

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in 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.



(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTY TRANSACTIONS
OF A REVENUE OR TRADING NATURE
("PROPOSED RRPT MANDATE")**

The resolution pertaining to the Proposed RRPT Mandate will be included in the Notice of 51st Annual General Meeting (“AGM”) of Ancom Logistics Berhad (“Company”), which will be held at **Selangor 1 Ballroom, Dorsett Grand Subang, Jalan SS 12/1, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia**, on **Thursday, 19 October 2017 at 12.00 noon** together with the Form of Proxy.

The Form of Proxy should be completed and deposited at the Registered Office of the Company not later than forty-eight (48) hours before the time appointed for the holding of the AGM or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM, should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 17 October 2017 at 12.00 noon
Date and time of AGM : Thursday, 19 October 2017 at 12.00 noon

This Circular is dated 26 September 2017

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016 as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
ALB or Company	:	Ancom Logistics Berhad (Company no. 6614-W)
ALB Group or Group	:	ALB and its subsidiary companies
ALB Share(s) or Share(s)	:	Ordinary share(s) of ALB
Board	:	Board of Directors of ALB
Bursa Securities	:	Bursa Malaysia Securities Berhad (Company no. 635998-W)
CKG	:	CKG Chemicals Pte Ltd (Company no. 199000843D)
Director(s)	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of Ancom or any other company which is its subsidiary or holding company or a chief executive officer of Ancom, its subsidiary or holding company
Fermpro	:	Fermpro Sdn Bhd (Company no. 83579-K)
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities including any amendments that may be made from time to time
LPD	:	Latest practicable date prior to the printing of this Circular, being 5 September 2017
Major Shareholder(s)	:	<p>A person who has an interest or interests in one or more voting share in the Company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is :</p> <p>(a) equal to or more than 10% of the aggregate of the nominal amounts of all the voting shares of the Company; or</p> <p>(b) equal to or more than 5% of the aggregate of the nominal amounts of all the voting shares of the Company where such person is the largest shareholder of the Company.</p> <p>For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act. It also includes any person who is or was within the preceding 6 months of the date on which the terms of transaction were agreed upon, a major shareholder of the Company (as defined above) or any other company which is its subsidiary or holding company</p>
NSC	:	Nylex Specialty Chemicals Sdn Bhd (Company no. 13073-H)

DEFINITIONS (cont'd)

- Person Connected : In relation to a Director or a Major Shareholder, means such person who falls under any one of the following categories :
- (a) a family member of the Director or Major Shareholder;
 - (b) a trustee of a trust (other than a trustee for a share scheme of employees or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder, is the sole beneficiary;
 - (c) a partner of the Director, Major Shareholder or a partner of a person connected with that Director or Major Shareholder;
 - (d) a person who is 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;
 - (e) a person 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;
 - (f) a body corporate or its directors which/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;
 - (g) a body corporate or its directors whose directions, instructions or wishes the Director or Major Shareholder is accustomed or under an obligation, whether formal or informal, to act;
 - (h) a body corporate in which the Director, Major Shareholder and/or persons connected with him are entitled to exercise, or control the exercise of, not less than 15% of the votes attached to voting shares in the body corporate; or
 - (i) a body corporate which is a related corporation.
- PKG : Perusahaan Kimia Gemilang Sdn Bhd (Company no. 85890-D)
- Proposed RRPT Mandate : Proposed renewal of existing shareholders' mandate for RRPT
- Related Party(ies) : Director, Major Shareholder or person connected with such Director or Major Shareholder
- RM : Ringgit Malaysia
- RRPT : Recurrent related party transaction(s) of a revenue and/or trading nature, which are necessary for the day-to-day operations and in the ordinary course of business of the ALB Group

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 neuter genders and vice versa. Any reference to persons shall include corporations, 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.

