

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

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

Bursa Malaysia Securities Berhad (“**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 in reliance upon the whole or any part of the contents of this Circular.

Shareholders of ATTA Global Group Berhad (“**ATTA**” or “**Company**”) should rely on their own assessment of the merits and risks of the Proposed Diversification (as defined herein).



**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE**

**PROPOSED DIVERSIFICATION OF THE BUSINESS OF ATTA AND ITS  
SUBSIDIARIES INTO PROPERTY DEVELOPMENT, CONSTRUCTION AND  
PROPERTY INVESTMENT SECTORS**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Adviser*



The Notice of the Extraordinary General Meeting (“**EGM**”) together with the Form of Proxy are enclosed in this Circular.

If you decide to appoint a proxy or proxies for the EGM, you must complete and lodge the Form of Proxy for the EGM at the registered office of the Company at No. 55A Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan on or before the date and time indicated below or at any adjournment thereof. The lodging of the Form of Proxy for the EGM will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

Last date and time for lodging the Form of Proxy : Sunday, 11 March 2018 at 11.00 a.m., or at any adjournment thereof

Date and time of the EGM : Tuesday, 13 March 2018 at 11.00 a.m., or at any adjournment thereof

Venue of the EGM : ATTA Global Group Berhad, Main Meeting Room, No. 2521, Tingkat Perusahaan 6, Prai Industrial Estate, 13600 Prai, Pulau Pinang

This Circular is dated 26 February 2018

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## DEFINITIONS

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Except where the context otherwise requires, the following words and abbreviations shall apply throughout this Circular and shall have the following meanings:

Act	:	Companies Act 2016, as amended from time to time including any re-enactment thereof
Adviser or PIVB	:	Public Investment Bank Berhad ( <i>20027-W</i> )
ATTA or Company	:	ATTA Global Group Berhad ( <i>79082-V</i> )
ATTA Group or Group	:	ATTA and its subsidiaries, collectively
ATTA Share(s) or Share(s)	:	Ordinary share(s) in ATTA
Board	:	Board of Directors of ATTA
Bursa Securities	:	Bursa Malaysia Securities Berhad ( <i>635998-W</i> )
Circular	:	This circular to shareholders of ATTA dated 26 February 2018 in relation to the Proposed Diversification
Director(s)	:	All directors of the Group within the same meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act, 2007
EGM	:	Extraordinary general meeting
EPS	:	Earnings per share
FPE(s)	:	Financial period(s) ended/ending
FYE(s)	:	Financial year(s) ended/ending
Land	:	The parcel of freehold land held under Title No. Geran Mukim 3416, Lot 71113, Sg. Nibong, Mukim 12, Daerah Barat Daya, Pulau Pinang, measuring approximately 2,918 sq. m. in area
LAT	:	Loss after tax
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, as may be amended from time to time
LPD	:	19 February 2018, being the latest practicable date prior to the date of this Circular
NA	:	Net assets
PAT	:	Profit after tax
Property Development Project	:	The mixed development project on the Land which consists of a block of 23-storey building comprising of the following: <ul style="list-style-type: none"><li>(i) 62 units of condominium at level 10-23;</li><li>(ii) 38 units of office at level 8-23;</li><li>(iii) public facilities at level 7; and</li><li>(iv) six (6)-storey car park podium at level 1-6 together with one (1) storey basement.</li></ul>
Property Investment Project	:	The purchase of ten (10) Property Units and to be held by the Group for long term investment

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**DEFINITIONS (Cont'd)**

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Property Projects	:	The Property Development Project and Property Investment Project, collectively
Property Sector	:	Being property development, construction and property investment sectors
Property Unit(s)	:	Ten (10) units of double storey bungalow
Proposed Diversification	:	Proposed diversification of the business of the Group into Property Sector
RM and sen	:	Ringgit Malaysia and sen, respectively
Sq. ft.	:	Square feet
Sq. m.	:	Square metre
TGDSB	:	Tetap Gembira Development Sdn Bhd (1038417-P)

Words denoting the singular shall, where applicable, include the plural and *vice versa*. Words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and *vice versa*. Any reference to persons shall include a corporation, unless otherwise specified.

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

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**Registered Office:**  
No. 55A Medan Ipoh 1A  
Medan Ipoh Bistari  
31400 Ipoh  
Perak Darul Ridzuan

26 February 2018

**Board of Directors**

Ooi Chieng Sim (*Executive Chairman*)  
Ng Chin Nam (*Executive Director*)  
Chow Choon Hoong (*Executive Director*)  
Sudesh A/L K. V. Sankaran (*Independent Non-Executive Director*)  
Dato' Dennis Chuah (*Independent Non-Executive Director*)  
Loh Yee Sing (*Independent Non-Executive Director*)

**To: The shareholders of ATTA**

Dear Sir/Madam,

**PROPOSED DIVERSIFICATION OF THE BUSINESS OF ATTA GROUP INTO PROPERTY DEVELOPMENT, CONSTRUCTION AND PROPERTY INVESTMENT SECTORS**

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**1. INTRODUCTION**

On 19 January 2018, PIVB on behalf of the Board, had announced that the Group proposes to undertake a proposed diversification of its business into property development, construction and property investment sectors.

Pursuant to Paragraph 10.13(1) of the Listing Requirements, a listed issuer must obtain its shareholders' approval at a general meeting for any transaction or business arrangement which might reasonably be expected to result in either:

- (a) the diversion of 25% or more of the NA of the listed issuer to an operation which differs widely from those operations previously carried on by the listed issuer; or
- (b) the contribution from such an operation of 25% or more of the net profits of the listed issuer.

Further details pertaining to the Proposed Diversification are set out in the ensuing sections of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED DIVERSIFICATION AND TO SEEK YOUR APPROVALS FOR THE RESOLUTION PERTAINING TO THE PROPOSED DIVERSIFICATION TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY. THE NOTICE OF THE EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**SHAREHOLDERS OF ATTA ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED DIVERSIFICATION AT THE FORTHCOMING EGM OF THE COMPANY.**

## 2. DETAILS OF THE PROPOSED DIVERSIFICATION

On 16 February 2017 and 30 June 2017, the Board announced that the Company had entered into an undertaking to subscribe for 1,237,500 ordinary shares in TGDSB (“**TGDSB Share(s)**”) (“**Subscription**”) at a subscription price of RM1.00 per TGDSB Share for a total consideration of RM1,237,500 and to pay RM4,950,000 as borrowings/advances from ATTA to TGDSB. The total sum of RM6,187,500 has been utilised to settle the amount owing to Malayan Banking Berhad on behalf of TGDSB. The Subscription is not subject to the approval of shareholders of ATTA. The Subscription has been completed on 13 December 2017 and the Company subsequently holds 55% equity interest in TGDSB. TGDSB is the legal beneficial owner of the Land and intends to undertake the Property Development Project on the Land.

