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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.

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CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- (I) **PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 2,515,037,240 NEW IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (“ICPS”) AT AN ISSUE PRICE OF RM0.08 PER ICPS ON THE BASIS OF EIGHT (8) ICPS FOR EVERY ONE (1) EXISTING ORDINARY SHARE HELD IN ATTA GLOBAL GROUP BERHAD (“ATTA” OR THE “COMPANY”) ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED RIGHTS ISSUE OF ICPS”); AND**
- (II) **PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF ATTA TO FACILITATE THE PROPOSED RIGHTS ISSUE OF ICPS (“PROPOSED M&A AMENDMENTS”)**

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 : Monday, 14 August 2017 at 11.30 a.m., or at any adjournment thereof

Date and time of the EGM : Wednesday, 16 August 2017 at 11.30 a.m., or at any adjournment thereof

Venue of the EGM : Iconic Hotel, Jalan Icon City, Icon City, Bukit Mertajam, 14000 Penang

This Circular is dated 6 July 2017

DEFINITIONS

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 (20027-W)
ATTA or Company	: ATTA Global Group Berhad (79082-V)
ATTA Group or Group	: ATTA and its subsidiaries, collectively
ATTA Share(s) or Share(s)	: Ordinary share(s) in ATTA
AWGSB	: ATTA Worldwide Group Sdn Bhd (819912-D)
Board	: Board of Directors of ATTA
Bursa Securities	: Bursa Malaysia Securities Berhad (635998-W)
Circular	: This circular to shareholders of ATTA dated 6 July 2017 in relation to the Proposals
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
Entitled Shareholder(s)	: Shareholders of the Company whose names appear in the Record of Depositors on the Entitlement Date, who shall be entitled to participate in the Proposed Rights Issue of ICPS
Entitlement Date	: The date which shall be determined by the Board and announced later for the purpose of ascertaining the entitlements of the shareholders pursuant to the Proposed Rights Issue of ICPS
EPS	: Earnings per share
ESOS Options	: Share options granted and remained unexercised under the employees' share options scheme of the Company
FYE(s)	: Financial year(s) ended
HLS	: Hock Lok Siew Realty Sdn Bhd (159911-M)
ICPS	: Irredeemable convertible preference shares in ATTA to be issued pursuant to the Proposed Rights Issue of ICPS
ICULS	: Ten (10)-year, zero coupon irredeemable convertible unsecured loan stocks at 100% of the nominal value of RM0.10 each constituted by the trust deed between the Company and the trustee who acts for the benefit of the holders of the ICULS dated 28 March 2012
LAT	: Loss after tax
Listing Requirements	: Main Market Listing Requirements of Bursa Securities, as may be amended from time to time
LPD	: 30 June 2017, being the latest practicable date prior to the date of this Circular
M&A	: Memorandum and Articles of Association of ATTA

DEFINITIONS (Cont'd)

Market Day(s)	: Any day(s) between Monday and Friday (inclusive) which is not a public holiday and on which Bursa Securities is open for trading of securities
Maturity Date	: The date immediately preceding the fifth (5 th) anniversary of the Issue Date of the ICPS, and if such date is not a Market Day, then on immediate preceding Market Day
Maximum Scenario 1	: Assuming all the treasury shares held by the Company as at the LPD were resold on the open market of Bursa Securities, none of the Outstanding Convertible Securities as at the LPD are exercised/converted prior to the Entitlement Date and all Entitled Shareholders subscribe for their entitlements in full
Maximum Scenario 2	: Assuming all the treasury shares held by the Company as at the LPD were resold on the open market of Bursa Securities, all of the Outstanding Convertible Securities as at the LPD are fully exercised/converted prior to the Entitlement Date and all Entitled Shareholders subscribe for their entitlements in full
Minimum Scenario	: Assuming all the treasury shares held by the Company as at the LPD are continued to be retained as treasury shares, none of the Outstanding Convertible Securities as at the LPD are exercised/converted prior to the Entitlement Date and the Proposed Rights Issue of ICPS is undertaken on the Minimum Subscription Level basis
Minimum Subscription Level	: The scenario that assumes that the Proposed Rights Issue of ICPS will be undertaken on a minimum subscription level basis via the issuance of 150,000,000 ICPS
NA	: Net assets
NCN	: Mr. Ng Chin Nam
OCS	: Mr. Ooi Chieng Sim
Official List	: A list specifying all securities listed on the Main Market and ACE Market of Bursa Securities
Outstanding Convertible Securities	: The outstanding ICULS, Warrants B, Warrants C and ESOS Options, collectively
PAT	: Profit after tax
Proposals	: The Proposed Rights Issue of ICPS and Proposed M&A Amendments, collectively
Proposed M&A Amendments	: Proposed amendments to the M&A to facilitate the Proposed Rights Issue of ICPS
Proposed Rights Issue of ICPS	: Proposed renounceable rights issue of up to 2,515,037,240 new ICPS at an issue price of RM0.08 per ICPS on the basis of eight (8) ICPS for every one (1) existing ATTA Share on the Entitlement Date
RM and sen	: Ringgit Malaysia and sen, respectively
Rules	: Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia
Skylitech	: Skylitech Resources Sdn Bhd (230298-T)

DEFINITIONS (Cont'd)

- Undertakings : The written irrevocable undertaking dated 24 May 2017 from Skylitech to subscribe for partial of its rights entitlements of 37,500,000 ICPS and the written irrevocable undertakings dated 24 May 2017 provided by OCS and NCN that they will:
- (i) subscribe in full for their respective entitlements of the ICPS; and
 - (ii) subscribe for the requisite number of excess ICPS not subscribed by the other Entitled Shareholders and/or their renounee(s)/transferee(s) in order to achieve the Minimum Subscription Level
- Warrant(s) B : Existing warrants 2012/2022 constituted by the deed poll dated 28 March 2012
- Warrant(s) C : Existing warrants 2014/2024 constituted by the deed poll dated 9 October 2014

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

6 July 2017

Board of Directors

Ooi Chieng Sim (*Executive Chairman*)
Mohd Shahril Fitri Bin Hashim (*Executive Director*)
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,

- (I) **PROPOSED RIGHTS ISSUE OF ICPS; AND**
- (II) **PROPOSED M&A AMENDMENTS**

(COLLECTIVELY REFERRED TO AS THE “PROPOSALS”)

1. INTRODUCTION

On 31 March 2017, PIVB on behalf of the Board, had announced that the Company proposes to undertake the following proposals:

- (i) proposed renounceable rights issue of up to 3,143,796,550 new ICPS at an issue price of RM0.06 per ICPS on the basis of ten (10) ICPS for every one (1) ATTA Share on the Entitlement Date; and
- (ii) proposed amendments to the M&A to facilitate the proposed rights issue of ICPS above.

Collectively referred herein as the “**Initial Proposals**”.

Subsequently, on 25 May 2017, PIVB on behalf of the Board, had announced that the Company proposes to make certain revision to the Initial Proposals, the details of which are as follows:

- (i) proposed renounceable rights issue of up to 2,515,037,240 new ICPS at an issue price of RM0.08 per ICPS on the basis of eight (8) ICPS for every one (1) ATTA Share on the Entitlement Date; and
- (ii) proposed amendments to the M&A to facilitate the Proposed Rights Issue of ICPS.

On 15 June 2017, PIVB, on behalf of the Board, announced that Bursa Securities has vide its letter dated 14 June 2017, subject to the conditions as disclosed in Section 7.1 of this Circular, approved the following:

- (i) admission of the ICPS to the Official List of the Main Market of Bursa Securities and the listing of and quotation for up to 2,515,037,240 new ICPS to be issued pursuant to the Proposed Rights Issue of ICPS;

- (ii) listing of and quotation for up to 2,515,037,240 new ATTA Shares to be issued pursuant to the conversion of ICPS;
- (iii) listing of and quotation for up to 3,237,126 additional Warrants B to be issued arising from the adjustments pursuant to the Proposed Rights Issue of ICPS;
- (iv) listing of and quotation for up to 3,237,126 new ATTA Shares to be issued pursuant to the exercise of additional Warrants B;
- (v) listing of and quotation for up to 1,621,601 additional Warrants C to be issued arising from adjustments pursuant to the Proposed Rights Issue of ICPS;
- (vi) listing of and quotation for up to 1,621,601 new ATTA Shares to be issued pursuant to the exercise of additional Warrants C; and
- (vii) listing of and quotation for up to 649,586 new ATTA Shares to be issued pursuant to the exercise of additional ESOS options arising from adjustments pursuant to the Proposed Rights Issue of ICPS.

on the Main Market of Bursa Securities.

Further details pertaining to the Proposals 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 PROPOSALS AND TO SEEK YOUR APPROVALS FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS 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 RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS AT THE FORTHCOMING EGM OF THE COMPANY.

2. DETAILS OF THE PROPOSALS

2.1 Proposed Rights Issue of ICPS

2.1.1 Background information

As at the LPD, the issued share capital of the Company is RM104,273,614 comprising 104,273,614 ATTA Shares including 774 treasury shares held by the Company. In addition, as at the LPD, the Company has the following Outstanding Convertible Securities:

- (i) RM18,077,856.90 nominal value of ICULS with a conversion price of RM1.00;
- (ii) 21,382,993 Warrants B with an exercise price of RM1.00 per Warrant B;
- (iii) 4,782,065 Warrants C with an exercise price of RM1.00 per Warrant C; and
- (iv) 3,162,414 ESOS Options.

The Proposed Rights Issue of ICPS, to be undertaken on a renounceable basis, entails the issuance of up to 2,515,037,240 new ICPS at an issue price of RM0.08 per ICPS on the basis of eight (8) ICPS for every one (1) existing ATTA Share held on the Entitlement Date.

The maximum number of 2,515,037,240 new ICPS was arrived at after taking into account the following:

- (i) ATTA's existing issued share capital of RM104,273,614 comprising 104,273,614 ATTA Shares;
- (ii) assuming all the treasury shares held by the Company as at the LPD were resold in the open market of Bursa Securities prior to the Entitlement Date;
- (iii) assuming full conversion of all outstanding RM18,077,856.90 nominal value of the ICULS into 180,778,569 new ATTA Shares prior to the Entitlement Date;
- (iv) assuming full exercise of all outstanding 21,382,993 Warrants B into 21,382,993 new ATTA Shares prior to the Entitlement Date;
- (v) assuming full exercise of all outstanding 4,782,065 Warrants C into 4,782,065 new ATTA Shares prior to the Entitlement Date; and
- (vi) assuming full exercise of all outstanding 3,162,414 ESOS Options into 3,162,414 new ATTA Shares prior to the Entitlement Date.

The actual number of ICPS to be issued pursuant to the Proposed Rights Issue of ICPS would depend on the issued share capital of the Company on the Entitlement Date and the level of subscription by the Entitled Shareholders.

The ICPS entitlements are renounceable in full or in part. Accordingly, the Entitled Shareholders may fully or partially subscribe and/or renounce their entitlements ICPS.

Any unsubscribed ICPS will be made available for excess application by the Entitled Shareholders and/or their renounee(s)/transferee(s). The Board intends to allocate the excess ICPS in a fair and equitable manner on a basis to be determined and announced later by the Company.

Any fractional entitlement under the Proposed Rights Issue of ICPS will be disregarded and shall be dealt with in such manner as the Board shall in its absolute discretion deem fit, expedient and in the best interests of the Company.

The indicative salient terms of the ICPS are set out in Appendix I of this Circular.

2.1.2 Basis of arriving at the issue price of the ICPS and the conversion price of the ICPS

The Board has fixed the issue price of the ICPS at RM0.08 per ICPS ("**Issue Price**") and the conversion price of the ICPS at RM0.80 ("**Conversion Price**") for one (1) new ATTA Share after taking into consideration, amongst others, the following:

- (i) the five (5)-day volume weighted average market price ("**VWAMP**") up to and including 24 May 2017, being the last market day prior to the announcement of the Proposals of the ATTA Shares of RM1.1361 each;
- (ii) the quantum of the gross proceeds to be raised for the purpose as detailed in Section 2.1.8 of this Circular; and
- (iii) the range of discount given for recent rights issue exercises undertaken by public companies listed on Bursa Securities.

The theoretical ex-rights price (“**TERP**”) of the Shares, based on the above five (5)-day VWAMP up to and including 24 May 2017 of RM1.1361 per Share is RM0.99.

The Issue Price of the ICPS of RM0.08 represents approximately 7% of the five (5)-day VWAMP of the ATTA Shares of RM1.1361. The Board deemed that the Issue Price of the ICPS of RM0.08 will be affordable and attractive for the Entitled Shareholders after considering the market price of the ATTA Shares, in order to raise sufficient funds for the purposes as set out in Section 2.1.8 of this Circular.

The Conversion Price of the ICPS of RM0.80 represents a discount of approximately RM0.19 or 19.19% over the TERP of the ATTA Shares. The Board deemed that the discount of approximately 19.19% is reasonably attractive and is within the range of market discount rates for recent rights issue exercises. It is intended to provide the Entitled Shareholders and/or their renounee(s)/transferee(s) with an equal opportunity to increase their equity participation in ATTA during the tenure of the ICPS.

Based on the Conversion Price of RM0.80, the ICPS may be converted into new Shares in the following manner:

- (i) by surrendering for cancellation ten (10) ICPS to be converted into one (1) new ATTA Share; or
- (ii) by surrendering for cancellation such number of ICPS with an aggregate value below the Conversion Price, subject to a minimum of one (1) ICPS, and paying the difference between the aggregate value of ICPS surrendered and the Conversion Price in cash for one (1) new ATTA Share.

Premised on the terms of the ICPS, subject to adjustments, the ICPS can be converted into new ATTA Shares on any market day commencing on and including the Issue Date of the ICPS up to and including the Maturity Date. Any ICPS that are not converted would be mandatorily converted into new ATTA Shares on the Maturity Date.

Any fractional new ATTA Share arising from the mandatory conversion of the ICPS on the Maturity Date will be disregarded and will be dealt with by the Board as it may deem fit and expedient in the best interest of the Company.