CONTENTS

	Page
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED RRPT MANDATE	
2.1 Provision under the Listing Requirements	1
2.2 Nature of RRPT	2
2.3 Principal activities of ALB Group	2
2.4 Details of the Proposed RRPT Mandate	3
2.5 Amount Due and Owing to ALB Group	4
2.6 Rationale for and benefits of the Proposed RRPT Mandate	4
2.7 Review procedures	4
2.8 Statement by Audit Committee	5
2.9 Validity period for the Proposed RRPT Mandate	6
2.10 Effects	6
2.11 Directors' and Major Shareholders' interests	6
3. DIRECTORS' RECOMMENDATION	7
4. SHAREHOLDERS' APPROVAL AND 51 ST AGM	7
5. FURTHER INFORMATION	7
 APPENDIX FURTHER INFORMATION	 8

(Incorporated in Malaysia)

Registered Office:

Unit C508, Block C, Kelana Square
Jalan SS7/26, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan, Malaysia

26 September 2017

Directors

Dato' Abdul Latif bin Abdullah (*Independent Non-Executive Chairman*)

Dato' (Dr) Siew Ka Wei (*Executive Vice Chairman*)

Abdul Latif bin Mahamud (*Non-Independent Non-Executive Director*)

Safrizal bin Mohd Said (*Independent Non-Executive Director*)

Lim Hock Chye (*Independent Non-Executive Director*)

Edmond Cheah Swee Leng (*Independent Non-Executive Director*)

To: The Shareholders of ALB

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the Company's 50th AGM held on 19 October 2016, a mandate from its shareholders was obtained for the Group to enter into RRPTs with the Related Parties. The authority conferred by the shareholders in the said existing mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 51st AGM unless authority for its renewal is obtained from the shareholders.

In this regard, on 25 August 2017, the Company announced its intention to seek shareholders' approval for the Proposed RRPT Mandate.

The purpose of this Circular is to provide you with the relevant information on the Proposed RRPT Mandate, together with the Board's recommendation, and to seek your approval for the resolution pertaining to the Proposed RRPT Mandate to be tabled at the forthcoming 51st AGM of the Company.

SHAREHOLDERS OF ALB ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTION TO GIVE EFFECT TO THE PROPOSED RRPT MANDATE.

2. DETAILS OF THE PROPOSED RRPT MANDATE

2.1 Provision under the Listing Requirements

Pursuant to Rule 10.09(2) of the Listing Requirements, the Company may seek a mandate from its shareholders in respect of RRPTs subject to the following:

- (i) 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;

- (ii) 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 the Listing Requirements;
- (iii) the Company's circular to shareholders shall include information as may be prescribed by Bursa Securities;
- (iv) in a meeting to obtain the shareholders' mandate, the interested Director, interested Major Shareholder or interested Person Connected with a 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 to approve the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (v) the Company immediately announces to Bursa Securities when the actual value of RRPTs entered into by the Company exceeds the estimated value of the RRPTs disclosed in the Company's circular to shareholders by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

2.2 Nature of RRPT

The Company is an investment holding company and the principal activities of its subsidiaries are disclosed in Section 2.3 of this Circular.

ALB Group has entered into RRPTs in the ordinary course of business and it is anticipated that the Group would, in the ordinary course of business, continue to enter into such transactions with the Related Parties. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

In this regard, the Company proposes to seek shareholders' approval for the Proposed RRPT Mandate which are necessary for the day-to-day operations of ALB Group provided that such RRPT are based on normal commercial terms that are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of minority shareholders of the Company. The Proposed RRPT will take immediate effect upon conclusion of the forthcoming 51st AGM.

2.3 Principal activities of ALB Group

As at the LPD, the principal activities of the subsidiaries are as follows:

<u>Subsidiaries</u>	<u>Effective equity interest held</u>	<u>Principal activities</u>
	%	
Synergy Trans-Link Sdn Bhd ("STL")	100	Investment holding
Hikmat Ikhlas Sdn Bhd	35	Dormant
<u>Subsidiaries of STL</u>		
Ancom-ChemQuest Terminals Sdn Bhd ("ACT")	51	Building, owning, operating, leasing and managing chemical tank farm and warehouse
Pengangkutan Cogent Sdn Bhd ("PCSB")	100	Providing transportation and related services

2.4 Details of the Proposed RRPT Mandate

The Proposed RRPT Mandate will apply to the transactions with the following Related Parties as detailed below.