Subsequent thereto, on 9 January 2018, the Board had announced that Park Avenue Construction Sdn Bhd and Progerex Sdn Bhd, wholly-owned subsidiaries of the Company, had purchased ten (10) Property Units for a total cash consideration of RM10.00 million. The Property Units are intended to be held by the Group as a long term investment. The purchased of the Property Units is not subject to the approval of shareholders of ATTA.

The Property Projects are expected to contribute 25% or more of the net profits of the Group. As such, the Board proposes to seek the prior approval from the shareholders of the Company at an EGM to be convened for the Proposed Diversification pursuant to Paragraph 10.13 of the Listing Requirements.

Notwithstanding the Proposed Diversification, the Board intends to continue with the Group’s existing business in the same manner.

### 2.1 Details of the Property Development Project

The Property Development Project is located at the southern of George Town City Centre, known as Bukit Kecil, Sungai Nibong, and is situated along Jalan Sultan Azlan Shah. It is approximately two (2) kilometres to north of Bayan Baru town centre and ten (10) kilometres to the south of George Town city centre. The subject property is also located about six (6) kilometres of Penang International Airport and five (5) kilometres to the south-west of Penang Bridge. The second Penang Bridge known as Sultan Abdul Halim Muadzam Shah Bridge is located about eight (8) kilometres to the south.

The subject site forms part of Sungai Nibong area hosting a vast array of residences and commercial such as detached houses, semi-detached, terraced, town houses, condominiums, medium-cost apartments, low cost flats, hotels, shop offices and shopping complexes. SMK Sungai Nibong, SJK (C) Shin Chung, SJK (C) Kuang Hwa and Sungai Nibong police station are located in the vicinity.

As at the LPD, the details of the Property Development Project and the Land are set out below:

Postal address	:	Lot 71113, Sg. Nibong, Mukim 12, Daerah Barat Daya, Pulau Pinang
Title no.	:	Geran Mukim 3416
Land tenure	:	Freehold
Category of Land use	:	Nil
Restriction of interest	:	Nil
Land size	:	2,918 sq. m.
Existing usage of the Land	:	Vacant
Proposed usage of the Property Development Project	:	For sale to public and/or rent out to third (3 <sup>rd</sup> ) party tenants, the proportion of which has yet to be decided by the Board

Gross build-up area	:	Office - approximately 84 – 158 sq. m. per unit Condominium - approximately 70 – 112 sq. m. per unit
Sources of funds for development	:	Internally generated funds, monthly progress sale billings from the Property Development Project and/or bank borrowings. The actual proportion of the sources of funds for development could not be determined yet at this juncture.
Stage of completion	:	The development has yet to commence.
Approvals obtained	:	TGDSB had obtained the planning approval from Majlis Bandaraya Pulau Pinang on 20 September 2016. Further extension from 20 September 2017 to 19 September 2018 has been granted by Majlis Bandaraya Pulau Pinang via its letter dated 23 August 2017.  The building plan approval has been granted by Majlis Bandaraya Pulau Pinang via its letter dated 19 September 2017 which will expire on 18 September 2018.
Encumbrances	:	Nil

The Property Development Project is a mixed development project consists of a block of 23-storey building comprising the following:

- (i) 62 units of condominium at level 10-23;
- (ii) 38 units of office at level 8-23;
- (iii) public facilities at level 7; and
- (iv) six (6)-storey car park podium at level 1-6 together with one (1) storey basement.

The estimated gross development value (“**GDV**”) and gross development cost (“**GDC**”) for the Property Development Project are approximately RM72.30 million and RM55.80 million, respectively. The estimated profit before tax of the Property Development Project is approximately RM16.50 million. The estimated GDV and GDC are indicative values based on the building plan approval and are arrived at after taking into consideration the transacted selling prices of other sale comparables in the locality and the comparison of industry average costs and expenses for mixed development projects. The estimated GDV and GDC may vary accordingly to include, amongst others, the variation to the number of units, car parks, other facilities, pricing and timing of development eventually launched, demand, construction costs and the then prevailing market conditions.

The above plan, including the specifications of the development components or the Group’s plans to sell or rent out the components, may be subject to changes by regulatory requirements or the management of the Company due to various factors, amongst others, changes in market and economic conditions and changes in feasibility of the Property Development Project. The Property Development Project is expected to commence by first (1st) half of 2018 and to be completed by first (1st) half of 2021 with a development period of 36 months.

### **2.1.1 Information of TGDSB**

TGDSB was incorporated in Malaysia on 14 March 2013 as a private company limited by shares under the Companies Act, 1965. The principal activity of TGDSB is that of property development.

Based on the latest audited financial results for the FYE 31 December 2016, TGDSB registered a net liability of approximately RM0.38 million and a LAT of approximately RM0.58 million.

The issued share capital of TGDSB is RM2,237,500 comprising 2,237,500 TGDSB Shares. As at the LPD, the directors of TGDSB are Ooi Chieng Sim, Ng Chin Nam, Leong Ka Hon and Law Bee Jing. The details of the shareholders of TGDSB are as below:

Shareholders	Direct		Indirect	
	No. of TGDSB Shares	%	No. of TGDSB Shares	%
ATTA	1,237,500	55	-	-
Leong Ka Hon	500,000	22	-	-
Law Bee Jing	460,000	21	-	-
Andrew Elvis Simon	40,000	2	-	-
<b>Total</b>	<b>2,237,500</b>	<b>100</b>	-	-

### 2.1.2 Key management team

Ir. Chow Choon Hong (“**Ir. Chow**”) was appointed as an Executive Director of the Group on 29 June 2015. Ir. Chow will spearhead the Property Sectors activities of the Group, including the planning and supervising of the Property Development Project, the Property Investment Project and any other construction projects in the future.

Ir. Chow graduated with a Bachelor of Science Degree in Civil Engineering and specialized in Structural and Transportation Engineering. He served as a civil engineer in Tokyu Construction Sdn Bhd from year 1992 to 1993. Then, he served as an assistant resident engineer in a property development arm under Wing Tai Malaysia Berhad (*formerly known as DNP Holdings Berhad*) from year 1993 to 1994. After that, he worked as a project coordinator and structural detailed design engineer in Sepakat Setia Perunding Sdn Bhd in year 1994 until 1997. Thereafter, he worked as a project manager of MUI Properties Sdn Bhd from year 1997 to 1998. Ir. Chow joined Duro Metal Industrial (M) Sdn Bhd (“**DMI**”) a wholly-owned subsidiary company of ATTA in year 1999 and was appointed as Director of DMI on 2012. Presently, he is also an Executive Director of ATTA.

As at the LPD, Ir. Chow is the only personnel overseeing the Property Development Project. Upon successful implementation of the Proposed Diversification and taking into consideration the economies of scale and the cost management strategy, the Group may plan to establish an internal team with experience in amongst others, engineering, project management and marketing to manage the Group’s future Property Sector activities. The size and structure as well as the future recruitment process of the internal team have yet to be determined at this juncture, depending on the possibility of securing new projects in the future as well as the availability of qualified and suitable candidates.