2.1.3 Ranking of the new ATTA Shares to be issued arising from the conversion of the ICPS

The new ATTA Shares to be issued arising from the conversion of the ICPS shall, upon issuance and allotment, rank *pari passu* in all respects with the then existing ATTA Shares except that such new ATTA Shares will not be entitled to any dividends, rights, allotments and/or distributions, that may be declared, made or paid for which the entitlement date is prior to the date of allotment of these new ATTA Shares.

For information purposes, the Company had, on 22 June 2017, declared a final dividend of RM0.02 per ATTA Share and special dividend of RM0.08 per ATTA Share under the single tier system in respect of the FYE 31 March 2017 (“**Final Dividend**”). The payment of the Final Dividend is subject to the shareholders’ approval at the forthcoming Annual General Meeting of the Company. The ICPS is expected to be issued and allotted after the entitlement date of the Final Dividend. As such, any new ATTA Shares to be issued arising from the conversion of the ICPS will not be entitled for the Final Dividend.

2.1.4 Minimum Subscription Level

The Proposed Rights Issue of ICPS will be implemented based on a minimum subscription level of 150,000,000 ICPS to raise at least RM12.00 million. A holistic approach has been adopted in determining the minimum amount to be raised from the Proposed Rights Issue of ICPS, the Board has taken into consideration, amongst others:

- (i) the planned capital expenditure and immediate working capital requirements of ATTA Group as set out in Section 2.1.8 of this Circular; and
- (ii) the amount of funds allocated to defray the estimated expenses relating to the Proposed Rights Issue of ICPS.

2.1.5 Undertakings

In order to ensure that the Minimum Subscription Level will be achieved, the Board has procured the written irrevocable undertakings from Skylitech, OCS and NCN, the Directors and shareholders of ATTA for the following:

- (i) Skylitech to subscribe for partial of its rights entitlements of 37,500,000 ICPS given the limited funds available to Skylitech and its shareholders;
- (ii) OCS:
 - (a) to subscribe for his rights entitlements of 8,683,920 ICPS; and
 - (b) to subscribe for the requisite number of excess ICPS not subscribed by the other Entitled Shareholders and/or their renouneece(s)/ transferee(s) of up to 43,816,080 ICPS;
- (iii) NCN:
 - (a) to subscribe for his rights entitlements of 649,728 ICPS; and
 - (b) to subscribe for the requisite number of excess ICPS not subscribed by the other Entitled Shareholders and/or their renouneece(s)/ transferee(s) of up to 59,350,272 ICPS.

The Board has also invited the other substantial shareholders of the Company namely, AWGSB, AI Capital Sdn Bhd and Tan Sun Ping whether they are interested to provide undertakings for the Proposed Rights Issue of ICPS. However, they are unable to provide the proof of financial resources and have also indicated that they have no intention to provide the undertakings to subscribe for the ICPS. Notwithstanding that, they reserve their rights to subscribe for their rights entitlements and to apply for any excess ICPS if they wish to do so during the implementation of the Proposed Rights Issue of ICPS. Please refer to Appendix IV of this Circular for further information of AWGSB, AI Capital Sdn Bhd and Tan Sun Ping.

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Under the Minimum Scenario, the Undertakings from Skylitech, OCS and NCN are as set out in the table below:

Shareholders	Direct shareholding as at the LPD ⁽¹⁾		Entitlements under the Proposed Rights Issue of ICPS		Undertakings		
	No. of Shares	%	No. of ICPS	% ⁽²⁾	Subscription of entitlements	Subscription of excess ICPS	Total
					No. of ICPS	No. of ICPS	No. of ICPS
Skylitech	19,800,753	18.99	158,406,024	18.99	37,500,000	-	37,500,000
OCS	1,085,490	1.04	8,683,920	1.04	8,683,920	43,816,080	52,500,000
NCN	81,216	0.08	649,728	0.08	649,728	59,350,272	60,000,000

Notes:

(1) Excluding 774 treasury shares held by the Company.

(2) As a percentage of the 834,188,912 ICPS to be issued pursuant to the Proposed Rights Issue of ICPS under Maximum Scenario 1 assuming none of the Outstanding Convertible Securities as at the LPD are exercised/converted into new ATTA Shares.

In view of the Undertakings, there will not be any underwriting arrangement required for the Proposed Rights Issue of ICPS.

Arising from the obligations pursuant to the Undertakings, Skylitech, OCS and NCN have confirmed that they have sufficient financial resources to subscribe for the ICPS pursuant to the Undertakings. PIVB has verified that Skylitech, OCS and NCN have the financial resources to fulfill its commitments pursuant to the Undertakings.

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2.1.6 Implication of the Rules

The subscription of the ICPS by Skylitech, OCS and NCN based on their Undertakings will not give rise to any mandatory general offer obligations pursuant to the Rules.

However, as at the LPD, OCS has a direct interest of 1,033,800 ATTA Shares, representing 1.16% of the voting shares (excluding the treasury shares) in the Company as well as 750,000 Warrants C.

In addition, OCS is also deemed interested in the Company via his direct interest in HLS and Skylitech as follow:

- (i) OCS has a direct interest of 70,000 ordinary shares, representing 70% interest in HLS. HLS has 71 Warrants B; and
- (ii) OCS has a direct interest of 360,000 ordinary shares, representing 72% interest in Skylitech. Skylitech has a direct interest of 18,857,860 ATTA Shares, representing 21.08% of the voting shares (excluding the treasury shares) in the Company and has 35,000,000 ICULS.

Premised on the undertaking by OCS and the conversion/exercise of the Outstanding Convertible Securities and/or the ICPS held by OCS, HLS and Skylitech, their collective shareholdings in the Company may exceed 33% of the voting shares in the Company. Pursuant to the Rules, OCS, HLS, Skylitech and their person(s) acting in concert (“PACs”) (if any) would be obliged to extend a mandatory take-over offer for all the remaining ATTA Shares and convertible securities not already owned by them.

However, the actual shareholding of OCS, HLS, Skylitech and their PACs (if any) in ATTA would depend on amongst others, the timing and actual holdings of their respective ICULS, Warrants B and Warrants C and/or ICPS converted into new ATTA Shares (assuming they do not dispose any of its existing or acquire any new ATTA Shares, ICULS, Warrants B, Warrants C, ESOS Options and/or ICPS).

In relation to the above, OCS, HLS, Skylitech and their PACs (if any) may make an application to the Securities Commission Malaysia to seek an exemption for OCS, HLS, Skylitech and their PACs under subparagraph 4.08(1) of the Rules from the obligation to extend a mandatory take-over offer for the remaining Shares and convertible securities not already owned by them prior to them converting their respective ICULS, Warrants B and Warrants C and/or ICPS for new Shares which could trigger the mandatory take-over obligation.

The Board has advised OCS, HLS, Skylitech and their PACs (if any) of the implications of the Rules if their shareholdings in ATTA exceed 33%. OCS, HLS, Skylitech and their PACs have been informed to observe and comply at all times with the provisions of the Rules.

2.1.7 Listing of and quotation for the ICPS and the new Shares arising from the conversion of the ICPS

Bursa Securities had on 14 June 2017, approved the Company’s application for the admission of the ICPS to the Official List of Bursa Securities as well as the listing of and quotation for the ICPS and the new Shares to be issued arising from the conversion of the ICPS on the Main Market of Bursa Securities. In addition, in the same letter, approval was also obtained for the listing of and quotation for the additional Warrants B and additional Warrants C to be issued arising from such adjustments as may be made pursuant to the deed poll dated 28 March 2012 and deed poll dated 9 October 2014, respectively, as well as new Shares to be issued arising from the exercise of additional Warrants B, additional Warrants C and additional ESOS Options, on the Main Market of Bursa Securities.

2.1.8 Utilisation of proceeds

For illustrative purposes, based on the renounceable rights issue of up to 2,515,037,240 ICPS at an Issue Price of RM0.08 per ICPS, the Proposed Rights Issue of ICPS is expected to raise gross proceeds of up to approximately RM60.13 million and RM201.20 million under Maximum Scenario 1 and Maximum Scenario 2, respectively (excluding proceeds from any conversion/exercise of the Outstanding Convertible Securities in the future, if any).

The proceeds are expected to be utilised by the Group in the following manner:

Proposed utilisation	Minimum Scenario (RM'000)	Maximum Scenario 1 (RM'000)	Maximum Scenario 2 (RM'000)	Estimated timeframe for utilisation from date of receipt
Purchase of new equipment/machineries ⁽¹⁾	2,620	6,550	6,550	Within twelve (12) months
Investment in new business ⁽²⁾	-	-	120,000	Within twenty-four (24) months
Upgrading of building ⁽³⁾	-	10,000	10,000	Within twelve (12) months
Working capital ⁽⁴⁾	8,380	49,185	63,653	Within twenty-four (24) months
Estimated expenses in relation to the Proposals ⁽⁵⁾	1,000	1,000	1,000	Within six (6) months
Total	12,000	66,735	201,203	

Notes:

- (1) The Group intends to utilise up to RM6.55 million to purchase new equipment/machineries to expand its metal recycling business. The details of equipment/machineries to be purchased are set out below:

	Minimum Scenario		Maximum Scenario 1 & 2	
	No. of units	(RM'000)	No. of units	(RM'000)
Bundle machines	4	900	10	2,250
Excavators	4	1,720	10	4,300
Total	8	2,620	20	6,550

The bundle machines are used to process the scrap metals by compacting and squeezing the scrap metals into metal blocks. The excavators are used to load/unload the scrap metals/metal blocks in scrap metal yards and processing plants.

Currently, the Group has seven (7) bundle machines and seven (7) excavators, with productivity of approximately 3,600 metric tons per month. Some of the equipment/machineries breakdown frequently due to the wear and tear over the operating life cycle. Regular maintenance is required and has affected the efficiency and productivity of the equipment/machineries. The existing equipment/machineries are not sufficient to cater for the current production requirement and also the increase in input, as more raw materials will be purchased via the proceeds of the Proposed Rights Issue of ICPS.

The new equipment/machineries will increase the production capacity of the Group's metal recycling business couple with improvement of efficiency. In the Minimum Scenario, four (4) additional bundle machines and excavators, respectively, will be purchased and is expected to increase the production capacity by approximately 2,750 metric tons per month. If the Proposed Rights Issue of ICPS achieves the Maximum Scenario 1 & 2, ten (10) additional bundle machines and excavators will be purchased and is expected to increase the production capacity by approximately 7,400 metric tons per month.

Please refer to Section 5.4.1 of this Circular for further information of the Group's metal recycling business.

- (2) Under the Maximum Scenario 2, the gross proceeds of up to RM120.00 million to be utilised for investment in new business is based on the assumption that the Outstanding Convertible Securities of the Company are fully converted/exercised respectively prior to the Entitlement Date.

24,576,361 new ATTA Shares have been issued pursuant to the conversion of ICULS and exercise of Warrant C and ESOS Options from the date of announcement up to the LPD. In view that the Outstanding Convertible Securities are in the money as at the LPD, further conversion/exercise of the Outstanding Convertible Securities are foreseeable at this juncture. However, the Board is of the opinion that all the Outstanding Convertible Securities will not be fully converted/exercised within the short period of time prior to the implementation of the Proposed Rights Issue of ICPS which is expected to be implemented after the approval being obtained from the shareholders of the Company at the upcoming EGM, given that the exercise period of the ICULS and the Warrants B is up to 2022, while the exercise period of the Warrants C is up to 2024. However, the quantum of Outstanding Convertible Securities to be converted/exercised could not be determined by the Company.

The Board will give priority to new investment opportunities which are in the same or complementary to the Group's existing business. Nevertheless, any new business, which is not in the same or complementary to the Group's existing business may be considered on their own investment merits. As at the LPD, the Board has yet to identify any suitable and viable new investment opportunities. In addition to the plan to venture into complementary business, the Board also has the intention to venture into property development, construction and property investment via acquisition or joint venture. However, in the absence of any concrete plans for the projects and the uncertainty of the actual amount of funds to be raised, the allocation of the proceeds could not be determined at this juncture. Announcements will be made when such investments have been identified by the Board and are likely to materialise. If the nature of the transactions requires the approval of the shareholders pursuant to Chapter 10 of the Main Market Listing Requirements of Bursa Securities, the Board will seek the necessary approval(s) from the shareholders of the Company.

In the event the Group fails to identify any suitable investment opportunity within twenty-four (24) months from the completion of the Proposed Rights Issue of ICPS, the Board is of the view that to allocate the proceeds to expand the existing business of Group would be in the best interest to the Group. The proceeds will be utilised for working capital purposes, which are set out below:

	(RM'000)	Estimated timeframe for utilisation after the Group fails to identify any suitable investment opportunities
Purchase of scrap metals for its metal recycling business	80,000	Within twenty-four (24) months
Purchase of raw materials comprise, amongst others, color coated coil, zincalume coil, mild steel, galvanized coil and cold rolled coil for the manufacturing of roofing, cable tray and steel furniture.	40,000	Within twenty-four (24) months
Total	120,000	

Should the Company decides to vary the usage of funds to working capital, prior shareholders' approval will be sought.

Pending the utilisation of the proceeds for this purpose, the proceeds will be placed in deposits with financial institutions or short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital of the Group. The preference dividend rate of RM0.40 sen per hundred (100) ICPS per annum represents a cost of dividend of 5.00% or RM6.00 million per annum. As at the LPD, the three (3)-month fixed deposits rate of Public Bank Berhad is 3.00% or RM3.60 million per annum. As such, based on the proceeds of RM120.00 million, there would be a negative cost of carry of 2.00% or RM2.40 million per annum as the interest to be derived from the deposits is not sufficient to sustain the cost of dividend.