Transacting Parties (ALB Group)	Related Parties	Nature of transaction	Estimated value as disclosed in the preceding year's circular to shareholders dated 27 September 2016 (RM'000)	Actual aggregate value incurred from 19 October 2016 to 19 October 2017 (RM'000)	Deviation of actual aggregate value against the estimated value of preceding year's mandate (RM'000) / (%)	Estimated aggregate value to be incurred from 19 October 2017 (date of the forthcoming AGM) to the next AGM* (RM'000)	Nature of relationship	Interested Directors, Major Shareholders and Person and Connected
ACT (Seller)	PKG; CKG and Fermpro (Buyer)	Charges for Storage rental for liquid chemicals **	5,100	3,893	(1,207) / (23.67%)	5,000	PKG, CKG, NSC and Fermpro are wholly-owned subsidiaries of Nylex (Malaysia) Berhad ("Nylex"). Nylex is a 45.82% owned subsidiary of Ancom.	1. Ancom Berhad ("Ancom")
		Charges for handling of liquid chemicals for storage***	970	295	(675) / (69.59%)	1,000	Dato' Siew is a Director and Major Shareholder of ALB through his direct and indirect interest in ALB, his direct and indirect interest in Ancom and his direct interest in SNCS. Dato' Siew is also a director and major shareholder of Nylex through his direct and indirect interest in Nylex, his direct and indirect interest in Ancom and his direct interest in SNCS.	2. Dato' Siew Ka Wei ("Dato' Siew")
PCSB (Seller)	PKG, NSC, CKG and Fermpro (Buyer)	Charges for transportation of liquid chemicals	3,080	3,140	60 / 1.95%	5,000	SNCS is a substantial shareholder of Ancom. Ancom is a substantial shareholder of ALB through its direct and indirect interest in ALB. By virtue of the above relationships, PKG, CKG, NSC and Fermpro are deemed Related Parties to ALB.	3. Siew Nim Chee and Sons Sdn Bhd ("SNCS")

Notes

- * *The basis of arriving of the estimated value is based on the value transaction undertaken as well as the anticipated / forecasted trend or latest information available relating to these transactions. The estimated value covers for the period from current AGM to the next AGM, and it may vary and subject to changes.*
- ** *ACT, which owns a tank farm, provides storage rental services to store PKG, CKG and Fempro's liquid chemical products prior to shipments to their respective customers.*
- *** *The handling of liquid chemicals for storage are incidental to the storage services provided by ACT to PKG, CKG and Fempro.*

2.5 Amount Due and Owing to ALB Group

As at LPD, the amount due and owing by the Related Party to ACT pursuant to the RRPT was within the credit term.

The amount due and owing by the Related Party to PCSB pursuant to the RRPT which exceed the credit term (less than 1 year) was RM305,877. There was no late payment charges imposed as it is industrial practice that the late payment charges are not imposed. Sales personnel and the credit controller will follow up regularly and consistently to recover the outstanding amount.

As at LPD, the total amount due and owing by the Related Party to PCSB has been recovered.

2.6 Rationale for and benefit of the Proposed RRPT Mandate

The rationale for and benefits of the Proposed RRPT Mandate are as follows :

- (i) The Proposed RRPT Mandate will facilitate transactions with the Related Parties in the ordinary course of business of the Group and are undertaken at arm's length, on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detriment to the interest of the Company's minority shareholders;
- (ii) The Proposed RRPT Mandate is intended to facilitate these RRPTs which are likely to occur with some degree of frequency and could arise at any time and from time to time. It will eliminate the need to announce and to convene separate general meetings to approve each transaction. It will therefore reduce substantial administrative time and expenses without compromising the corporate objectives or adversely affecting the business opportunities available to the Group; and
- (iii) The RRPTs 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, thus enabling more informed commercial decision to be made. In most dealings with 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 benefits from conducting the RRPTs.

2.7 Review procedures

The thresholds for the approval of RRPTs within the Group are as follows:

- (i) RRPTs below RM1,000,000 each in value will be reviewed and approved by the Directors and such senior executive (not being a person connected to the Related Party) designated by the Audit Committee from time to time for such purpose, and tabled for review by the Audit Committee on a quarterly basis; and
- (ii) RRPTs equal to or exceeding RM1,000,000 each in value will be reviewed and approved by the Audit Committee.