Prior to the establishment of the internal team, the Group will leverage on the expertise of Mr. Chow and project management company to manage the Property Development Project. As at the LPD, the Group had appointed Prego Elite Management (*Business Reg. no.: PG0418676-H*) (“**Prego**”) as the project manager for the Property Development Project.

Prego will be responsible for, amongst others, assisting the Group in assembling the necessary team of external consultants, finalising the architectural concept, obtaining the necessary approvals and supervising other external consultants.

Prego is a property project management consultancy firm founded by Ms. Tiew Lee Yin (“**Ms. Tiew**”). Ms Tiew, age 31, graduated from University Malaysia Pahang with a Bachelor of Civil Engineering. She has over six (6) years of experience in civil and structure engineering in the development of factory, landed and high-rise residential, commercial development, mixed development, hotel and renovation works.



Ms. Tiew began her career in 2011 as a design engineer in a consultancy firm. She was mainly responsible for structure and infrastructure design of factory and residential projects. She was also responsible to liaise with local authorities in obtaining the necessary approvals for the development. Subsequently, she incorporated Prego in 2017. She had in the past, been involved in the following projects:

Project	Role	Year	Developer	Approximate project value (RM million)	Status
One (1) block of 27-storey building consists of 71 units of medium cost apartment and 21 units of shop lot/office at Bandar Jelutong, Pulau Pinang	Project director	2013	Tauplene Development Sdn Bhd	20.00	Completed
18 units of single storey semi-detached factory together with three (3) storey office and 2 units of single storey detached factory together with three (3) storey office at Daerah Seberang Perai Tengah, Pulau Pinang	Project director	2015	Chin Mah Development Sdn Bhd	20.00	On-going
Six (6) units of four (4) storey semi-detached shop lot and one (1) unit of double storey office at Daerah Seberang Perai Tengah, Pulau Pinang	Project director	2016	Alpha Surfers Sdn Bhd	9.00	On-going

The appointment of Prego has been carefully deliberated by the Group after taking into consideration the following:

- (i) the experience and expertise of Ms. Tiew, who had experience in managing the development of high rise building which is similar to the Property Development Project; and
- (ii) the competitive fee structure provided by Prego.

### 2.1.3 Future financial commitments of the Property Development Project

The details of the future financial commitments based on the shareholding proportions of ATTA and the minority shareholders in TGDSB are set out below:

	ATTA Group Up to RM	Minority shareholders of TGDSB Up to RM	Total Up to RM
Financial assistance via shareholders' advances and/or corporate guarantee for development costs and working capital requirements of TGDSB	12,100,000	9,900,000	22,000,000
<b>Shareholding Proportions (%)</b>	<b>55</b>	<b>45</b>	<b>100</b>

The financial commitments were arrived at between the shareholders of TGDSB based on the mutually agreed shareholding proportions after taking into consideration the following:

- (i) the estimated gross development costs and expenses to be incurred in relation to the Proposed Development Project;

- (ii) the funding requirements of the Property Development Project, after netting off the estimated funds to be derived from the monthly progress sales billings and the bank borrowings to be secured by TGDSB; and
- (iii) the working capital requirements of the Property Development Project.

ATTA intends to finance its portion of the financial commitment through internally generated funds and/or external bank borrowings, the proportion of which has yet to be determined by the Board as at the LPD.

## **2.2 Details of the Property Investment Projects**

The Property Units are part of an ongoing housing development known as Taman Pinggiran Bukit Minyak (98 Residence Bukit Minyak) situated at Daerah Seberang Perai Tengah, Pulau Pinang. It is strategically located along eastern side of Leburaya Utara Selatan, with its freehold status and is easily accessible via Lebuhraya Utara Selatan, exit of Juru. The Property Units are also located in between the Penang Bridge at the north and Sultan Abdul Halim Muadzam Shah Bridge (Second Penang Bridge) at the south, which provides alternative access to the island of Pulau Pinang.

The immediate locality of the Property Units is generally residential areas. There are various facilities within the locality, including Kolej Vokasional Seberang Perai and AEON Big Bukit Minyak shopping mall. Prominent landmarks in the larger neighbourhood include Auto-City. Auto-City is one of the modern tourist destinations of the state of Pulau Pinang. It is a one-stop complex for commercial hub, food and beverage outlets and houses various brands of automobiles. It also serves as outdoor event venue for concerts, road shows, carnivals and exhibitions.

As the Group's maiden venture into the property investment industry, the Board had considered various types of property to be invested prior to the investment in the Property Units. The investment in the Property Units has been deliberated by the Board after taking into consideration the following:

- (i) the Group is able to negotiate at a lower purchase price for the bulk purchase of the Property Units at RM1.00 million per unit as compared to the approved selling price by "Jabatan Perumahan Negara" which is ranging from RM1.50 million to RM2.63 million per unit;
- (ii) the Property Units are a residential project which have lower risk as compared to other types of property coupled with lower purchase price obtained by the Group; and
- (iii) the strategic location of the Property Units.

The Group intends to hold the Property Units as a long term investment, for the purpose of securing recurrent rental income and capital appreciation. As at the LPD, the development stage of completion of the Property Units is approximately 80%. Upon the completion of the Property Units, the Company plans to rent out the Property Units.

In the future, the Group may realise the value of its investment by selling the Property Units depending on the property market performance in the area. Please refer to **Appendix I** of this Circular for further information of the Property Units.

Save for the aggregate purchase consideration of RM10.00 million, the Board does not expect to incur any additional material financial commitment for the Property Investment Project currently.

## **2.3 Details of the construction project**

As at the LPD, the Board has yet to identify any suitable and viable construction project.

In future, when the Group has achieved economies of scale and has sufficient property development projects, the Group will undertake the construction activities of its own property development projects. In addition, the Board will also actively explore external potential construction projects which are complimentary to the Group's business in the future.

### 3. RATIONALE FOR THE PROPOSED DIVERSIFICATION

ATTA, along with its subsidiaries, are principally involved in the following businesses:

- (i) metal recycling (processing of scrap metals), and shredding, processing and manufacturing of steel roofing, steel furniture, cable support system and other metal related products (“**Manufacturing**”);
- (ii) trading of metal related products (“**Trading**”); and
- (iii) other businesses, including letting of industrial and commercial assets and provision of management consultancy (“**Others**”).

Note:

\* The metal recycling business is only categorised under the Manufacturing segment commencing from the FYE 31 March 2017.

