve (12) months?

The Company's response:

We intend to strengthen our overall market position, which currently commands 60% of the local market share and 40% overseas market share.

The Company also plans to improve production efficiency by upgrading the plant and machines, besides taking steps to reduce the overall cost of sales for the next 12 months.

6. What is the current trend for raw materials?

The Company's response:

The price of aluminium is expected to be traded in the range of USD1,800-USD2,000 per metric tonne in 2021.

As far as the Company is concerned, we will purchase back the raw materials at the same price as agreed with our customers.

7. What is the Company's business outlook?

The Company's response:

The sales and production of the Company have resumed to the pre-MCO level. Hence, we strongly believe that we will perform better next year.