- (3) The Proposed Rights Issue of ICPS is mainly to raise funds to expand its core business. In the event the Proposed Rights Issue of ICPS achieves more than the Minimum Scenario, up to RM10.00 million from the proceeds will be utilised to fund part of the upgrading works of one of the Group's buildings. The building is located at its corporate/operations office at 2521, Tingkat Perusahaan 6, Prai Industrial Estate, 13600 Prai, Penang which is currently being rented out to Padiberas Nasional Berhad at a monthly rental of RM191,440 (revised since 1 June 2015) until 31 May 2017 pursuant to a tenancy agreement dated 2 September 2013. The tenancy was renewed on 30 March 2017 for a period commencing from 1 June 2017 to 30 June 2018 for the same monthly rental. The upgrading works are intended to involve amongst others, the upgrading of the foundations, the leveling of the floor as well as the replacement of the roof of the building together with ancillary works such as mechanical and engineering (M&E), fire safety and plumbing and sanitation works. As at the LPD, the Board has yet to identify a contractor to undertake the upgrading works of the building. The upgrading works is expected to commence upon the receipt of the proceeds from the Proposed Rights Issue of ICPS and expected to be completed within twelve (12) months from the commencement of the upgrading works.

The building, comprises of two (2) blocks, is over 25 years old and the last major renovation was in 2013. However, the building had sustained wear and tear over the years. The upgrading works of the building has to be made to fulfill the operating needs and requirements of the tenant for the storage of heavy rice bags. Meanwhile, the building upgrade could provide ATTA with a justifiable basis in terms of rental adjustment in the future while maintaining its long-term relationship with the existing quality tenant. In the event the Proposed Rights Issue of ICPS achieves only the Minimum Scenario, the Group intends to fund the upgrading works of the building 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.

- (4) An amount of up to RM63.65 million shall be utilised for the Group's working capital requirements, the details of which are set out below:

Proposed utilisation	Minimum Scenario (RM'000)	Maximum Scenario 1 (RM'000)	Maximum Scenario 2 (RM'000)
<i>Purchase of raw materials for</i>			
<i>Metal recycling ^(a)</i>	6,704	34,088	45,600
<i>Manufacturing of roofing, cable tray and steel furniture ^(b)</i>	1,676	8,522	11,400
	8,380	42,610	57,000
<i>Other operating expenses ^(c)</i>	-	6,575	6,653
Total	8,380	49,185	63,653

Notes:

- (a) Purchase of scrap metal for its metal recycling business. Metal recycling business of the Group is a cash business. In addition, the processing and turnover for the metal recycling business is within a short period of time. Hence, the availability of sufficient financial resources will be the main success factor, as the Group intends to expand the scale of its metal recycling business. Please refer to Section 5.4.1 of this Circular for further information of the Group's metal recycling business.
- (b) Purchase of raw materials comprise, amongst others, color coated coil, zincalume coil, mild steel, galvanized coil and cold rolled coil for the manufacturing of roofing, cable tray and steel furniture. This is mainly to cater for the potential projects to be secured by the Company. Please refer to Section 5.4.2 of this Circular for further information of the Group's manufacturing business.
- (c) Proceeds of up to RM6.65 million will be allocated for the other operating expenses in anticipation of increase of operating expenses along with the expansion of the business of the Group. Other operating expenses comprise of the Group's day-to-day operation expenses to support the existing business operation which shall include, but not limited to the payment of salaries to staff (including contribution to Employees' Provident Fund, Social Security Organisation (SOCSO) and other statutory payments), administrative and marketing expenses, selling and distribution, rental expenses, statutory professional fees such as audit fees and tax fees, utilities and office expenses. The exact breakdown of the proceeds in respect of the other operating requirements has not been determined by the Company.
- (5) The proceeds earmarked for estimated expenses in relation to the Proposals shall be utilised as set out below:

	(RM'000)
<i>Professional fees (i.e. adviser, reporting accountant and solicitors)</i>	450
<i>Fees payable to the relevant authorities</i>	350
<i>Other incidental expenses in relation to the Proposals</i>	200
Total	1,000

Any surplus or shortfall of funds allocated for the payment of the estimated expenses will be adjusted accordingly from the working capital as the case may be.

The maximum quantum of proceeds to be received by ATTA pursuant to the full conversion of the ICPS, assuming the ICPS were all converted by surrendering for cancellation one (1) ICPS and paying the balance Conversion Price in cash for every one (1) new ATTA Share under the Maximum Scenario 1 and Maximum Scenario 2 is RM600.62 million and RM1,810.83 million, respectively.

Notwithstanding the above, the actual quantum of proceeds to be received by ATTA pursuant to the conversion of all the ICPS is dependent on the mode of conversion of the ICPS into new ATTA shares. Nevertheless, the Group intends to use such proceeds, if any, for the working capital requirements and future business expansion, the details of which has yet to be determined as at the date of this Circular.

2.2 Proposed M&A Amendments

The Proposed M&A Amendments entail the consequential amendments to the M&A of the Company to facilitate the creation and issuance of the ICPS pursuant to the Proposed Rights Issue of ICPS.

3. RATIONALE FOR THE PROPOSALS

3.1 Proposed Rights Issue of ICPS

After due consideration of various funding options available to the Company, the Board is of the opinion that the Proposed Rights Issue of ICPS is the most appropriate avenue of fund raising for the Company after taking into consideration, amongst others, the following factors:

- (i) the Proposed Rights Issue of ICPS enables ATTA to raise funds to fund its capital expenditure and working capital requirements;
- (ii) the issuance of the ICPS would enable ATTA to strengthen its eventual capital base upon full conversion of the ICPS;
- (iii) the issuance of the ICPS would not dilute the shareholdings of the existing shareholders of ATTA, assuming that all the Entitled Shareholders fully subscribe for their respective entitlements and thereafter fully convert the ICPS;
- (iv) the issuance of the ICPS would not have an immediate dilutive effect on the EPS of the ATTA Group as opposed to the issuance of new ATTA Shares; and
- (v) the issuance of the ICPS would provide the Entitled Shareholders with an option to further participate in the equity of ATTA at a predetermined conversion price during the tenure of the ICPS.

3.2 Proposed M&A Amendments

The Proposed M&A Amendments are intended to facilitate the creation and issuance of the ICPS pursuant to the Proposed Rights Issue of ICPS.

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4. EFFECTS OF THE PROPOSALS

The Proposed M&A Amendments will not have any effect on the issued share capital, NA, gearing, earnings and EPS of the Group and the substantial shareholders' shareholdings of the Company.

For illustrative purposes, the pro forma effects of the Proposed Rights Issue of ICPS as disclosed in this Circular shall be based on the Minimum Scenario, Maximum Scenario 1 and Maximum Scenario 2.

4.1 Issued share capital

The pro forma effects of the Proposed Rights Issue of ICPS on the issued share capital of the Company are set out below:

	Minimum Scenario		Maximum Scenario 1		Maximum Scenario 2	
	No. of ATTA Shares ('000)	(RM'000)	No. of ATTA Shares ('000)	(RM'000)	No. of ATTA Shares ('000)	(RM'000)
Issued share capital:						
As at the LPD	104,274	104,274	104,274	104,274	104,274	104,274
Adjusted for reversal of warrants reserve and ESOS reserve ⁽¹⁾	-	1,492	-	1,492	-	1,492
Assuming full conversion of the outstanding ICULS	-	-	-	-	180,779 ⁽²⁾	180,779
Assuming full exercise of the outstanding Warrants B	-	-	-	-	21,383	24,569
Assuming full exercise of the outstanding Warrants C	-	-	-	-	4,782	5,969
Assuming full exercise of the outstanding ESOS Options	-	-	-	-	3,162	3,405
To be issued pursuant to the full conversion of ICPS	104,274	105,766	104,274	105,766	314,380	320,488
	15,000 ⁽³⁾	12,000	834,189 ⁽⁴⁾	667,351	2,515,037 ⁽⁴⁾	2,012,030
Total enlarged issued share capital	119,274	117,766	938,463	773,117	2,829,417	2,332,518

Notes:

(1) Upon the exercise of Warrants C and ESOS options from 1 February 2017 (subsequent to the effective date of the Act) up to the LPD.

(2) Assuming all outstanding ICULS are converted by surrendering RM0.10 nominal value of ICULS together with cash such that in aggregate it amounts to RM1.00 for one (1) new ATTA Share.

(3) Assuming the ICPS are converted by surrendering ten (10) ICPS for one (1) new ATTA Share, which entails the issuance of the minimum number of ATTA Shares.

(4) Assuming the ICPS are converted by surrendering one (1) ICPS together with cash such that in aggregate it amounts to the Conversion Price for one (1) new ATTA Share, which entails the issuance of the maximum number of ATTA Shares.

4.2

NA and gearing

The pro forma effects of the Proposed Rights Issue of ICPS on the NA and gearing of the Group based on the latest audited consolidated statement of financial position as at 31 March 2016 are set out below:

Minimum Scenario	Audited as at 31 March 2016 (RM'000)	I Subsequent adjustments up to the LPD ⁽²⁾ (RM'000)	II After (I) and the Proposed Rights Issue of ICPS (RM'000)	III After (II) and assuming full conversion of the ICPS (RM'000)
Share capital				
- ATTA Shares	70,851	105,766	105,766	117,766
- ICPS	-	-	10,100	-
ICULS	22,064	18,078	18,078	18,078
Share premium	11,832	8,665	7,665 ⁽³⁾	7,665
Treasury shares	(2,236)	(1)	(1)	(1)
Warrant reserve	5,779	4,373	4,373	4,373
Discount on shares	(5,699)	(5,699)	(5,699)	(5,699)
Fair value reserve	359	359	359	359
Capital reserve	(263)	(263)	(263)	(263)
ESOS reserve	330	243	243	243
Capital redemption reserve	2,258	2,258	2,258	2,258
Retained earnings	18,561	18,561	18,561	18,561
Shareholders' equity/NA	123,836	152,340	161,440	163,340
No. of Shares outstanding ('000) ⁽¹⁾	67,261	104,273	104,273	119,273
NA per Share (RM)	1.84	1.46	1.55	1.37
Total borrowings (RM'000)	13,598	13,598	16,098 ⁽⁴⁾	13,598
Gearing ratio (times)	0.11	0.09	0.10	0.08

Notes:

- (1) Excluding 774 treasury shares held by the Company.
- (2) After adjusting for the buy-back of ATTA Shares by the Company, the issuance of 33,422,361 new ATTA Shares pursuant to the conversion/exercise of Outstanding Convertible Securities subsequent to the FYE 31 March 2016 up to the LPD and the distribution of 4,472,526 treasury shares as share dividend on 30 May 2017.
- (3) After deducting estimated expenses of RM1.00 million in relation to the Proposals.
- (4) Including the liabilities portion of the ICPS of approximately RM2.50 million. The liabilities portion of the ICPS represents the present value of the dividend payable for the five (5)-year tenure, computed using the discounted cash flow method.

Maximum Scenario 1	Audited as at 31 March 2016 (RM'000)	I Subsequent adjustments up to the LPD ⁽²⁾ (RM'000)	II After (I) and the Proposed Rights Issue of ICPS (RM'000)	III After (II) and assuming full conversion of the ICPS (RM'000)
Share capital				
- ATTA Shares	70,851	105,766	105,766	773,117
- ICPS	-	-	56,168	-
ICULS	22,064	18,077	18,077	18,077
Share premium	11,832	8,664	7,664 ⁽³⁾	7,664
Treasury shares	(2,236)	-	-	-
Warrant reserve	5,779	4,373	4,373	4,373
Discount on shares	(5,699)	(5,699)	(5,699)	(5,699)
Fair value reserve	359	359	359	359
Capital reserve	(263)	(263)	(263)	(263)
ESOS reserve	330	243	243	243
Capital redemption reserve	2,258	2,258	2,258	2,258
Retained earnings	18,561	18,561	18,561	18,561
Shareholders' equity/NA	123,836	152,339	207,507	818,690
No. of Shares outstanding ('000) ⁽¹⁾	67,261	104,274	104,274	938,463
NA per Share (RM)	1.84	1.46	1.99	0.87
Total borrowings (RM'000)	13,598	13,598	27,502 ⁽⁴⁾	13,598
Gearing ratio (times)	0.11	0.09	0.13	0.02

Notes:

(1) Excluding 774 treasury shares held by the Company.

(2) After adjusting for the buy-back of ATTA Shares by the Company, the issuance of 33,422,361 new ATTA Shares pursuant to the conversion/exercise of Outstanding Convertible Securities subsequent to the FYE 31 March 2016 up to the LPD and the distribution of 4,472,526 treasury shares as share dividend on 30 May 2017.

(3) After deducting estimated expenses of RM1.00 million in relation to the Proposals.

(4) Including the liabilities portion of the ICPS of approximately RM13.90 million. The liabilities portion of the ICPS represents the present value of the dividend payable for the five (5)-year tenure, computed using the discounted cash flow method.

Maximum Scenario 2	Audited as at 31 March 2016 (RM'000)	I Subsequent adjustments up to the LPD ⁽²⁾ (RM'000)	II After (I) and assuming full conversion of the Outstanding Convertible Securities (RM'000)	III After (II) and the Proposed Rights Issue of ICPS (RM'000)	IV After (III) and assuming full conversion of the ICPS (RM'000)
Share capital					
- ATTA Shares	70,851	105,766	320,488	320,488	2,332,518
- ICPS	-	-	-	169,344	-
ICULS	22,064	18,077	-	-	-
Share premium	11,832	8,664	8,664	7,664 ⁽³⁾	7,664
Treasury shares	(2,236)	-	-	-	-
Warrant reserve	5,779	4,373	-	-	-
Discount on shares	(5,699)	(5,699)	(5,699)	(5,699)	(5,699)
Fair value reserve	359	359	359	359	359
Capital reserve	(263)	(263)	(263)	(263)	(263)
ESOS reserve	330	243	-	-	-
Capital redemption reserve	2,258	2,258	2,258	2,258	2,258
Retained earnings	18,561	18,561	18,561	18,561	18,561
Shareholders' equity/NA	123,836	152,339	344,368	512,712	2,355,398
No. of Shares outstanding ('000) ⁽¹⁾	67,261	104,274	314,380	314,380	2,829,417
NA per Share (RM)	1.84	1.46	1.10	1.63	0.83
Total borrowings (RM'000)	13,598	13,598	13,598	55,518 ⁽⁴⁾	13,598
Gearing ratio (times)	0.11	0.09	0.04	0.11	0.01

Notes:

- (1) Excluding 774 treasury shares held by the Company.
- (2) After adjusting for the buy-back of ATTA Shares by the Company, the issuance of 33,422,361 new ATTA Shares pursuant to the conversion/exercise of Outstanding Convertible Securities subsequent to the FYE 31 March 2016 up to the LPD and the distribution of 4,472,526 treasury shares as share dividend on 30 May 2017.
- (3) After deducting estimated expenses of RM1.00 million in relation to the Proposals.
- (4) Including the liabilities portion of the ICPS of approximately RM41.92 million. The liabilities portion of the ICPS represents the present value of the dividend payable for a five (5)-year tenure, computed using the discounted cash flow method.