The following table outlines the historical financial performance of the Group based on its audited consolidated financial statements for the past three (3) FYEs 2015 to 2017:

	Audited FYE 31 March			Unaudited six (6)-month FPE 30 September 2017 RM'000
	2015 RM'000	2016 RM'000	2017 RM'000	
<b>Revenue:</b>				
<i>Manufacturing</i>	73,379	80,157	119,824	77,752
<i>Trading</i>	65,468	39,504	5,770	1,635
<i>Others</i>	2,363	2,399	2,334	1,149
Total revenue	141,210	122,060	127,928	80,536
PBT/(LBT)	3,997	(1,747)	18,857	2,463
Taxation	2	(686)	(832)	(284)
<b>PAT/(LAT):</b>				
<i>Manufacturing</i>	1,082	764	3,260	2,612
<i>Trading</i>	1,105	(2,322)	8,992	(96)
<i>Others</i>	3,254	932	10,694	2,821
<i>Elimination</i>	(1,443)	(1,807)	(4,921)	(3,158)
Total PAT/(LAT)	3,999	(2,433)	18,025	2,179

#### **Audited FYE 31 March 2015**

The Group generated revenue of approximately RM141.21 million, which represented a decrease of approximately RM2.39 million or 1.66% as compared to the revenue generated for the preceding FYE of approximately RM143.60 million. The decrease in revenue was mainly attributable to market slowdown in steel sector and volatility in steel prices due to the influx of low-priced steel products from China, which in turn had affected the traded scrap prices.

The Group recorded PAT of approximately RM4.00 million, which represented an increase of approximately RM1.01 million or 33.78% as compared to the PAT recorded for the preceding FYE of approximately RM2.99 million. The increase in PAT was mainly attributable to the over provision of tax in the previous financial year.

### **Audited FYE 31 March 2016**

*The Group generated revenue of approximately RM122.06 million, which represented a decrease of approximately RM19.15 million or 13.56% as compared to the revenue generated for the preceding FYE of approximately RM141.21 million. This was mainly attributable to the decrease in revenue from metal recycling business. The revenue from metal recycling business had decreased from approximately RM57.45 million to approximately RM36.89 million by approximately 35.79% due to significant drop in the traded scrap prices during the financial year. The traded scrap prices continue to be affected by the oversupply of steel products from China at low pricing.*

*The Group incurred LAT of approximately RM2.43 million as compared to the PAT recorded for the preceding FYE of approximately RM4.00 million. The LAT was mainly attributable to the decrease in revenue and margin deterioration as a result of the significant drop in the traded scrap prices.*

### **Audited FYE 31 March 2017**

*The Group generated revenue of approximately RM127.93 million, which represented an increase of approximately RM5.87 million or 4.81% as compared to the revenue generated for the preceding FYE of approximately RM122.06 million. This was mainly attributable to the increase in revenue from the metal recycling business. The revenue from the metal recycling business had increased from approximately RM36.89 million to approximately RM68.35 million by approximately 85.28% due primarily to the increase in the scale of the Group's metal recycling division couple with the recovery of the traded scrap prices along with steel prices following the implementation of certain trade measures by the government, including imposing certain duties, to protect the local steel industry from price dumping by other low cost producing countries.*

*The Group recorded PAT of approximately RM18.03 million as compared to the LAT incurred for the preceding FYE of approximately RM2.43 million. The turnaround financial performance was mainly attributable to the increase in revenue and the margin improvement as a result of the recovered traded scrap prices. In addition, the Group had recorded a fair value gain on investment property of approximately RM6.87 million arising from revaluation of the property and gain on disposal of other investments amounting to approximately RM6.50 million.*

### **Unaudited six (6)-month FPE 30 September 2017**

*The Group generated revenue of approximately RM80.54 million, which represented an increase of approximately RM27.96 million or 53.18% as compared to the revenue generated for the preceding year corresponding FPE of approximately RM52.58 million. This was mainly attributable to the increase in revenue from the metal recycling business. The revenue from the metal recycling business had increased from approximately RM19.79 million to approximately RM46.69 million by approximately 135.93% due primarily to higher market demand couple with the increase in the scale of the Group's metal recycling division.*

*The Group recorded PAT of approximately RM2.18 million, which represented a decrease of approximately RM0.33 million or 13.15% as compared to PAT recorded for the preceding year corresponding FPE of approximately RM2.51 million due to the Group had recorded a gain on disposal of other investments of approximately RM3.50 million in the preceding corresponding FPE.*

The financial performance of the Group is dependent on the steel price to a certain extent. The volatility in the steel price could have a material adverse impact on the financial performance of the Group. To mitigate such business risk, the Board has identified Property Sector as a new business segments for the Group to venture into and as another source of revenue for the Group in addition to its existing core business of metal recycling (processing of scrap metals) and processing, manufacturing and trading of metal related products. The expansion of the Group's business into Property Sector is part of the Group's long term strategy of diversifying into other industries with growth prospects, after having considered the potential profits derived from the Property Projects and future earnings contribution to the Group.

The venture into Property Sector is expected to provide the financial platform for the Group's future growth and contribute positively to the Group's future earnings, supported by the revenue contribution from the Property Projects. The additional revenue contribution from the Group's Property Sector in the future will provide the Company an additional source of earnings which is expected to enhance the Company's profitability and reduce the business risk of the sole dependency on its existing business.

#### **4. EFFECTS OF THE PROPOSED DIVERSIFICATION**

The effects of the Proposed Diversification are set out below:

##### **4.1 Issued share capital and substantial shareholders' shareholdings**

The Proposed Diversification will not have any effect on the issued share capital and substantial shareholders' shareholdings of the Company as it does not involve any issuance of new shares by the Company.

##### **4.2 Earnings and EPS**

The Proposed Diversification is not expected to have any material impact on the consolidated earnings and EPS of the Group for the FYE 31 March 2018.

Barring any unforeseen circumstances, the Board expects that the Proposed Diversification will contribute positively to the future earnings of the Group as and when the Property Projects are being developed/sold.

##### **4.3 NA and gearing**

The Proposed Diversification is not expected to have any material impact on the NA and gearing of the Group for the FYE 31 March 2018. However, the profit contribution arising from the Property Projects is expected to have a positive impact on the future NA of the Group and the future gearing of the Group will depend on, amongst others, the manner of funding of the Property Development Project.

#### **5. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS**

##### **5.1 Overview and outlook of the Malaysian economy**

The Malaysian economy will remain resilient in 2018, with real gross domestic product ("GDP") expanding between 5% and 5.5%, led by domestic demand. Private sector expenditure continues to be the primary driver of growth with private investment and consumption growing 8.9% and 6.8%, respectively. Meanwhile, public sector expenditure is forecast to decline, in line with lower capital outlays by public corporations. On the supply side, growth is expected to be broad based, with all sectors registering positive growth. Malaysia's external position is forecast to remain favourable supported by global growth and trade. Against this backdrop, the nominal gross national income ("GNI") per capita is expected to increase 5.1% from RM40,713 in 2017 to RM42,777 in 2018. With investment growing at a faster pace, the savings-investment gap will narrow to 2.3% of GNI.