The Group has established the following methods and procedures in relation to the RRPTs to ensure that the RRPTs are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders:

- (i) The relevant employees of the Group are notified of the identities of the Related Parties and this will be required prior to entering into such transaction, to ensure that all the RRPTs are consistent with the Group's normal business practices and policies, and on terms not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders of the Company.
- (ii) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities which will be used as comparison, wherever possible, to determine whether the prices and terms offered to/by the Related 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. Where it is impractical or impossible for quotes and/or tenders to be obtained from unrelated parties, or where there has not been any similar or substantially similar transactions between the Group and unrelated third parties, the terms of the transactions will be in accordance to the usual business practices of the Group to ensure that the RRPTs are not detrimental to ALB Group.
- (iii) All RRPTs will be reviewed monthly by the Company's Finance Department to ensure they are within the shareholders' mandate obtained.
- (iv) Records will be maintained by the Company's Finance Department to capture all RRPTs which are entered into pursuant to the Proposed RRPT Mandate.
- (v) Additional information pertaining to the RRPTs may be requested from independent sources or advisers, if required.
- (vi) The Company's internal audit plan will incorporate an annual review of all RRPTs entered into during the financial year to ensure that the relevant approvals have been obtained and the review procedures are adhered to.
- (vii) Disclosure will also be made in the subsequent annual report of the Company on the amount of RRPTs transacted pursuant to the Proposed RRPT Mandate.
- (viii) The Audit Committee will also consider from time to time whether the established guidelines and procedures for RRPTs have become inappropriate and/or are unable to ensure that the transactions will be on normal commercial terms, and/or will prejudice the interests of shareholders generally. Notwithstanding the above, the guidelines and procedures for RRPTs will be reviewed by the Audit Committee at least once in a financial year.
- (ix) All members of the Board and/or Audit Committee who are directly and indirectly interested in such transactions shall declare their interest and shall abstain from any deliberation or voting in respect of any related party transactions.

2.8 Statement by Audit Committee

The Audit Committee has reviewed the procedures as stated in Section 2.7 above and is satisfied that the said procedures are sufficient to ensure that the RRPTs undertaken are on arm's length basis and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

The Audit Committee is also satisfied that the Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit Committee conducts the review of these procedures and processes at least once in a financial year.

2.9 Validity period for the Proposed RRPT Mandate

The Proposed RRPT Mandate will take effect from the date of the passing of the ordinary resolution proposed at the forthcoming 51st AGM and shall apply in respect of the RRPT to be entered into from the date of the 51st AGM until :

- (i) the conclusion of the next AGM of the Company following the general meeting at which such mandate is passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting;

whichever is the earlier.

2.10 Effects

The Proposed RRPT Mandate will not have any effect on the issued and paid-up share capital, and shareholding structure of the Company. It will not have any impact on the net assets per share and earnings per share of the Company.

2.11 Directors' and Major Shareholders' interests

The direct and indirect shareholding of the interested Director, Major Shareholder and Persons Connected to them as at LPD are as follows:

Related Party	Direct		Indirect	
	No. of ALB Shares	%*	No. of ALB Shares	%*
<u>Interested Director/ Major Shareholder</u>				
Dato' Siew	749,867	0.16	⁽¹⁾ 215,473,196	45.53
Ancom	56,191,485	11.87	⁽²⁾ 158,356,272	33.46
<u>Persons connected with the interested Director / Major Shareholder</u>				
Synergy Tanker Sdn Bhd ("STSB") ⁽³⁾	64,504,192	13.63	-	-
Rhodemark Development Sdn Bhd ("RDSB") ⁽³⁾	93,725,580	19.80	-	-
Ancom Overseas Ventures Sdn Bhd ("AOV") ⁽³⁾	126,500	0.03	-	-
SNCS <i>(Company in which Dato' Siew, his brother, Siew Ka Kheong and his son, Siew Yuen Tuck have equity interests of 30%, 65% and 5% respectively)</i>	667,302	0.14	-	-
Silver Dollars Sdn Bhd ("SDSB") <i>(Company in which Dato' Siew and his wife, DYKM have 85% and 15% equity interests respectively)</i>	236,384	0.05	-	-
Datin Young Ka Mun ("DYKM") <i>(Wife of Dato' Siew)</i>	21,753	^	-	-

Notes:

* Based on ALB's entire issued and paid-up share capital of 473,286,313 Shares.