4.3

Substantial shareholders' shareholdings

The pro forma effects of the Proposed Rights Issue of ICPS on the substantial shareholders' shareholdings of ATTA are set out below:

Minimum Scenario

	As at the LPD ⁽¹⁾				I After the Proposed Rights Issue of ICPS			
	Direct		Indirect		Direct		Indirect	
	No. of ATTA Shares held	%	No. of ATTA Shares held	%	No. of ATTA Shares held	%	No. of ATTA Shares held	%
Substantial shareholders								
OCS	1,085,490	1.04	19,800,753 ⁽²⁾	18.99	1,085,490	1.04	19,800,753 ⁽³⁾	18.99
Skylitech	19,800,753	18.99	-	-	19,800,753	18.99	-	-
AWGSB	24,193,890	23.20	-	-	24,193,890	23.20	-	-
Tan Sun Ping	8,530,109	8.18	-	-	8,530,109	8.18	-	-
NCN	81,216	0.08	3,582 ⁽⁴⁾	⁽⁵⁾	81,216	0.08	3,582 ⁽⁴⁾	⁽⁵⁾
A1 Capital Sdn Bhd	5,346,365	5.13	-	-	5,346,365	5.13	-	-

	II After (I) and assuming the full conversion of the ICPS ⁽²⁾			
	Direct		Indirect	
	No. of ATTA Shares held	%	No. of ATTA Shares held	%
Substantial shareholders				
OCS	6,335,490	5.31	23,550,753 ⁽³⁾	19.75
Skylitech	23,550,753	19.75	-	-
AWGSB	24,193,890	20.28	-	-
Tan Sun Ping	8,530,109	7.15	-	-
NCN	6,081,216	5.10	3,582 ⁽⁴⁾	⁽⁵⁾
A1 Capital Sdn Bhd	5,346,365	4.48	-	-

Notes:

- (1) Excluding 774 treasury shares held by the Company.
- (2) Assuming the ICPS were converted by surrendering ten (10) ICPS for one (1) new ATTA Share, which entails the issuance of the minimum number of ATTA Shares.
- (3) Deemed interested by virtue of his interest in Skyitech pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his spouse's interest pursuant to Section 59(1)(c) of the Act.
- (5) Less than 0.01%.

Maximum Scenario I

	As at the LPD ⁽¹⁾			After the Proposed Rights Issue of ICPS		
	Direct		Indirect	Direct		Indirect
	No. of ATTA Shares held	%	No. of ATTA Shares held	No. of ATTA Shares held	%	No. of ATTA Shares held
Substantial shareholders						
OCS	1,085,490	1.04	19,800,753 ⁽³⁾	1,085,490	1.04	19,800,753 ⁽³⁾
Skylitech	19,800,753	18.99	-	19,800,753	18.99	-
AWGSB	24,193,890	23.20	-	24,193,890	23.20	-
Tan Sun Ping	8,530,109	8.18	-	8,530,109	8.18	-
NCN	81,216	0.08	3,582 ⁽⁴⁾	81,216	0.08	3,582 ⁽⁴⁾
A1 Capital Sdn Bhd	5,346,365	5.13	-	5,346,365	5.13	-

	II After (I) and assuming the full conversion of the ICPS ⁽²⁾		
	Direct		Indirect
	No. of ATTA Shares held	%	No. of ATTA Shares held
Substantial shareholders			
OCS	9,769,410	1.04	178,206,777 ⁽³⁾
Skylitech	178,206,777	18.99	-
AWGSB	217,745,010	23.20	-
Tan Sun Ping	76,770,981	8.18	-
NCN	730,944	0.08	32,238 ⁽⁴⁾
A1 Capital Sdn Bhd	48,117,285	5.13	-

Notes:

- (1) Excluding 774 treasury shares held by the Company.
- (2) Assuming the ICPS were converted by surrendering one (1) ICPS together with cash such that in aggregate it amounts to the Conversion Price for one (1) new ATTA Share, which entails the issuance of the maximum number of ATTA Shares.
- (3) Deemed interested by virtue of his interest in Skylitech pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his spouse's interest pursuant to Section 59(1)(c) of the Act.
- (5) Less than 0.01%.

Maximum Scenario 2

	I Assuming full conversion of the Outstanding Convertible Securities							
	As at the LPD ⁽¹⁾		Indirect					
	Direct	Indirect	No. of ATTA Shares held	%				
Substantial shareholders	No. of ATTA Shares held	%	No. of ATTA Shares held	%	No. of ATTA Shares held	%		
OCS	1,085,490	1.04	19,800,753 ⁽²⁾	18.99	1,835,490	0.58	55,800,824 ⁽³⁾	17.43
Skylitech	19,800,753	18.99	-	-	54,800,753	17.43	-	-
AWGSB	24,193,890	23.20	-	-	24,193,890	7.70	-	-
Tan Sun Ping	8,530,109	8.18	-	-	17,464,341	5.56	-	-
NCN	81,216	0.08	3,582 ⁽⁴⁾	⁽⁵⁾	593,109	0.19	3,582 ⁽⁴⁾	⁽⁵⁾
AI Capital Sdn Bhd	5,346,365	5.13	-	-	39,781,119	12.65	-	-

	II After (I) and the Proposed Rights Issue of ICPS				III After (II) and assuming the full conversion of the ICPS ⁽²⁾			
	Direct		Indirect		Direct		Indirect	
	No. of ATTA Shares held	%	No. of ATTA Shares held	%	No. of ATTA Shares held	%	No. of ATTA Shares held	%
Substantial shareholders	No. of ATTA Shares held	%	No. of ATTA Shares held	%	No. of ATTA Shares held	%	No. of ATTA Shares held	%
OCS	1,835,490	0.58	55,800,824 ⁽²⁾	17.43	16,519,410	0.58	493,207,416 ⁽³⁾	17.43
Skylitech	54,800,753	17.43	-	-	493,206,777	17.43	-	-
AWGSB	24,193,890	7.70	-	-	217,745,010	7.70	-	-
Tan Sun Ping	17,464,341	5.56	-	-	157,179,078	5.56	-	-
NCN	593,109	0.19	3,582 ⁽⁴⁾	⁽⁵⁾	5,337,981	0.19	32,238 ⁽⁴⁾	⁽⁵⁾
AI Capital Sdn Bhd	39,781,119	12.65	-	-	358,030,071	12.65	-	-

Notes:

- (1) Excluding 774 treasury shares held by the Company.
- (2) Assuming the ICPS were converted by surrendering one (1) ICPS together with cash such that in aggregate it amounts to the Conversion Price for one (1) new ATTA Share, which entails the issuance of the maximum number of ATTA Shares.
- (3) Deemed interested by virtue of his interest in SkyLitech pursuant to Section 8 of the Act.
- (4) Deemed interested by virtue of his spouse's interest pursuant to Section 59(1)(c) of the Act.
- (5) Less than 0.01%.

4.4 Earnings and EPS

The Board expects the Proposed Rights Issue of ICPS to contribute positively to the future earnings of ATTA based on the proposed utilisation of proceeds mainly to fund the purchase of new equipment/machineries and the Group's working capital requirements.

On a standalone basis, the EPS of the Group may be diluted as a result of the increase in the number of ATTA Shares arising from the full conversion of the ICPS into new ATTA Shares in the event the earnings of ATTA does not increase in tandem with the increase in the number of ATTA Shares in issue. However, the extent of dilution to the EPS is dependent on, amongst others, the actual number of the ATTA Shares to be converted and the future earnings of ATTA Group.

4.5 Convertible securities

As at the LPD, save for the ICULS, Warrants B, Warrants C and ESOS Options, the Company does not have any other existing convertible securities.

The Proposed Rights Issue of ICPS may give rise to adjustments to the conversion price of the outstanding ICULS held by each holder of the ICULS pursuant to the trust deed dated 28 March 2012 constituting the ICULS.

In addition, the Proposed Rights Issue of ICPS may give rise to adjustments to the exercise price and/or number of outstanding Warrants B, Warrants C and ESOS Options held by each holder of the Warrants B, Warrants C and ESOS Options pursuant to deed poll dated 28 March 2012, deed poll dated 9 October 2014 and by-laws, respectively.

Any necessary adjustments to the exercise price and number of Warrants B, Warrants C and ESOS Options, and the conversion price of ICULS will only be finalised on the Entitlement Date and upon consultation with an approved adviser and certified by the auditors of the Company in accordance with the provisions as contained in the trust deed dated 28 March 2012, deed poll dated 28 March 2012, deed poll dated 9 October 2014 and by-laws. In addition, a notice will be despatched to the respective holders of the ICULS, Warrants B and Warrants C in the event of any such adjustments.

For illustrative purposes only, the details of the adjustments pursuant to the Proposed Rights Issue of ICPS are set out below. The abbreviations used in the adjustments shall have the following meanings:

- C = 1.1361, being the five (5)-day VWAMP of one (1) ATTA Share up to and including 24 May 2017, being the Market Day immediately preceding the date on which the Proposed Rights Issue of ICPS is publicly announced
- D = The value of rights attributable to one (1) ATTA Share shall be calculated in accordance with the following formula:
- $$\frac{C - E}{F + 1}$$
- E = RM0.80, being the subscription consideration of one (1) new ATTA Share under the terms of such offer or invitation to acquire or subscribe for ATTA Shares or one (1) security convertible into ATTA Shares or one (1) security with rights to acquire or subscribe for ATTA Shares under the offer or invitation, as the case may be
- F = 1.25 ATTA Share, being the number of ATTA Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one (1) additional ATTA Share or one (1) security convertible into ATTA Shares or one (1) security with rights to acquire or subscribe for ATTA Shares under the offer or invitation, as the case may be

(i) ICULS

As at the LPD, the Company has outstanding ICULS of RM18,077,856.90 in nominal value which have not been converted at the existing conversion price of RM1.00.

In accordance with the provisions of the trust deed dated 28 March 2012, if and whenever the Company shall make any offer or invitation to shareholders by way of rights under which they may acquire or subscribe for securities convertible into Shares or securities with rights to acquire or subscribe for Shares, the conversion price shall be adjusted in accordance with the adjustment formula stated in the trust deed. The number of outstanding ICULS need not be adjusted.

The conversion price shall be adjusted as follows:

$$\begin{aligned} \text{Adjusted conversion price} &= \text{Existing conversion price} \times \frac{C^{\wedge} - D}{C^{\wedge}} \\ &= \text{RM1.00} \times \frac{1.13 - 0.1466667}{1.13} \\ &= \text{RM0.87}^* \end{aligned}$$

Notes:

[^] *Rounded down to the nearest RM0.01 per ATTA Share in accordance with the provisions of the trust deed*

* *Rounded upwards to the nearest one (1) sen in accordance with the provisions of the trust deed*

(ii) Warrants B

As at the LPD, the Company has outstanding 21,382,993 Warrants B which have not been exercised at the existing exercise price of RM1.00.

In accordance with the provisions of the deed poll dated 28 March 2012, if and whenever the Company makes any offer or invitation to its shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into Shares, any adjustment to the exercise price and number of outstanding Warrants B shall be made based on the following formula:

$$\begin{aligned} \text{Adjusted conversion price} &= \text{Existing conversion price} \times \frac{C - D}{C} \\ &= \text{RM1.00} \times \frac{1.1361 - 0.1493778}{1.13} \\ &= \text{RM0.87}^* \end{aligned}$$

Note:

* *Rounded upwards to the nearest one (1) sen in accordance with the provisions of the deed poll*

$$\begin{aligned} \text{New number of Warrants B} &= \frac{C}{C - D} \times \text{Existing number of Warrants B} \\ &= \frac{1.1361}{(1.1361 - 0.1493778)} \times 21,382,993 \\ &= 24,620,119 \end{aligned}$$

Additional Warrants B to be issued	=	New number of Warrants B	-	Existing number of Warrants B
	=	24,620,119	-	21,382,993
	=	3,237,126		

(iii) Warrants C

As at the LPD, the Company has outstanding 4,782,065 Warrants C which have not been exercised at the existing exercise price of RM1.00.

In accordance with the provisions of the deed poll dated 9 October 2014, if and whenever the Company shall make any offer or invitation to ordinary shareholders by way of rights whereunder they may acquire or subscribe for securities convertible into new Shares or rights to acquire or subscribe for ordinary shares, any adjustment to the exercise price and number of outstanding Warrants C shall be made based on the following formula:

$$\begin{aligned}
 \text{Adjusted conversion price} &= \text{Existing conversion price} \times \frac{C - D}{C} \\
 &= \text{RM1.00} \times \frac{1.1361 - 0.1493778}{1.13} \\
 &= \text{RM0.87*}
 \end{aligned}$$

Note:

* *Rounded upwards to the nearest one (1) sen in accordance with the provisions of the deed poll*

$$\begin{aligned}
 \text{New number of Warrants C} &= \frac{C}{C - D} \times \text{Existing number of Warrants C} \\
 &= \frac{1.1361}{(1.1361 - 0.1493778)} \times 4,782,065 \\
 &= 5,506,012
 \end{aligned}$$

Additional Warrants C to be issued	=	New number of Warrants C	-	Existing number of Warrants C
	=	5,506,012	-	4,782,065
	=	723,947		

5. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS

5.1 Overview and outlook of the Malaysian economy

In 2016, the Malaysian economy recorded a growth of 4.2% (2015: 5.0%) despite considerable external and domestic headwinds. Domestic demand continued to anchor growth, supported mainly by private sector spending. Private consumption growth, in particular, was sustained at 6.1% (2015: 6.0%), supported by continued employment and wage growth following the increase in minimum wage and civil servant salaries. Public consumption growth moderated to 1.0% (2015: 4.4%) following the expenditure rationalisation adopted by the Government in early 2016 given the lower petroleum related revenue because of low crude oil prices. Public investment recorded a smaller rate of decline in 2016 (-0.5%; 2015: -1.0%) due to the smaller contraction in spending on fixed assets by public corporations given the higher investment in the downstream oil and gas industry, and the transportation and utilities sub-sectors. On the supply side, all economic sectors continued to expand in 2016, with the exception of the agriculture sector.