The economy will continue to operate under conditions of full employment with an unemployment rate of below 4%, while inflation remains benign. In line with fiscal consolidation efforts, the fiscal deficit will further decline to 2.8% of GDP in 2018 (2017: 3%). Accordingly, the Federal Government debt remains sustainable within the prudent limit of 55% of GDP. These developments will further strengthen the nation's economic fundamentals and resilience to further propel the country towards the milestones of an advanced and high-income nation by 2020, doubling the size of the economy to RM2 trillion in 2025 and joining the ranks of top 20 countries by 2050.

*(Source: 2018 Economic Report, Ministry of Finance, Malaysia)*

##### **5.2 Overview and outlook of the Malaysian property market**

The residential subsector continued to expand 4.7% (January – June 2016: 6.7%) supported by firm demand for affordable housing in choice locations with easy access. Housing starts rebounded significantly by 12.1% to 67,662 units (January – June 2016: -40%; 60,378 units). Condominium and apartments accounted for 42.9% of total housing starts in line with the increasing demand, especially for high-rise units in major cities. However, the increase was offset by a decline in incoming supply at 3.4% to 485,433 units (January – June 2016: 14.1%; 502,345 units) as developers were cautious in launching new projects to prevent accumulation of unsold properties. Likewise, new approvals declined 2.8% to 43,133 units (January – June 2016: -33.5%; 44,389 units) as developers reviewed their future plan in response to market situation.

In terms of demand, the take-up rate for residential units grew 23.9% with 6,775 units during the period (January – June 2016: 22.7%; 3,289 units) amid continued access to housing loans, especially for first-time house buyers. Accordingly, transaction value improved with smaller contraction of 0.3% to RM32.9 billion (January – June 2016: -9.6%; RM33 billion). However, total properties transacted declined 6.9% to 95,010 (January – June 2016: -14.5%; 102,096 transactions) mainly due to the adoption of macroprudential measures to deter market speculation and ensure only those who are credit-worthy eligible for financing. The residential overhang increased 55.4% to 20,876 units with a total value of RM12.3 billion during the period (January – June 2016: 28.3%; 13,438 units; RM7.6 billion) with Kedah accounting for the highest overhang at 20.9%, followed by Johor (18.2%) and Selangor (17.6%). However, the property market is expected to adjust accordingly in the long-run given the robust economic growth prospects.

Malaysian House Price Index (“MHPI”) grew at a moderate pace, reflecting various cooling measures adopted by the Government to contain spiraling prices. The MHPI stood at 184.1 points (at base year 2010) during the second quarter of 2017 (Q2 2016: 174.4 points). Meanwhile the average house price grew 5.6% to RM397,190 during the period (Q2 2016: 7.1%; RM376,247) with terrace recording the highest increase at 6.8%, followed by high-rise units (5.8%), semi-detached (4.1%) and detached (2.4%) houses.

The non-residential subsector grew 4.9% to RM6.4 billion (January – June 2016: RM6.1 billion). The growth was mainly supported by starts for shops and service apartments which rebounded 29.3% and 14% (January – June 2016: -46.7%; -35%), respectively. However, construction starts in the industrial and Small Office Home Office (SOHO) declined 9.7% and 16.1%, respectively (January – June 2016: -76.7%; -24.9%) mainly due to moderation in the oil & gas related industries. Similarly, planned supply of purpose-built office (PBO) contracted 6.1% to 972,995 sq. m. (January – June 2016: 60.1%; 1,036,671 sq. m.). Meanwhile, construction starts for purpose-built office remained unchanged at 277,776 sq. m.

The construction sector is projected to grow 7.5% (2017: 7.6%) primarily supported by the ongoing civil engineering infrastructure projects such as East Coast Rail Link, MRT SSP line, Electrified Double Track Gemas – Johor Bahru, Pan Borneo Highway and Bokor Central Processing Platform. Meanwhile, the residential subsector is expected to expand further with several new planned townships by private developers. In addition, the subsector will also benefit from various affordable housing programmes by the Government such as PPA1m, MyBeautiful New Home and 1Malaysia People-Friendly Houses. On the contrary, the non-residential subsector is forecast to grow moderately following property overhang, particularly in the shops segment.

*(Source: 2018 Economic Report, Ministry of Finance, Malaysia)*

### **5.3 Overview and outlook of the properties in Pulau Pinang**

The state’s property market performance remained soften in H1 2017. The review period registered 7,884 transactions with a total value RM4.07 billion, down by 13.9% in volume and 13.5% in value (H1 2016: 9,157 transactions worth RM4.7 billion). Residential sub-sector spearheaded the overall market, accounting for 72.3% of the state’s property market volume. This was followed by the agricultural (8.9%), commercial (8.9%), development land (7.9%) and industrial sub-sectors (2.1%).

Market activity was on a downtrend across all sub-sectors with exception of development land, which grew by 2.5%. Agriculture sub-sector led the downward trend by 19.7% and followed by industrial (-17.9%), residential (-14.9%) and commercial (-9.9%) sub-sectors. In terms of value, all sub-sectors recorded contraction.

Residential sub-sector’s performance continued to soften. There were with 5,697 transactions worth RM2.45 billion recorded in H1 2017, down by 14.9% in volume and 7.3% in value against H1 2016. In tandem with the softening market, the residential overhang situation less encouraging. There were 2,041 overhang units worth RM1.92 billion in H1 2017, indicating an increase of 7.6% and 30.6% in volume and value respectively. On a better note, the unsold under construction and not constructed declined by 6.9% and 6.7% respectively to record 7,556 units (H2 2016: 8,119 units) for unsold under construction and 2,722 units (H2 2016: 2,918 units) for unsold not constructed.

The commercial sub-sector continued to its mode. There were 698 transactions recorded in H1 2017 with total a value of RM489.57 million, indicating a decrease of 9.9% in volume and 9.2% in value (H1 2016: 775 transactions worth RM539.08 billion). The purpose-built office segment moderated as the occupancy rate declined slightly to 81.9% as compared to H2 2016 (82.3%). Likewise, the annual take-up contracted by 3,730 s.m., lower than 7,213 s.m. recorded in H2 2016.

*(Source: Property Market Report First Half 2017, Valuation and Property Services Department, Ministry of Finance)*

#### **5.4 Prospects of the Proposed Diversification**

The Board has been reviewing potential opportunities to enhance the revenue sources of the Group which includes, amongst others diversification into other viable business such as Property Sector.

The Property Projects will serve to facilitate as an entry point for ATTA into the property development and property investment sectors. The Board expects that the Group would be able to capitalise on such opportunity in longer term when the property market recovers in the future. As such, the Board will monitor the property market condition closely and time the launching of the Property Development Project accordingly. In addition, the Board believe that during the current property market slow down, the Group will be able to acquire/identify potential property projects at more realistic prices and will have the potential to generate income growth and positive return on investment.

Barring any unforeseen circumstances, the Board is cautiously optimistic that the future development of the Property Projects will contribute positively to the future financial performance of the Group when the property market recovers.