^ Negligible.

(1) Deemed interested by virtue of his direct and indirect interest in Ancom, SNCS, SDSB and DYKM.

(2) Deemed interested by virtue of its direct interest in STSB, RDSB and AOV.

(3) Wholly-owned subsidiaries of Ancom.

Save as disclosed above, none of the Directors or Major Shareholders or persons connected to them has any interest, direct or indirect, in the Proposed RRPT Mandate.

Dato' Siew, being the interested Director in the Proposed RRPT Mandate, has abstained and will continue to abstain from the Board's deliberations on the resolution approving the Proposed RRPT Mandate, and will abstain from voting in respect of his direct and/or indirect shareholdings on the resolution approving the Proposed RRPT Mandate at the forthcoming 51st AGM.

Dato' Siew and Ancom, being the interested Major Shareholder, will abstain from voting in respect of their direct and/or indirect shareholdings, on the resolution approving the Proposed RRPT Mandate at the forthcoming 51st AGM.

Dato' Siew and Ancom, being the interested Director and interested Major Shareholder, have undertaken that they will ensure that persons connected to them will abstain from voting in respect of their direct and/or indirect shareholdings on the resolution approving the Proposed RRPT Mandate at the forthcoming 51st AGM.

3. DIRECTORS' RECOMMENDATION

The Board (save and except for Dato' Siew who is deemed interested in the Proposed RRPT Mandate), is of the opinion that the Proposed RRPT Mandate is in the best interest of the shareholders and the Company.

The Board, with the exception of Dato' Siew who has abstained from giving an opinion and making a recommendation on the Proposed RRPT Mandate, recommends that you vote in favour of the resolution approving the Proposed RRPT Mandate to be tabled at the forthcoming 51st AGM.

4. SHAREHOLDERS' APPROVAL AND 51ST AGM

The Proposed RRPT Mandate is subject to the approval of the shareholders of ALB at the forthcoming 51st AGM.

The resolution in respect of the Proposed RRPT Mandate is set out in the Notice of 51st AGM which is enclosed in the Company's Annual Report 2017. The 51st AGM will be held at Selangor 1 Ballroom, Dorsett Grand Subang, Jalan SS 12/1, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 19 October 2017 at 12.00 noon.

If you are unable to attend and vote in person at the 51st AGM and wish to appoint a proxy to attend and vote on your behalf, you are requested to complete, sign and return the Proxy Form enclosed in the Company's Annual Report 2017 in accordance with the instructions therein and in any event to reach the registered office of the Company at Unit C508, Block C, Kelana Square, Jalan SS7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia not later than 48 hours before the appointed time for the 51st AGM.

The lodging of the Proxy Form does not preclude you from attending and voting in person at the 51st AGM should you subsequently wish to do so. If you do, your proxy shall be precluded from attending the 51st AGM.

5. FURTHER INFORMATION

You are requested to refer to the attached appendix for further information.

Yours faithfully
For and on behalf of the Board of
ANCOM LOGISTICS BERHAD

Safrizal bin Mohd Said
Chairman of the Audit Committee

FURTHER INFORMATION**1. RESPONSIBILITY STATEMENT**

The Board has seen and approved this Circular, and its Directors individually and collectively accept full responsibility for the accuracy of the information given in this Circular and confirm that after having made 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 the Circular misleading.

2. MATERIAL CONTRACT

ALB Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business), within two (2) years immediately preceding the date of this Circular.

3. MATERIAL LITIGATION

As at the date of this Circular, neither ALB nor its subsidiaries are engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which may have a material effect on the financial position of the Company and the Directors are not aware and do not have any knowledge of any proceedings, pending or threatened, against the Company and/or its subsidiaries of any facts which is likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Company and/or its subsidiaries.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's registered office at Unit C508, Block C, Kelana Square, Jalan SS7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan during normal business hours from Mondays to Fridays (except for public holidays) from the date of this Circular up to and including the date of the 51st AGM:

- (i) The Constitution of ALB; and
- (ii) The audited consolidated financial statements of ALB for the past two (2) financial years ended 31 May 2016 and 31 May 2017.

{ The rest of this page is intentionally left blank }