Growth in gross exports moderated to 1.1% in 2016 (2015: 1.6%), reflecting the subdued global growth and low commodity prices. Gross imports recorded a higher growth of 1.9% (2015: 0.4%) driven by higher imports of capital goods amid the ongoing implementation of infrastructure projects and continued expansion in investment activity.

With the gradual improvement in global growth, recovery in global commodity prices and the continued growth of domestic demand are expected to collectively support Malaysia's growth performance. The Malaysian economy is projected to register a sustained growth of 4.3% - 4.8% in 2017. Domestic demand will continue to be the principal driver of growth, underpinned by private sector activity. While public expenditure would be lower as a result of the Government's continued commitment to fiscal consolidation, the public sector is projected to support growth, driven mainly by higher public investment arising from the ongoing implementation of key infrastructure projects in selected sectors.

(Source: Annual Report 2016, Bank Negara Malaysia)

5.2 Overview and outlook of the Malaysian steel sector

Output of construction-related materials continued to increase 4.8% (January – July 2015: 4.5%) mainly supported by higher production of non-metallic mineral and basic metals as well as fabricated metal products, which grew 6.3%, 2.1% and 5.6%, respectively (January – July 2015: 7.2%; 2.5%; 3.6%). Production of glass products, pig iron and other structural metal products increased significantly by 21.9%, 24.7% and 8.3%, respectively (January – July 2015: 1.1%; 16.4%; 0.2%). Growth of the subsector was attributed to higher demand from civil engineering and residential subsectors.

In line with robust re-export activities during the first eight months of 2016, receipts from manufactures of metal increased 10.3% (January – August 2015: 15.6%). Growth was mainly attributed to non-ferrous metals, particularly aluminium (63.1%) and copper (5.9%). Major export destinations for manufactures of metal include Singapore, China, India, Japan and Viet Nam.

(Source: Economic Report 2016/2017, Ministry of Finance, Malaysia)

5.3 Overview and outlook of the Malaysian construction and manufacturing sectors

Products from the steel industry play a key role in supporting the construction and manufacturing sectors and hence, any future growth in the steel industry will be closely linked to the growth cycles of the aforesaid sectors. In view of the above, the following is a discussion of the prospects of the construction and manufacturing sectors.

(i) The construction sector

The construction sector recorded moderate growth in 2016 (7.4%; 2015: 8.2%). The faster pace of expansion in the civil engineering and residential sub-sectors was partially offset by a decline in non-residential activity. Growth in the civil engineering sub-sector was driven by higher activity in existing multi-year projects, particularly in the petrochemical, transportation and utilities segments. Activity in the residential sub-sector was supported by large property launches in the previous years while growth in the special trade sub-sector continued to be supported by early and end-works activity. Growth in the non-residential sub-sector, however, was weighed down by slower activity in the commercial property segment amid the oversupply of office and retail space.

(Source: Annual Report 2016, Bank Negara Malaysia)

(ii) **The manufacturing sector**

The manufacturing sector grew by 4.4% in 2016 (2015: 4.9%), supported by continued expansion in both export and domestic-oriented industries. The performance of the export-oriented industries was mainly driven by firm growth of the electronics and electrical (E&E) segment, with semiconductors exports growing strongly in response to the recovery in global demand for semiconductors in the second half of 2016. Growth was further supported by higher production of petrochemical products to meet sustained regional demand. The domestic-oriented industries were weighed down by the weak output of motor vehicles, but strong demand for food-related products and construction-related materials provided support to growth.

(Source: Annual Report 2016, Bank Negara Malaysia)

5.4 Prospects of the Group

The Company, 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 historical financial position of the Group together with the commentaries are summarised below:

	Audited FYE 31 March			Unaudited FYE 31 March 2017 RM'000
	2014 RM'000	2015 RM'000	2016 RM'000	
Revenue:				
<i>Manufacturing</i>	72,229	73,379	80,157	119,814
<i>Trading</i>	69,275	65,468	39,504	6,535
<i>Others</i>	2,098	2,363	2,399	2,334
Total revenue	143,602	141,210	122,060	128,684
PBT/(LBT)	4,620	3,997	(1,747)	18,857
Taxation	(1,633)	2	(686)	(832)
PAT/(LAT):				
<i>Manufacturing</i>	1,196	1,082	764	3,200
<i>Trading</i>	1,197	1,105	(2,322)	8,337
<i>Others</i>	19,482	3,254	932	6,873
<i>Elimination</i>	(18,888)	(1,443)	(1,807)	(384)
Total PAT/(LAT)	2,987	3,999	(2,433)	18,025

Audited FYE 31 March 2014

The Group generated revenue of approximately RM143.60 million, which represented an increase of approximately RM6.53 million or 4.76% as compared to the revenue generated for the preceding FYE of approximately RM137.07 million. This was mainly attributable to the increase in revenue from metal recycling business. The revenue from the metal recycling business had increased from approximately RM50.79 million to approximately RM62.62 million by approximately 23.29% due to the higher traded scrap prices during the financial year.

The Group recorded PAT of approximately RM2.99 million as compared to the LAT incurred for the preceding FYE of approximately RM4.35 million. The turnaround financial performance was mainly attributable to the increase in revenue and margin improvement as a result of the higher traded scrap prices during the financial year.

The profit from the others segment is attributable to the dividend received from the subsidiaries by the Group and has been eliminated on consolidation

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, 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 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.

Unaudited FYE 31 March 2017

The Group generated revenue of approximately RM128.68 million, which represented an increase of approximately RM6.62 million or 5.42% 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.

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.

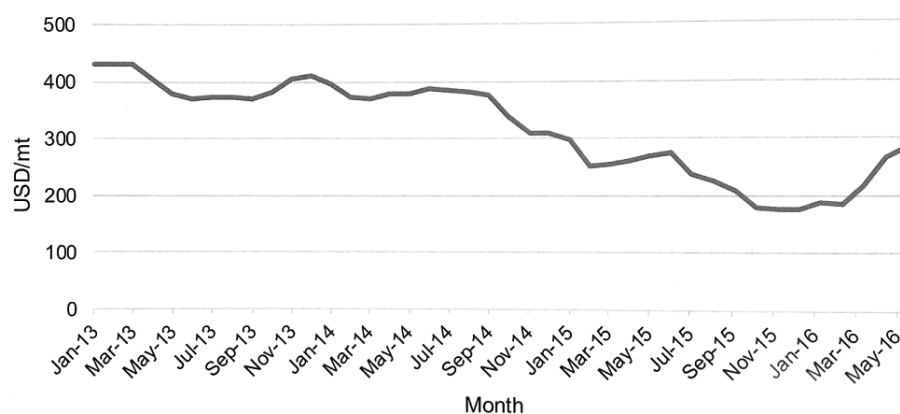
5.4.1 Metal recycling business

Metal recycling is an activity undertaken by scrap metal collectors, as well as by a range of companies large and small that in the aggregate, comprise the scrap recycling industry. It involves the recovery and processing of various metals at the end of their useful life by the scrap recycling industry, so that it can be introduced as a raw material in the production of new goods. Scrap metal recycling involves a number of steps as depicted in the table below:

Processes	Descriptions
Collection	The collection of scrap metal is hierarchical, and can start with scrap metal collectors who pick up small quantities of scrap for sale to scrap metal yards.
Sorting	Scrap metal is classified as either ferrous or non-ferrous scrap. Ferrous metal contains some degree of iron, while non-ferrous metal does not contain iron as a component. Sorting involves separating ferrous metals from non-ferrous metals, as well as the mixed scrap metal stream or the mixed multi-material waste stream. The sorting process can be labour intensive and some sorting processes take more technologically advanced and sophisticated recycling equipment.
Processing	To promote the melting process, the scrap metal will be compacted or squeezed into metal blocks using machines. As a result, they can be melted using comparatively less energy.
Melting	The metal blocks will be melted in a large furnace. A considerable amount of energy is used in this step.
Purification	Purification is done to ensure the final product is of high quality and free of contaminants.
Solidifying	Molten metals are cooled and solidified in a cooling chamber to form into specific shapes such as bars that can be used for the production of various metal products.

Based on the 12th report on status and outlook of the Malaysian Iron and Steel Industry 2016/2017, most Malaysian steel mills, being principally electric arc furnaces mills, require ferrous metal scrap as raw material and would on an average, in total import about two (2) million metric tons of scrap per year while picking up another two (2) million metric tons from local sources (three (3) million metric tons in 2011 and 2012). Needing to ensure stability in supply, steel mills are subject to:

- supply issues in which increasing demand from Asia and emerging markets have made imports of scrap a significant cost component for the steel industry.
- earlier volatility of scrap prices in which prices ranged from a high of USD595 in July of 2008 to a low of USD159 by November of the same year.
- prices have since stabilised and have been trading at a high though generally more moderate level, declining through 2014 and 2015, though they have increased in recent month.
- internationally traded scrap prices have increased significantly along with steel prices in early 2016.
- bulk shipping markets also create variability in price and supply in terms of availability of vessels and rates.



(Source: 12th report on status and outlook of the Malaysian Iron and Steel Industry 2016/2017)

Metal is a global commodity that is always in big demand. The local market will absorb at the quantity that the metal recycling division can supply as the steel mills consistently importing from overseas and East Malaysia.

In addition, the expansion of community recycling programs and public awareness of environmental protection help in promoting the metal recycling business to a certain extent. Metal recycling is more efficient than mining and processing new ore, which requires less energy to process, offers lower carbon footprint and more efficient utilisation of resources. They also do not create a waste disposal problem. Moreover, metals can be recycled again without degrading their physical and chemical properties, and hence the supply risk of raw materials is relatively low as compared to other industries.

The Group's metal recycling business is mainly involved in the processing stage. The sorted scrap metals will be purchased by the Company and processed to scrap metal blocks. The scrap metal blocks will be sold to the clients. Unlike the other stages that could be labour intensive, take more technologically advanced and sophisticated recycling equipment, or high utilities consumption, the processing stage is relatively simple.

Generally, the metal recycling business of the Group is a cash business, which requires huge cash outlay for the purpose of purchase of raw materials, i.e. scrap metals. The processing and turnover for the metal recycling business is within a short period of time. Hence, the availability of sufficient financial resources will be the main success factor, as the Group intends to expand the scale of its metal recycling business. Financial availability will be one of the competitive advantages to the Group in sourcing raw materials in a more competitive pricing.

Moving forward, the Group intends to expand the scale of production of its metal recycling business to have the advantage of the economies of scale. Under the Maximum Scenario 1, up to approximately RM35.35 million will be allocated for the metal recycling business, for which up to approximately RM6.55 million will be utilised to purchase new equipment/machineries and approximately RM28.80 million will be utilised to purchase raw materials. The injection of fresh capital to the Group will improve the liquidity position of the Group and enable the Group to purchase more raw materials. In addition, the Group would also have better bargaining power in obtaining a favourable pricing as the Group is able to purchase the necessary raw materials in bulk.

The purchase of new bundle machines and excavators will increase the productivity, couple with the improvement in efficiency of the metal recycling business of the Group. Currently, some of the existing equipment/machines of the Group breakdown frequently due to the wear and tear over the operating life cycle. Regular maintenance is required and has affected the efficiency and productivity of the machineries. In addition, the existing equipment/machineries are not sufficient to cater for the current production requirement and also the increase in input, as more raw materials will be purchased via the proceeds of the Proposed Rights Issue of ICPS. In the Maximum Scenario 1 & 2, the purchase of new machineries is expected to increase the production capacity of the Group's metal recycling business by approximately 7,400 metric tons per month.

Premised on the above and due to the limited players in the industry, especially in the Northern region of Malaysia which are competing with the metal recycling business of the Group directly, the Board is cautiously optimistic that the expansion will contribute positively to the stability of the financial performance of the Group.

Based on an article published in The Star newspaper on 12 June 2017, some used metal traders and recyclers in Penang claim that they are facing a hard time following the state government's move requiring household to separate their waste. The waste collectors in Seberang Perai were not allowed to sell recyclables such as aluminum cans, paper and plastic to any of the traders who have been operating recycling business for years. Instead, these recyclables could only be sold to one (1) state-appointed private company. The Board is in the opinion that the above mentioned article does not have material impact to the business of the Group. The collection process of scrap metals is hierarchical. It starts with scrap metal collectors who pick up small quantities of scrap for sale to dealers/suppliers who own scrap metal yards. The Group does not deal with the small scrap collectors directly. The Group purchases scrap metal from larger dealers/suppliers who supply higher quantity of at least one (1) metric tons per delivery. In addition, the collection of household scrap metals is not significant as compared to the operation of our business.

5.4.2 Manufacturing

In addition to its metal recycling business, the Group will also focus on its manufacturing segment, which is also contributing to the Group's revenue as well. Under the Maximum Scenario 1, up to approximately RM7.20 million will be utilised to purchase raw materials such as color coated coil, zincalume coil, mild steel, galvanized coil and cold rolled coil for the manufacturing of roofing, cable tray and steel furniture to cater for the potential projects to be secured by the Company. With the improved liquidity position, the Group would have better bargaining power in obtaining a favourable pricing as the Group is able to purchase the necessary raw materials in bulk and in cash terms.