The Board is also of the view that the Proposed Diversification represents an opportunity for the Group to expand its revenue sources beyond its current revenue base, which is highly dependence on steel pricing. Moving forward, the Group will seek further opportunities in the Property Sector. The Board opines that the Group's venture into the Property Sector would auger well with the Group's long term growth strategy of diversifying and expanding its earning base and deliver greater value to the shareholders of the Company.

*(Source: Management of ATTA)*

## **6. RISK FACTORS**

The potential risk factors relating to the Proposed Diversification, which may not be exhaustive, are as follows:

### **6.1 Business risk**

The Proposed Diversification is subject to certain risks inherent in the Property Sector. These may include, *inter-alia*, timely commencement or completion of the Property Development Project, obtaining the timely approvals from the regulatory authorities, satisfactory performance of contractors, availability of labour and building materials, fluctuations in prices of building materials, general economic downturn, changes in demand and oversupply of properties, changes in credit conditions such as availability of end finance and changes in the legal and environmental framework within which the industry operates.

The Group seeks to limit these risks through, *inter-alia*, effective human resource development strategies, market research and feasibility studies, keeping abreast with the latest developments in the property market including monitoring the consumers' preference and lifestyle, careful planning, continuous review and close supervision on the progress of the project.

Although the Board believes that the Group may derive significant benefits from the development of the Property Development Project and steps will be taken to mitigate these business risks, no assurance can be given that any changes in these factors will not have any material adverse effect on the Group.

## **6.2 Investment risks**

The Group will be subject to investment risks, which include, amongst others, general economic downturn in the global and Malaysian economy, changes in the demand and supply of real estates, inability to secure tenants, increased competition from other properties in the vicinity area, changes in the credit and interest rate conditions. The ability to generate future rental earnings is dependent on, amongst others, the ability to attract and retain suitable tenants at reasonable rental rates. Further, the value of the Property Units may either be enhanced or diminished depending on factors such as the development and rental yields within the vicinity of the Property Units, as well as the local and global market conditions. In view of this, the Group may be adversely affected by the relatively illiquid nature of real estate investments whereby the Group may be unable to sell the Property Units on short notice given the potential change in value of the Property Units or to meet future cash flows requirements of the Group.

Although the Group seeks to limit these risks through, *inter-alia*, appointing a property agent to source for suitable tenants for the Property Units, keeping abreast with the latest rental rates and property values in the surrounding areas of the Property Units such as providing competitive rental rates and to actively engage the tenants. However, no assurance can be given that the Group would be able to secure any tenants to rent the Property Units and that any change in these factors will not have an adverse effect on the Group's financial performance in the future.

## **6.3 Business diversification risk**

The Group is principally engaged in metal recycling (processing of scrap metals) and processing, manufacturing and trading of metal related products. As the implementation of the Proposed Diversification would result in the Group's business to include Property Sector, the Group will be subject to new challenges and risks arising from such business in which the Group has not been directly participating in the past. Although the Group seeks to limit these risks by, *inter-alia*, effective resource management, effective cost-control and prudent investment strategy, no assurance can be given that any changes in these factors will not have a material adverse impact on the Group.

## **6.4 Political, economic and environmental considerations**

The property market can be characterised as cyclical in nature and is somewhat correlated to the general economic conditions of Malaysia. Adverse changes in political, economic and regulatory conditions in Malaysia could materially affect the financial and prospects of the Property Sector. Political, regulatory and economic uncertainties include changes in labour laws, interest rates, fiscal and monetary policies, risks of expropriation of land by authorities and methods of taxation.

In mitigating such risks, the Company will continue to review its business development strategies in response to the changes in political, monetary, fiscal and economic conditions. Nonetheless, no assurance can be given that any changes to the political, regulatory and economic conditions would not have any material impact on the Proposed Diversification thus affecting the Group's financial performance in the future.

## **6.5 Competition risk**

Pursuant to the Proposed Diversification, the Group will face direct competition from both new entrants and existing players in the Property Sector. The Group may also face disadvantages as a new entrant in the industry as it lacks of relevant track record and brand name as compared to the existing players which enjoy the privilege of their established brand name and reputation in the industry.

The Group's competitiveness will largely depend on, amongst others, its sales and marketing strategies, product design, location of the development and its ability to price and differentiate its development to meet the needs of the target markets in future. However, there can be no assurance that these efforts will enable the Group to compete successfully and effectively with current and new entrants in the Property Sector.



## **6.6 Dependence on key management and external consultant**

The success of the Property Development Project is to a certain extent dependent on the abilities and continued efforts of Mr. Chow (the personnel who oversees the Property Sector activities of the Group currently) as well as of the project management company appointed, namely Prego. The unplanned departure of Mr. Chow from the project or the termination of the agreement with Prego may adversely affect the Group's ability to complete the Property Development Project on time and within budget.

In the event the appointment of Prego is terminated for any reason whatsoever, the Group will mitigate the risk by sourcing another project management company to replace Prego on the Property Development Project. Upon successful implementation of the Proposed Diversification and taking into consideration the economies of scale and the cost management strategy, the Group may plan to establish an internal team with experience in amongst others, engineering, project management and marketing to manage the Group's future Property Sector activities, which can mitigate the risk of dependency on the key personnel and project management company.

Notwithstanding the above, no assurance can be given that any unplanned events mentioned above will not have a material adverse effect on the Group's future performance.

## **7. APPROVALS REQUIRED AND CONDITIONALITY**

The Proposed Diversification is subject to and conditional upon the approval being obtained from the shareholders of the Company at the forthcoming EGM and any other relevant authorities, if required.

The Proposed Diversification is not conditional upon any other corporate exercises undertaken or to be undertaken by the Company.

## **8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors and the major shareholders of the Company and/or persons connected to them have any interest, direct or indirect, in the Proposed Diversification.

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

The Board, having considered all aspects of the Proposed Diversification, including but not limited to the rationale and justifications, financial effects and risks associated with the Proposed Diversification, is of the opinion that the Proposed Diversification is in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Diversification at the forthcoming EGM.

## **10. OTHER CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposed Diversification, which is the subject matter of this Part A of Circular, including the Property Projects and as disclosed below, the Board confirms that there are no other corporate exercises that have been announced but pending completion prior to the printing of this Circular:

- (i) The Board had, on 9 January 2018, announced that Park Avenue Construction Sdn Bhd, a wholly-owned subsidiary of the Company, entered into sale and purchase agreements with Concrete Idea Sdn Bhd to purchase six (6) Property Units for a total cash consideration of RM6.00 million; and
- (ii) The Board had, on 9 January 2018, announced that Progerex Sdn Bhd, a wholly-owned subsidiary of the Company, entered into sale and purchase agreements with Concrete Idea Sdn Bhd to purchase four (4) Property Units for a total cash consideration of RM4.00 million.

**11. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances, the Proposed Diversification will take an immediate effect upon obtaining the shareholders' approval at the forthcoming EGM.

**12. EGM**

The forthcoming EGM, the notice of which is enclosed in this Circular will be held at ATTA Global Group Berhad, Main Meeting Room, No. 2521, Tingkat Perusahaan 6, Prai Industrial Estate, 13600 Prai, Pulau Pinang on Tuesday, 13 March 2018 at Time, or at any adjournment thereof, for the purpose of considering, and if thought fit, passing with or without modification, the resolutions (in poll) to give effect to the Proposed Diversification.

If you are unable to attend, speak and vote in person at the EGM, you may complete, sign and return the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at No. 55A Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan not less than forty-eight (48) hours before the time fixed for the EGM.

The lodging of the Form of Proxy does not preclude you from attending, speaking and voting in person at the forthcoming EGM should you subsequently decide to do so.

**13. FURTHER INFORMATION**

Shareholders are advised to refer to the attached appendices of this Circular for further information.

Yours faithfully,  
for and on behalf of the Board of Directors of  
**ATTA GLOBAL GROUP BERHAD**

**Ooi Chieng Sim**  
Executive Chairman

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**INFORMATION OF THE PROPERTY UNITS**


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The details of the Property Units purchased by Park Avenue Construction Sdn Bhd are set out below:

**Property 1**

Type : Double Storey Bungalow House  
 Title : Hakmilik Sementara No. H.S. (D) 53471, Lot 6568, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
 Total Land Area : Approximately 517 sq. m.  
 Purchase consideration : RM1.00 million

**Property 2**

Type : Double Storey Bungalow House  
 Title : Hakmilik Sementara No. H.S. (D) 53473, Lot 6570, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
 Total Land Area : Approximately 520 sq. m.  
 Purchase consideration : RM1.00 million

**Property 3**

Type : Double Storey Bungalow House  
 Title : Hakmilik Sementara No. H.S. (D) 53474, Lot 6571, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
 Total Land Area : Approximately 456 sq. m.  
 Purchase consideration : RM1.00 million

**Property 4**

Type : Double Storey Bungalow House  
 Title : Hakmilik Sementara No. H.S. (D) 53475, Lot 6572, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
 Total Land Area : Approximately 468 sq. m.  
 Purchase consideration : RM1.00 million

**Property 5**

Type : Double Storey Bungalow House  
 Title : Hakmilik Sementara No. H.S. (D) 53478, Lot 6575, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
 Total Land Area : Approximately 497 sq. m.  
 Purchase consideration : RM1.00 million

**Property 6**

Type : Double Storey Bungalow House  
 Title : Hakmilik Sementara No. H.S. (D) 53479, Lot 6576, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
 Total Land Area : Approximately 461 sq. m.  
 Purchase consideration : RM1.00 million

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**INFORMATION OF THE PROPERTY UNITS (Cont'd)**

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The details of the Property Units purchased by Progerex Sdn Bhd are set out below:

**Property 1**

Type : Double Storey Bungalow House  
Title : Hakmilik Sementara No. H.S. (D) 53453, Lot 6550, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
Total Land Area : Approximately 450 sq. m.  
Purchase consideration : RM1.00 million

**Property 2**

Type : Double Storey Bungalow House  
Title : Hakmilik Sementara No. H.S. (D) 53454, Lot 6551, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
Total Land Area : Approximately 450 sq. m.  
Purchase consideration : RM1.00 million

**Property 3**

Type : Double Storey Bungalow House  
Title : Hakmilik Sementara No. H.S. (D) 53466, Lot 6563, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
Total Land Area : Approximately 450 sq. m.  
Purchase consideration : RM1.00 million

**Property 4**

Type : Double Storey Bungalow House  
Title : Hakmilik Sementara No. H.S. (D) 53468, Lot 6565, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang  
Total Land Area : Approximately 529 sq. m.  
Purchase consideration : RM1.00 million

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**FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

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

**2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST**

PIVB, being the Adviser for the Proposed Diversification, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto where relevant, in the form and context in which they appear.

PIVB has also confirmed that it is not aware of any conflict of interests that exists or is likely to exist in its capacity as the Adviser in connection with the Proposed Diversification.

**3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors have no knowledge of any proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings which might adversely and materially affect the financial position or business of the Group.

**4. MATERIAL CONTRACTS**

Save as disclosed below, there are no other material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Group within two (2) years immediately preceding the LPD:

(i) Subscription of 55% equity interest in TGDSB by ATTA

On 16 February 2017, the Company has issued a letter of undertaking to TGDSB whereby ATTA undertakes to subscribe for 1,237,500 new TGDSB Shares, representing 55% equity interest in the enlarged issued share capital of TGDSB at RM5.00 per new TGDSB Share (“**Subscription Price**”) for a total cash consideration of RM6,187,500 subject to the terms and upon the condition contained in the said letter. On 30 June 2017, TGDSB and ATTA had agreed to vary the terms and conditions of the letter of undertaking including:

- (a) extending the Subscription for another period of six (6)-month to fulfill certain conditions by the parties;
- (a) the Subscription Price was revised to RM1.00 per new TGDSB Share and the total cash consideration to subscribe for 1,237,500 new TGDSB Shares is RM1,237,500; and
- (b) RM4,950,000 shall be treated as the borrowings/advances from ATTA to TGDSB as part of the ATTA’s obligation.

The total sum of RM6,187,500 was used to pay Malayan Banking Berhad, being the financier of TGDSB, to redeem the Land which is charged to Malayan Banking Berhad for the loan obtained by TGDSB.

As at the LPD, the Subscription has completed and the TGDSB is a subsidiary company of ATTA.

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**FURTHER INFORMATION (Cont'd)**


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- (ii) Supplemental trust deed dated 20 October 2017 executed between the Company and Malaysian Trustee Berhad (being the trustee who acts for the benefit of the holders of the ten (10)-year zero coupon irredeemable convertible unsecured loan stocks at 100% of the nominal value of RM0.10 each (“**ICULS**”)) to supplement the trust deed dated 28 March 2012 constituting the ICULS;
- (iii) Supplemental deed poll dated 20 October 2017 to supplement the deed poll dated 28 March 2012 constituting the existing warrants 2012/2022;
- (iv) Supplemental deed poll dated 20 October 2017 to supplement the deed poll dated 9 October 2014 constituting the existing warrants 2014/2024;
- (v) Shareholders Agreement dated 22 December 2017 made between ATTA and Shree Dhana Holdings Sdn. Bhd. (“**SDH**”) to govern their relationship *inter se* as shareholders of Duro Metal Industrial (M) Sdn Bhd and Metal Perforators (M) Sdn Bhd upon completion of the subscription of 7,200,000 ordinary shares each in the respective companies at a total cash consideration of RM7,200,000. As at LPD, the subscription of the shares by SDH in Duro Metal Industrial (M) Sdn Bhd and Metal Perforators (M) Sdn Bhd each have completed and the shareholdings in respective companies shall be 40% held by SDH and 60% by ATTA;
- (iv) Six (6) sale and purchase agreements, all dated 21 December 2017 made between Park Avenue Construction Sdn Bhd and Concrete Idea Sdn Bhd in respect of sale and purchase of the Property Units erected on the following land:
  - (a) Hakmilik Sementara No. H.S. (D) 53471, Lot 6568, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only;
  - (b) Hakmilik Sementara No. H.S. (D) 53473, Lot 6570, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only;
  - (c) Hakmilik Sementara No. H.S. (D) 53474, Lot 6571, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only;
  - (d) Hakmilik Sementara No. H.S. (D) 53475, Lot 6572, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only;
  - (e) Hakmilik Sementara No. H.S. (D) 53478, Lot 6575, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only; and
  - (f) Hakmilik Sementara No. H.S. (D) 53479, Lot 6576, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only;

As at LPD, the sale and purchase transactions are pending completion.