Premised on the above, the Proposals will allow the Group to raise funds in order to fund the expansion of its existing core business as discussed above. The Board is of the view that the Proposals are expected to facilitate the growth as well as further improve the financial performance of the Group moving forward.

(Source: Management of ATTA)

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6. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of the ATTA Group as traded on Bursa Securities for the past twelve (12) months up to and including the LPD are set out in the table below:

	High (RM)	Low (RM)
2016		
May	0.600	0.520
June	0.540	0.520
July	0.520	0.490
August	0.525	0.490
September	0.880	0.475
October	0.940	0.700
November	0.940	0.770
December	0.805	0.740
2017		
January	0.730	0.650
February	0.965	0.650
March	1.290	0.905
April	1.240	1.090
May	1.240	1.050
June	1.480	1.210
The last transacted price on 24 May 2017 (being the last Market Day prior to the announcement of the Proposals)	1.140	
The last transacted price on 30 June 2017 (being the LPD)	1.360	

(Source: Bloomberg)

7. APPROVALS REQUIRED AND CONDITIONALITY

7.1 Approvals required

The Proposals are conditional upon the approvals being obtained from the following parties:

- (i) the approval of Bursa Securities for the following:
 - (a) admission of the ICPS to the Official List of the Main Market of Bursa Securities;
 - (b) listing of and quotation for the ICPS and the additional Warrants B and Warrants C to be issued pursuant to the adjustments to be made arising from the Proposed Rights Issue of ICPS on the Main Market of Bursa Securities; and
 - (c) listing of and quotation for the new ATTA Shares to be issued arising from the full conversion of the ICPS and from the exercise of the additional Warrants B, Warrants C and ESOS Options to be issued pursuant to the adjustments to be made arising from the Proposed Rights Issue of ICPS on the Main Market of Bursa Securities.

The approval from Bursa Securities for the abovementioned has been obtained vide its letter dated 14 June 2017, and is subject to the following conditions:

	Conditions imposed	Status of compliance
(a)	ATTA and PIVB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Rights Issue of ICPS;	Noted
(b)	ATTA and PIVB to inform Bursa Securities upon the completion of the Proposed Rights Issue of ICPS;	To be met
(c)	ATTA and PIVB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Rights Issue of ICPS is completed;	To be met
(d)	ATTA to furnish Bursa Securities on a quarterly basis a summary of the total number of Shares listed pursuant to the conversion of ICPS as at the end of each quarter together with a detail computation of listing fees payable; and	To be met
(e)	to incorporate Bursa Securities' comments as per Bursa Securities' approval letter in respect of draft circular to shareholders in relation to the Proposed Rights Issue of ICPS.	Met

- (ii) the shareholders of the Company for the Proposals at the EGM to be convened; and
- (iii) any other relevant authorities, if required.

7.2 Conditionality

The Proposed Rights Issue of ICPS and the Proposed M&A Amendments are inter-conditional with each other.

Save for the above, the Proposals are not conditional upon any other corporate proposals.

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

None of the directors, major shareholders of the Company and/or persons connected with them has any interest, direct and/or indirect, in the Proposals save for their respective entitlements as shareholders of ATTA under the Proposed Rights Issue of ICPS, for which all the existing shareholders of ATTA are also entitled to, including the right to apply any excess ICPS.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposals including but not limited to the rationale and effects of the Proposals, is of the opinion that the Proposals are in the best interest of the Company.

Accordingly, the Board recommends that you vote in favour of the resolutions pertaining to the Proposals at the forthcoming EGM of the Company.

10. OTHER CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save as disclosed below, there are no other outstanding corporate exercises which have been announced but pending completion as at the LPD:

- (i) Proposed subscription of 55% equity interest in Tetap Gembira Development Sdn. Bhd. (“TGSB”) by ATTA (“Proposed Subscription”)

On 16 February 2017, the Company has issued a letter of undertaking to TGSB whereby ATTA undertakes to subscribe for 1,237,500 new ordinary shares in TGSB (“New TGSB Shares”) representing 55% equity interest in TGSB for a total cash consideration of RM6,187,500 (“Subscription Price”) subject to the terms and upon the condition contained in the said letter. The Subscription Price shall be payable by ATTA to TGSB in the following manner:

- (a) RM1,237,500 upon allotment and issuance of the New TGSB Shares to ATTA; and
- (b) RM4,950,000 will be used to pay Malayan Banking Berhad, being the financier of TGSB, to redeem a property held under title number known as Lot 71113 No. Hakmilik 3416, Mukim 12, Daerah Barat Daya, Penang which is charged to Malayan Banking Berhad for the loan obtained by TGSB.

As at the LPD, the parties have yet to execute the relevant documents in respect of the Proposed Subscription and the transaction is pending completion.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposals are expected to be completed in the third (3rd) quarter of 2017.

The tentative timetable for the implementation of the Proposals is as follows:

Events	Tentative timeline
EGM for the Proposals	16 August 2017
Announcement of the book closing date for the Proposed Rights Issue of ICPS	Mid-August 2017
Book closing date to determine persons entitled to participate in the Proposed Rights Issue of ICPS and the public release of the Abridged Prospectus	Early-September 2017
Listing of and quotation for the ICPS on the Main Market of Bursa Securities	Early-October 2017

12. EGM

The forthcoming EGM, the notice of which is enclosed in this Circular will be held at Iconic Hotel, Jalan Icon City, Icon City, Bukit Mertajam, 14000 Penang on Wednesday, 16 August 2017 at 11.30 a.m., 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 Proposals.

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

INDICATIVE SALIENT TERMS OF THE ICPS

The indicative salient terms of the ICPS are as follows:

- Issue Size : Up to 2,515,037,240 ICPS
- Issue Price : RM0.08 per ICPS
- Issue Date : The date on which the ICPS is issued pursuant to the Proposed Rights Issue of ICPS
- Tenure : Five (5) years commencing from and including the Issue Date of the ICPS
- Maturity Date : The date immediately preceding the fifth (5th) anniversary of the Issue Date of the ICPS, and if such date is not a market day, then on immediate preceding market day
- Board Lot : The ICPS are tradable in board lots of one hundred (100) units of ICPS, or such denomination as may be determined by Bursa Securities from time to time
- Dividend : A cumulative preference dividend rate of 40.0 sen per hundred (100) ICPS per annum, if declared, shall be payable annually (“**ICPS Dividend Date**”) in arrears and out of post taxation profits. For the avoidance of doubt, the ICPS Dividend Date shall refer to a market day immediately before the ICPS anniversary date of the Issue Date and if such date is not a market day, then on immediate preceding market day.
- No dividend shall be paid on the ordinary shares of the Company unless the dividends on the ICPS have first been paid and shall be in priority over the ordinary shares of the Company.
- The right to receive dividends, including dividends in arrears, shall cease (save for dividends declared and unpaid) once the ICPS are converted into ATTA Shares (including where the ICPS are mandatorily converted in accordance with the terms of the ICPS)
- Form and Denomination : The ICPS will be issued in registered form and constituted by the Company’s M&A
- Conversion Rights : Each registered holder of the ICPS shall have the right at any time during the Conversion Period to convert such amount of ICPS held into new Shares at the Conversion Price.
- No adjustment to the Conversion Price shall be made for any declared and unpaid dividends on the ICPS surrendered for conversion.
- Any outstanding ICPS not converted at the end of the Conversion Period shall be mandatorily converted into new Shares at the Conversion Price on the Maturity Date by surrendering ten (10) ICPS for one (1) new Share without the payment of additional consideration by the ICPS holder, into fully paid new Shares.
- Any fractional new Share arising from the mandatory conversion of the ICPS on the Maturity Date shall be disregarded and be dealt with by the Board as it may deem fit and expedient in the best interest of the Company
- Conversion Price : The conversion price for the ICPS is RM0.80 for every one (1) new Share

INDICATIVE SALIENT TERMS OF THE ICPS (Cont'd)

- Conversion Period : The ICPS shall be convertible into new Shares on any market day commencing on and including the Issue Date of the ICPS up to and including the Maturity Date
- Conversion Mode : The ICPS may be converted into new Shares in the following manner:
- (a) by surrendering for cancellation ten (10) ICPS to be converted into one (1) new ATTA Share; or
 - (b) by surrendering for cancellation such number of ICPS with an aggregate value below the Conversion Price, subject to a minimum of one (1) ICPS, and paying the difference between the aggregate value of the ICPS surrendered and the Conversion Price in cash for one (1) new ATTA Share,
- subject to the Adjustments Clause as provided herein
- Ranking of the ICPS : The ICPS shall rank *pari passu* amongst themselves. In the event of liquidation, dissolution, winding-up or other repayment of capital:
- (i) With the exception of holders of redeemable convertible preference shares (if any), the ICPS shall confer on the holders the right to receive in priority to the holders of other classes of shares in the Company, cash repayment in full of the amount (the amount of any dividend that has been declared and remaining in arrears) of that ICPS provided that there shall be no further right to participate in any surplus capital or surplus profits of the Company; and
 - (ii) In the event that the Company has insufficient assets to permit payment of the full value to the ICPS holders, the assets of the Company shall be distributed pro rata on an equal priority, to the ICPS holders in proportion to the amount that each ICPS holder would otherwise be entitled to receive
- Ranking of new Shares arising from the conversion of the ICPS : The new Shares to be issued upon the conversion of the ICPS shall rank *pari passu* in all respects with the then existing Shares except that such new Shares will not be entitled to any dividends, rights, allotments and/or distributions, that may be declared, made or paid for which the entitlement date is prior to the date of allotment and issuance of such new Shares
- Adjustment to Conversion Price (“**Adjustment Clause**”) : The Conversion Price will be adjusted, at the determination of the Company, in all or any of the following cases:
- (i) A bonus issue of ordinary shares by the Company; or
 - (ii) A capital distribution to shareholders made by the Company whether on a reduction of capital or otherwise, but excluding any cancellation of capital which is lost or unrepresented by assets; or
 - (iii) A rights issue of ordinary shares or convertible securities by the Company; or
 - (iv) Any other circumstances deemed necessary by the Board.
- No adjustment to the Conversion Price will be made unless the computation has been certified by the auditors of the Company

INDICATIVE SALIENT TERMS OF THE ICPS (*Cont'd*)

Rights of the ICPS holders	: The ICPS holders are not entitled to any voting rights or participation in any rights, allotments and/or other distributions in the Company except in the following circumstances until and unless such holder converts his/her ICPS into new ATTA Shares: <ul style="list-style-type: none"> (i) on a proposal for the winding-up, liquidation, compromise and/or arrangement of the Company for the winding-up, liquidation, compromise and/or arrangement of the Company and during the winding-up, liquidation, compromise and/or arrangement of the Company; (ii) any resolution which varies or is deemed to vary the rights and privileges attached to the ICPS; (iii) any resolution to reduce the share capital of the Company; (iv) any resolution for the purposes of sanctioning the disposal of the whole or a substantial part (as defined in Section 223 of the Act) of the property, business or undertaking of the Company; and (v) other circumstances as may be provided under law and applicable to preference shares and/or preference shareholders from time to time
Transfer	: The ICPS shall be transferable only by instrument in writing in the usual or common form or such other form as the Board or the relevant authorities may approve. As the ICPS will be listed on and traded on the Main Market of Bursa Securities, they will be deposited with the central depository system of Bursa Securities and will be subject to the Rules of Bursa Malaysia Depository Sdn Bhd
Modification of rights	: The Company may from time to time with the consent or sanction of all the ICPS holders make modifications to the terms of which in the opinion of the Company are not materially prejudicial to the interest of the ICPS holders or are to correct a manifest error or to comply with mandatory provisions of the laws of Malaysia and the relevant regulations
Listing status	: The ICPS will be listed on the Main Market of Bursa Securities
Governing law	: Laws and regulations of Malaysia

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON



SIEW BOON YEONG & ASSOCIATES

Chartered Accountants [AF: 0660]

9-C, Jalan Medan Tuanku, Medan Tuanku, 50300 Kuala Lumpur, Malaysia.

Tel: 03-2693 8837 Fax: 03-2693 8836 Website: www.sby.com.my E-mail: audit@sby.com.my



Member Firm Of
Malaysian Institute Of Accountants
Institut Akuntan Malaysia

Date: 6 July 2017

The Board of Directors
ATTA Global Group Berhad
No. 2521 Tingkat Perusahaan 6,
Prai Industrial Estate,
13600 Prai,
Pulau Pinang

Dear Sirs/Madam,

**ATTA GLOBAL GROUP BERHAD (“ATTA” OR “COMPANY”)
REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION AS AT 31 MARCH 2016**

We have completed our assurance engagement to report on the compilation of Pro Forma Consolidated Statements of Financial Position of ATTA and its subsidiaries (“the Group”) as at 31 March 2016 for which the Directors are solely responsible. The Pro Forma Consolidated Statements of Financial Position consists of the Pro Forma Consolidated Statements of Financial Position as at 31 March 2016 together with the accompanying notes thereon (which we have stamped for the purpose of identification), as set out in the accompanying statements. The applicable criteria on the basis of which the Directors have compiled the Pro Forma Consolidated Statements of Financial Position are described in the notes to the Pro Forma Consolidated Statements of Financial Position (“Applicable Criteria”).

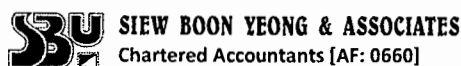
The Pro Forma Consolidated Statements of Financial Position has been compiled by the Directors to illustrate the effects of proposed renounceable rights issue of up to 2,515,037,240 new irredeemable convertible preference shares (“ICPS”) at an issue price of RM0.08 per ICPS on the basis of eight (8) ICPS for every one (1) existing ordinary share held in ATTA (“ATTA Share(s)” or “Share(s)”) on an entitlement date to be determined and announced later (“Entitlement Date”) (“Proposed Rights Issue of ICPS”).