- (iv) Four (4) sale and purchase agreements, all dated 5 January 2018 made between Progerex Sdn Bhd and Concrete Idea Sdn Bhd in respect of sale and purchase of the Property Units erected on the following land:
  - (a) Hakmilik Sementara No. H.S. (D) 53453, Lot 6550, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only;
  - (b) Hakmilik Sementara No. H.S. (D) 53454, Lot 6551, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only;
  - (c) Hakmilik Sementara No. H.S. (D) 53466, Lot 6563, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only; and

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**FURTHER INFORMATION (Cont'd)**


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- (d) Hakmilik Sementara No. H.S. (D) 53468, Lot 6565, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang at the cash consideration of RM1,000,000 only.

As at LPD, the sale and purchase transactions are pending completion.

**5. MATERIAL COMMITMENTS**

Save as disclosed below, as at the LPD, the Board is not aware of any material commitments contracted or known to be contracted by the Group which may have a substantial impact on the results or financial position of the Group.

	<b>Group (RM'000)</b>
<b>Property, plant and equipment</b>	
- Authorised and contracted for	2,000
<b>Total</b>	<b>2,000</b>

**6. CONTINGENT LIABILITIES**

As at the LPD, there are no contingent liabilities incurred or known to be incurred by the Group, which upon becoming enforceable, may have a material impact on the results or the financial position of the Group.

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at No. 55A Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan during normal business hours (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) the Memorandum and Articles of Association of ATTA;
- (ii) the audited consolidated financial statements of ATTA for the past two (2) FYEs 31 March 2016 and 31 March 2017 and the latest unaudited consolidated financial statements of ATTA for the FPE 30 September 2017;
- (iii) the letter of consent and conflict of interest as referred to in Section 2 of this Appendix;
- (iv) the material contracts as referred to in Section 4 of this Appendix.

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“EGM”) of ATTA Global Group Berhad (“ATTA” or the “Company”) will be held at ATTA Global Group Berhad, Main Meeting Room, No. 2521, Tingkat Perusahaan 6, Prai Industrial Estate, 13600 Prai, Pulau Pinang on Tuesday, 13 March 2018 at 11.00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolution:

**ORDINARY RESOLUTION**

**PROPOSED DIVERSIFICATION OF THE BUSINESS OF ATTA AND ITS SUBSIDIARIES (“ATTA GROUP” OR “GROUP”) INTO PROPERTY DEVELOPMENT, CONSTRUCTION AND PROPERTY INVESTMENT SECTOR (“PROPOSED DIVERSIFICATION”)**

“**THAT**, subject always to the Companies Act, 2016 (“Act”), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of all relevant governmental and/or regulatory authorities, approval be and is hereby given to the Group to:

- (i) diversify its operations into property development, construction and property investment; and
- (ii) provide financial assistance to Tetap Gembira Development Sdn Bhd of up to RM12.10 million by way of advances and/or corporate guarantees for credit facilities to be secured for the development costs and working capital requirements of the mixed development project on a parcel of freehold land held under Title No. Geran Mukim 3416, Lot 71113, Sg. Nibong, Mukim 12, Daerah Barat Daya, Pulau Pinang, the details of which are set out in the Circular to shareholders dated 26 February 2018.

**AND THAT** the Directors of the Company be and are hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the Proposed Diversification with full power to assent to any conditions, variations, modifications and/or amendments as may be required by any relevant authorities or deemed necessary by the Directors of the Company in the best interest of the Company, and to deal with all matters relating thereto and to take all such steps and do all such acts and things in any manner as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Diversification.”

**By order of the Board**

**Chan Yoke Yin (MAICSA 7043743)**

**Chan Eoi Leng (MAICSA 7030866)**

Company Secretaries

Ipoh, Perak

26 February 2018

*Notes:*

1. *Only members whose names appear on the Record of Depositors as at 4 March 2018 shall be entitled to attend the EGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.*
2. *A member entitled to attend and vote at the EGM is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy need not be a member of the Company.*
3. *Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.*
4. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an Omnibus Account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.*
5. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under the corporation’s seal or under the hand of an officer or attorney duly authorised.*
6. *The instrument appointing a proxy must be deposited at the registered office of the Company, No. 55A Medan Ipoh 1A, Medan Ipoh Bistari, 31400 Ipoh, Perak Darul Ridzuan not less than 48 hours before the time appointed for holding the EGM. Faxed or emailed copies are not acceptable.*





安達環球集團有限公司

**ATTA GLOBAL GROUP BERHAD**

(Incorporated in Malaysia)

(79082-V)

**FORM OF PROXY**

No. of shares held	
CDS A/C No.	
Telephone No.	

I/We, .....(FULL NAME IN BLOCK CAPITALS)

NRIC No./Company No. .... of.....

.....(FULL ADDRESS)

being a member of ATTA GLOBAL GROUP BERHAD hereby appoint the following person(s):

Name of proxy and NRIC No.	No. of shares	%
1. _____	_____	_____
2. _____	_____	_____
or failing him/her		
1. _____	_____	_____
2. _____	_____	_____

or failing him/her, the Chairman of the extraordinary general meeting (“EGM”), as my/our proxy, to vote for me/us on my/our behalf at the EGM of the Company to be held at ATTA Global Group Berhad, Main Meeting Room, No. 2521, Tingkat Perusahaan 6, Prai Industrial Estate, 13600 Prai, Pulau Pinang on Tuesday, 13 March 2018 at 11.00 a.m., or at any adjournment thereof in the manner indicated below in respect of the following resolution:

Resolution	For	Against
<b>Ordinary Resolution - Proposed Diversification</b>		

Please indicate with (√) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Date: .....

.....  
Signature of Shareholder

**Notes:**

1. Only members whose names appear on the Record of Depositors as at 4 March 2018 shall be entitled to attend the extraordinary general meeting (“EGM”) or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead.
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Fold this flap for sealing

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Then fold here

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AFFIX  
STAMP

The Company Secretaries  
**ATTA GLOBAL GROUP BERHAD (79082-V)**  
No. 55A Medan Ipoh 1A  
Medan Ipoh Bistari  
31400 Ipoh  
Perak Darul Ridzuan

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