As part of this process, information about the Group’s financial position has been extracted by the Directors from the audited financial statements of the Group for the financial year ended 31 March 2016, which have been published.

Directors’ Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Directors are responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis of the Applicable Criteria as described in the notes thereto.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS
AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON
(Cont'd)

*Reporting Accountants' Responsibilities*

Our responsibility is to express an opinion, whether the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material aspects, by the Directors on the basis of the Applicable Criteria as described in the notes thereto.

We conducted our engagement in accordance with International Standard on Assurance Engagements, (ISAE) 3420 - *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material aspects, the Pro Forma Consolidated Statements of Financial Position on the basis of the Applicable Criteria as described in the notes thereto.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position.

The purpose of Pro Forma Consolidated Statements of Financial Position included in the Circular to Shareholders is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 March 2016 would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:-

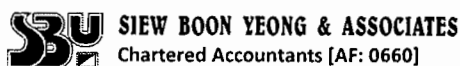
- (i) The related Pro Forma adjustments give appropriate effect to those criteria; and
- (ii) The Pro Forma Consolidated Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the Pro Forma Consolidated Statements of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON
(Cont'd)



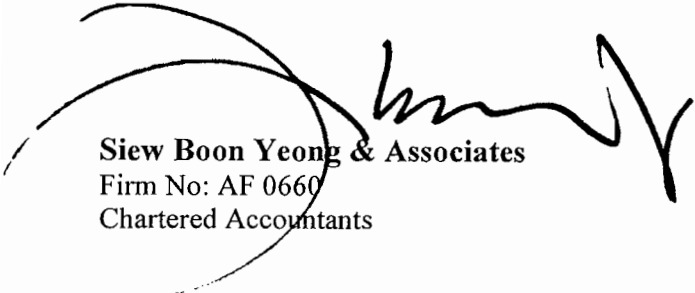
Opinion

In our opinion,

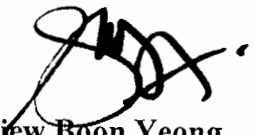
- (i) the Pro Forma Consolidated Statements of Financial Position as at 31 March 2016 have been properly compiled on the basis set out in the accompanying notes to the Pro Forma Consolidated Statements of Financial Position using financial statements prepared by the Directors in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies of the ATTA unless otherwise stated; and
- (ii) the adjustments made to the information used in the preparation of the Pro Forma Consolidated Statements of Financial Position are appropriate for the purposes of preparing the Pro Forma Consolidated Statements of Financial Position.

We understand that this letter will be used solely for the purpose of inclusion in the Circular to Shareholders of ATTA in connection with the Proposed Rights Issue of ICPS. As such, this letter should not be used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully



Siew Boon Yeong & Associates
Firm No: AF 0660
Chartered Accountants




Dato' Siew Boon Yeong
Approved Number: 01321/07/2018 (J)
Partner of Firm

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
MINIMUM SCENARIO

	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Proposed Rights Issue of ICPS RM'000	Adjustments for assuming full conversion of ICPS RM'000	After Pro Forma I and assuming full conversion of ICPS RM'000	Pro Forma II
ASSETS								
Non-current Assets								
Property, plant and equipment	70,728	-	70,728	2,620	73,348	-	73,348	73,348
Investment properties	38,940	-	38,940	-	38,940	-	38,940	38,940
Other investments	2,362	-	2,362	-	2,362	-	2,362	2,362
Deferred tax assets	-	-	-	600	600	(600)	-	-
	112,030	-	112,030	3,220	115,250	(600)	114,650	114,650
Current Assets								
Inventories	12,737	-	12,737	-	12,737	-	12,737	12,737
Trade and other receivables	26,848	-	26,848	-	26,848	-	26,848	26,848
Current tax assets	484	-	484	-	484	-	484	484
Fixed deposits with licensed banks	555	-	555	-	555	-	555	555
Cash and bank balances	4,143	28,504	32,647	8,380	41,027	-	41,027	41,027
	44,767	28,504	73,271	8,380	81,651	-	81,651	81,651
Total Assets	156,797	28,504	185,301	11,600	196,901	(600)	196,301	196,301

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [A.F. 0660]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
MINIMUM SCENARIO (CONT'D)


	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Pro Forma I			Pro Forma II	
		Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Proposed Rights Issue of ICPS RM'000	Adjustments for assuming full conversion of ICPS RM'000
EQUITY AND LIABILITIES						
Equity attributable to owners of the Company						
Share capital	70,851	34,915	105,766	-	105,766	117,766
Irredeemable convertible unsecured loan stocks	22,064	(3,986)	18,078	-	18,078	18,078
ICPS - equity portion	-	-	-	10,100	10,100	(10,100)
Share premium	11,832	(3,167)	8,665	(1,000)	7,665	7,665
Treasury shares	(2,236)	2,235	(1)	-	(1)	(1)
Warrant reserves	5,779	(1,406)	4,373	-	4,373	4,373
Discount on shares	(5,699)	-	(5,699)	-	(5,699)	(5,699)
ESOS reserve	330	(87)	243	-	243	243
Fair value reserve	359	-	359	-	359	359
Retained profits	18,561	-	18,561	-	18,561	18,561
Capital reserve	(263)	-	(263)	-	(263)	(263)
Capital redemption reserve	2,258	-	2,258	-	2,258	2,258
Total equity attributable to owners of the Company	123,836	28,504	152,340	9,100	161,440	163,340
Non-controlling interests	(127)	-	(127)	-	(127)	(127)
Total Equity	123,709	28,504	152,213	9,100	161,314	163,213

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Chartered Accountants [A.F. 0660]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
 MINIMUM SCENARIO (CONT'D)

	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Proposed Rights Issue of ICPS RM'000	Adjustments for assuming full conversion of ICPS RM'000	After Pro Forma I and assuming full conversion of ICPS RM'000	Pro Forma II
Non-Current Liabilities								
Borrowings	9,101	-	9,101	-	9,101	-	9,101	9,101
Deferred tax liabilities	3,361	-	3,361	-	3,361	-	3,361	3,361
ICPS - liability portion	-	-	-	2,500	2,500	(2,500)	-	-
	12,462	-	12,462	2,500	14,962	(2,500)	12,462	12,462
Current Liabilities								
Trade and other payables	15,973	-	15,973	-	15,973	-	15,973	15,973
Borrowings	4,497	-	4,497	-	4,497	-	4,497	4,497
Current tax liabilities	156	-	156	-	156	-	156	156
	20,626	-	20,626	-	20,626	-	20,626	20,626
Total Liabilities	33,088	-	33,088	2,500	35,588	(2,500)	33,088	33,088
Total Equity and Liabilities	156,797	28,504	185,301	11,600	196,901	(600)	196,301	196,301

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)


ATTA GLOBAL GROUP BERHAD ("ATTA")
 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
 MINIMUM SCENARIO

	Audited Consolidated Statements of Financial Position as at 31 March 2016	Adjustments for the subsequent events	Adjusted Consolidated Statements of Financial Position	Adjustments for Proposed Rights Issue of ICPS	After Proposed Rights Issue of ICPS	Adjustments for assuming full conversion of ICPS	Pro Forma II After Pro Forma I and assuming full conversion of ICPS
Number of Shares ('000)	70,851	33,422	104,274		104,274	15,000	119,274
Number of ICULS @ RM0.10 ('000)	220,643	(39,864)	180,779		180,779		180,779
Number of Warrants B ('000)	21,383		21,383		21,383		21,383
Number of Warrants C ('000)	10,712	(5,930)	4,782		4,782		4,782
Number of treasury shares ('000)	(3,590)	3,589	(1)		(1)		(1)
Number of ESOS options ('000)	4,291	(1,128)	3,162		3,162		3,162
Number of ICPS ('000)	-		-	150,000	150,000	(150,000)	-
Number of Shares, net of treasury shares ('000)	67,261	37,012	104,273		104,273	15,000	119,273
Net assets per Share, net of treasury shares (RM)	1.84		1.46		1.55		1.37
Total borrowings (RM'000)*	13,598		13,598	2,500	16,098	(2,500)	13,598
Gearing ratio (times)	0.11		0.09		0.10		0.08

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
 MAXIMUM SCENARIO ONE


	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Proposed Rights Issue of ICPS RM'000	Adjustments for assuming full conversion of ICPS RM'000	After Pro Forma I and assuming full conversion of ICPS RM'000	Pro Forma II
ASSETS								
Non-current Assets								
Property, plant and equipment	70,728	-	70,728	16,550	87,278	-	87,278	87,278
Investment properties	38,940	-	38,940	-	38,940	-	38,940	38,940
Other investments	2,362	-	2,362	-	2,362	-	2,362	2,362
Deferred tax assets	-	-	-	3,337	3,337	(3,337)	-	-
	112,030	-	112,030	19,887	131,916	(3,337)	128,580	128,580
Current Assets								
Inventories	12,737	-	12,737	-	12,737	-	12,737	12,737
Trade and other receivables	26,848	-	26,848	-	26,848	-	26,848	26,848
Current tax assets	484	-	484	-	484	-	484	484
Fixed deposits with licensed banks	555	-	555	-	555	-	555	555
Cash and bank balances	4,143	28,503	32,646	49,186	81,832	600,616	682,449	682,449
	44,767	28,503	73,270	49,186	122,456	600,616	723,072	723,072
Total Assets	156,797	28,503	185,300	69,072	254,372	597,280	851,652	851,652

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 Chartered Accountants [AF: 0660]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
 MAXIMUM SCENARIO ONE (CONT'D)


	Audited		Pro Forma I		Pro Forma II		
	Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Proposed Rights Issue of ICPS RM'000	Adjustments for assuming full conversion of ICPS RM'000	After Pro Forma I and assuming full conversion of ICPS RM'000
EQUITY AND LIABILITIES							
Equity attributable to owners of the Company							
Share capital	70,851	34,915	105,766	-	105,766	667,351	773,117
Irredeemable convertible unsecured loan stocks	22,064	(3,987)	18,077	-	18,077	-	18,077
ICPS - equity portion	-	-	-	56,168	56,168	(56,168)	-
Share premium	11,832	(3,168)	8,664	(1,000)	7,664	-	7,664
Treasury shares	(2,236)	2,236	-	-	-	-	-
Warrant reserves	5,779	(1,406)	4,373	-	4,373	-	4,373
Discount on shares	(5,699)	-	(5,699)	-	(5,699)	-	(5,699)
ESOS reserve	330	(87)	243	-	243	-	243
Fair value reserve	359	-	359	-	359	-	359
Retained profits	18,561	-	18,561	-	18,561	-	18,561
Capital reserve	(263)	-	(263)	-	(263)	-	(263)
Capital redemption reserve	2,258	-	2,258	-	2,258	-	2,258
Total equity attributable to owners of the Company	123,836	28,503	152,339	55,168	207,507	611,183	818,690
Non-controlling interests	(127)	-	(127)	-	(127)	-	(127)
Total Equity	123,709	28,503	152,212	55,168	207,381	611,183	818,564

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
 MAXIMUM SCENARIO ONE (CONT'D)

	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Proposed Rights Issue of ICPS RM'000	Adjustments for assuming full conversion of ICPS RM'000	After Pro Forma I and assuming full conversion of ICPS RM'000	Pro Forma II
Non-Current Liabilities								
Borrowings	9,101	-	9,101	-	9,101	-	9,101	9,101
Deferred tax liabilities	3,361	-	3,361	-	3,361	-	3,361	3,361
ICPS - liability portion	-	-	-	13,904	13,904	(13,904)	-	-
	12,462	-	12,462	13,904	26,366	(13,904)	12,462	12,462
Current Liabilities								
Trade and other payables	15,973	-	15,973	-	15,973	-	15,973	15,973
Borrowings	4,497	-	4,497	-	4,497	-	4,497	4,497
Current tax liabilities	156	-	156	-	156	-	156	156
	20,626	-	20,626	-	20,626	-	20,626	20,626
Total Liabilities	33,088	-	33,088	13,904	46,992	(13,904)	33,088	33,088
Total Equity and Liabilities	156,797	28,503	185,301	69,072	254,373	597,280	851,652	851,652

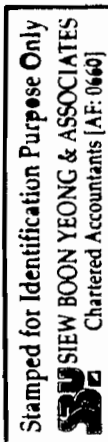
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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
 MAXIMUM SCENARIO ONE (CONT'D)

	Audited Consolidated Statements of Financial Position as at 31 March 2016	Adjustments for the subsequent events	Adjusted Consolidated Statements of Financial Position	Adjustments for Proposed Rights Issue of ICPS	After Proposed Rights Issue of ICPS	Adjustments for assuming full conversion of ICPS	After Pro Forma I and assuming full conversion of ICPS	Pro Forma II
Number of Shares ('000)	70,851	33,422	104,274		104,274	834,189	938,463	
Number of ICULS @ RM0.10 ('000)	220,643	(39,864)	180,779		180,779		180,779	
Number of Warrants B ('000)	21,383		21,383		21,383		21,383	
Number of Warrants C ('000)	10,712	(5,930)	4,782		4,782		4,782	
Number of treasury shares ('000)	(3,590)	3,590	-		-		-	
Number of ESOS options ('000)	4,291	(1,128)	3,162		3,162		3,162	
Number of ICPS ('000)	-		-	834,189	834,189	(834,189)	-	
Number of Shares, net of treasury shares ('000)	67,261	37,012	104,274		104,274	834,189	938,463	
Net assets per Share, net of treasury shares (RM)	1.84		1.46		1.99		0.87	
Total borrowings (RM'000)*	13,598		13,598	13,904	27,502	(13,904)	13,598	
Gearing ratio (times)	0.11		0.09		0.13		0.02	


Note: * - Comprise of all interest bearing borrowings and liability portion of ICPS.



PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
MAXIMUM SCENARIO TWO


	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Pro Forma I		Pro Forma II		Proforma III	
				Adjustments for Full Exercise of Warrants B, C ICULS and ESOS RM'000	After Full Exercise of Warrants B, C ICULS and ESOS RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Pro Forma I and Proposed Rights Issue of ICPS RM'000	Adjustments for Full Conversion of ICPS RM'000	After Pro Forma II and assuming full conversion of ICPS RM'000
ASSETS									
Non-current Assets									
Property, plant and equipment	70,728	-	70,728	70,728	16,550	87,278	-	87,278	
Investment properties	38,940	-	38,940	38,940	-	38,940	-	38,940	
Other investments	2,362	-	2,362	2,362	-	2,362	-	2,362	
Deferred tax assets	-	-	-	-	10,061	10,061	(10,061)	-	
	112,030	-	112,030	112,030	26,611	138,641	(10,061)	128,580	
Current Assets									
Inventories	12,737	-	12,737	12,737	-	12,737	-	12,737	
Trade and other receivables	26,848	-	26,848	26,848	-	26,848	-	26,848	
Current tax assets	484	-	484	484	-	484	-	484	
Fixed deposits with licensed banks	555	-	555	555	120,000	120,555	-	120,555	
Cash and bank balances	4,143	28,503	32,646	224,675	63,653	288,328	1,810,827	2,099,155	
	44,767	28,503	73,270	265,299	183,653	448,952	1,810,827	2,259,779	
Total Assets	156,797	28,503	185,300	377,329	210,264	587,593	1,800,766	2,388,359	

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 11640)

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
 PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
 MAXIMUM SCENARIO TWO (CONT'D)


	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Statements of Financial Position RM'000	Adjustments for Full Exercise of Warrants B, C and ESOS RM'000	After Full Exercise of Warrants B, C and ESOS RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	After Pro Forma I and Proposed Rights Issue of ICPS RM'000	Adjustments for Full Conversion of ICPS RM'000	After Pro Forma I and assuming full conversion of ICPS RM'000	Proforma III
EQUITY AND LIABILITIES										
Equity attributable to owners of the Company										
Share capital	70,851	34,915	105,766	214,722	320,488	-	320,488	2,012,030	2,332,518	
Irredeemable convertible unsecured loan stocks	22,064	(3,987)	18,077	(18,077)	-	-	-	-	-	
ICPS - equity portion	-	-	-	-	-	169,344	169,344	(169,344)	-	
Share premium	11,832	(3,168)	8,664	-	8,664	(1,000)	7,664	-	7,664	
Treasury shares	(2,236)	2,236	-	-	-	-	-	-	-	
Warrant reserves	5,779	(1,406)	4,373	(4,373)	-	-	-	-	-	
Discount on shares	(5,699)	-	(5,699)	-	(5,699)	-	(5,699)	-	(5,699)	
ESOS reserve	330	(87)	243	(243)	-	-	-	-	-	
Fair value reserve	359	-	359	-	359	-	359	-	359	
Retained profits	18,561	-	18,561	-	18,561	-	18,561	-	18,561	
Capital reserve	(263)	-	(263)	-	(263)	-	(263)	-	(263)	
Capital redemption reserve	2,258	-	2,258	-	2,258	-	2,258	-	2,258	
Total equity attributable to owners of the Company	123,836	28,503	152,339	192,029	344,368	168,344	512,712	1,842,686	2,355,398	
Non-controlling interests	(127)	-	(127)	-	(127)	-	(127)	-	(127)	
Total Equity	123,709	28,503	152,212	192,029	344,241	168,344	512,585	1,842,686	2,355,271	

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 SIEW BOON YEONG & ASSOCIATES
 Chartered Accountants [A.F. 0660]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
MAXIMUM SCENARIO TWO (CONT'D)

	Audited Consolidated Statements of Financial Position as at 31 March 2016 RM'000	Adjustments for the subsequent events RM'000	Adjusted Consolidated Financial Position RM'000	Adjustments for Full Exercise of Warrants B, C and ESOS ICULS and ESOS RM'000	Pro Forma I After Full Exercise of Warrants B, C and ESOS ICULS and ESOS RM'000	Adjustments for Proposed Rights Issue of ICPS RM'000	Pro Forma II After Pro Forma I and Proposed Rights Issue of ICPS RM'000	Adjustments for Full Conversion of ICPS RM'000	Proforma III After Pro Forma II and assuming full conversion of ICPS RM'000
Non-Current Liabilities									
Borrowings	9,101	-	9,101	-	9,101	-	9,101	-	9,101
Deferred tax liabilities	3,361	-	3,361	-	3,361	-	3,361	-	3,361
ICPS - liability portion	-	-	-	-	-	41,920	41,920	(41,920)	-
	12,462	-	12,462	-	12,462	41,920	54,382	(41,920)	12,462
Current Liabilities									
Trade and other payables	15,973	-	15,973	-	15,973	-	15,973	-	15,973
Borrowings	4,497	-	4,497	-	4,497	-	4,497	-	4,497
Current tax liabilities	156	-	156	-	156	-	156	-	156
	20,626	-	20,626	-	20,626	-	20,626	-	20,626
Total Liabilities	33,088	-	33,088	-	33,088	41,920	75,008	(41,920)	33,088
Total Equity and Liabilities	156,797	28,503	185,301	192,029	377,329	210,264	587,593	1,800,766	2,388,359

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 Chartered Accountants [AF: 0660]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016
MAXIMUM SCENARIO TWO (CONT'D)**

	Audited Consolidated Statements of Financial Position as at 31 March 2016	Adjustments for the subsequent events	Adjusted Consolidated Statements of Financial Position	Adjustments for Full Exercise of Warrants B, C and ESOS	Pro Forma I After Full Exercise of Warrants B, C and ESOS	Adjustments for Proposed Rights Issue of ICPS	Pro Forma II After Pro Forma I and Proposed Rights Issue of ICPS	Adjustments for Full Conversion of ICPS	Pro Forma III After Pro Forma II and assuming full conversion of ICPS
Number of Shares ('000)	70,851	33,422	104,274	210,107	314,380	-	314,380	2,515,037	2,829,417
Number of ICULS @ RM0.10 ('000)	220,643	(39,864)	180,779	(180,779)	-	-	-	-	-
Number of Warrants B ('000)	21,383	(5,930)	21,383	(21,383)	-	-	-	-	-
Number of Warrants C ('000)	10,712	(4,782)	4,782	(4,782)	-	-	-	-	-
Number of treasury shares ('000)	(3,590)	3,590	-	-	-	-	-	-	-
Number of ESOS options ('000)	4,291	-	3,162	(3,162)	-	-	-	-	-
Number of ICPS ('000)	-	-	-	-	-	2,515,037	2,515,037	(2,515,037)	-
Number of Shares, net of treasury shares	67,261	37,012	104,274	210,107	314,380	-	314,380	2,515,037	2,829,417
Net assets per Share, net of treasury shares	1.84	1.46	1.46	1.10	1.10	-	1.63	0.83	0.83
Total borrowings (RM'000)*	13,598	-	13,598	41,920	13,598	41,920	55,518	(41,920)	13,598
Gearing ratio (times)	0.11	0.09	0.09	0.04	0.04	-	0.11	-	0.01

Note: * - Comprise of all interest bearing borrowings and liability portion of ICPS.

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016**

1. BASIS OF PREPARATION

The Pro Forma Consolidated Statements of Financial Position have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards in Malaysia and based on the audited Consolidated Statements of Financial Position of ATTA as at 31 March 2016. The Pro Forma Consolidated Statements of Financial Position have been prepared solely for illustrative purposes, to show the effects of proposed renounceable rights issue of up to 2,515,037,240 new irredeemable convertible preference shares ("ICPS") at an issue price of RM0.08 per ICPS on the basis of eight (8) ICPS for every one (1) existing ordinary share held in ATTA ("ATTA Share(s)" or "Share(s)") on an entitlement date to be determined and announced later ("Entitlement Date") ("Proposed Rights Issue of ICPS").

As part of this process, information about the Group's financial position has been extracted by the Directors from the audited financial statements of the Group for the financial year ended 31 March 2016, which have been published.

The Pro Forma Consolidated Statements of Financial Position have been prepared based on the accounting policies and bases consistent with those normally adopted by ATTA in the preparation of its audited financial statements.

The Pro Forma Consolidated Statements of Financial Position is presented in Ringgit Malaysia ("RM").

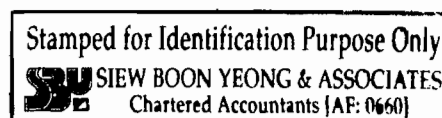
The Pro Forma Consolidated Statements of Financial Position, because of its nature, may not be reflective of the Group's actual financial position. Furthermore, such information does not purport to predict the future financial position of the Group.

- 1.1 On 17 March 2017, ATTA had announced a distribution of treasury shares as a share dividend at the ratio of one (1) treasury share for every twenty (20) existing Shares held on 9 May 2017 ("Share Dividend"). The Share Dividend has been distributed on 30 May 2017.
- 1.2 The Pro Forma Consolidated Statements of Financial Position is illustrated based on the following three (3) scenarios:-

Minimum Scenario

- (i) Assuming Share Dividend has been distributed on 30 May 2017 and the remaining treasury shares held by the ATTA are continued to be retained as treasury shares;
- (ii) Assuming none of the:-
- (a) 180,778,569 ten (10)-year, zero coupon irredeemable convertible unsecured loan stocks at 100% of the nominal value of RM0.10 each ("ICULS") constituted by the trust deed between the Company and the trustee who acts for the benefit of the holders of the ICULS dated 28 March 2012;
 - (b) 21,382,993 outstanding Warrants 2012/2022 ("Warrants B");
 - (c) 4,782,065 outstanding Warrants 2014/2024 ("Warrants C"); and
 - (d) 3,162,414 outstanding ESOS options were exercised at the exercise price of RM1.00 per ESOS option

are exercised prior to the implementation of the Proposed Rights Issue of ICPS;



PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON
(Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016

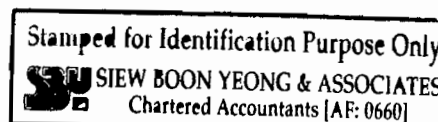
- (iii) The Proposed Rights Issue of ICPS was subscribed based on the minimum subscription level of 150,000,000 ICPS based on issue price of RM0.08 per Rights Share; and
- (iv) Assuming full conversion of ICPS issued pursuant to the Proposed Rights Issue of ICPS based on conversion price of RM0.80 per ICPS.

Maximum Scenario One

- (i) Assuming all the treasury shares held by ATTA has been distributed as Share Dividend on 30 May 2017 or resold on the open market of Bursa Securities;
- (ii) Assuming none of the:-
 - (a) 180,778,569 ICULS constituted by the trust deed between the Company and the trustee who acts for the benefit of the holders of the ICULS dated 28 March 2012;
 - (b) 21,382,993 outstanding Warrants B;
 - (c) 4,782,065 outstanding Warrants C; and
 - (d) 3,162,414 outstanding ESOS options were exercised at the exercise price of RM1.00 per ESOS option
 are exercised prior to the implementation of the Proposed Rights Issue of ICPS;
- (iii) Issuance of 834,188,912 ICPS based on issue price of RM0.08 per ICPS; and
- (iv) Assuming full conversion of ICPS issued pursuant to the Proposed Rights Issue of ICPS by surrendering one (1) ICPS together with cash such that in aggregate it amounts to a conversion price of RM0.80 per Share.

Maximum Scenario Two

- (i) Assuming all the treasury shares held by ATTA has been distributed as Share Dividend on 30 May 2017 or resold on the open market of Bursa Securities;
- (ii) Assuming full conversion/exercise of the:-
 - (a) All the 180,778,569 ICULS constituted by the trust deed between the Company and the trustee who acts for the benefit of the holders of the ICULS dated 28 March 2012 are converted by surrendering RM0.10 nominal value of ICULS together with cash such that in aggregate it amounts to RM1.00 for one (1) new ATTA Share;
 - (b) All the 21,382,993 outstanding Warrants B were exercised at the exercise price of RM1.00 per Warrant B;
 - (c) All the 4,782,065 outstanding Warrants C were exercised at the exercise price of RM1.00 per Warrant C; and
 - (d) All the 3,162,414 outstanding ESOS options were exercised at the exercise price of RM1.00 per ESOS option
 prior to the implementation of the Proposed Rights Issue of ICPS;
- (iii) Issuance of 2,515,037,240 ICPS based on issue price of RM0.08 per ICPS; and
- (iv) Assuming full conversion of ICPS issued pursuant to the Proposed Rights Issue of ICPS by surrendering one (1) ICPS together with cash such that in aggregate it amounts to conversion price of RM0.80 per Share.



PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON
(Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016

2. ADJUSTMENTS TO CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The adjustments incorporate the effects of:-

- (i) conversion of 15,000,000 ICULS into 1,500,000 new ATTA Shares by surrendering ten (10) ICULS for one (1) new ATTA Share;
- (ii) conversion of 24,864,400 ICULS by surrendering RM0.10 nominal value of ICULS together with cash such that in aggregate it amounts to RM1.00 for 24,864,400 new ATTA Shares;
- (iii) exercised of 5,929,500 Warrants C at the exercise price of RM1.00 per Warrant C into 5,929,500 new ATTA Shares;
- (iv) exercised of 1,128,461 ESOS at the exercise price of RM1.00 per ESOS into 1,128,461 new ATTA Shares;
- (v) Shares buy back involving 882,800 Shares with total purchase consideration of RM931,545; and
- (vi) Share Dividend distributed to entitled shareholders prior to the implementation of Proposed Rights Issue of ICPS ^(Notes).

Notes:


Under the minimum scenario, the 4,472,526 treasury shares have been distributed as Share Dividend on 30 May 2017 with the balances of 774 treasury shares to be retained as treasury shares.

Under the maximum scenarios one and two, all the treasury shares were either distributed as Share Dividend on 30 May 2017 and/or resold on the open market of Bursa Securities.

The Subsequent Events have the following financial impacts on the Pro Forma Consolidated Statements of Financial Position of the Group:-

Minimum Scenario

	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity and Liabilities RM
Cash and bank balances	28,504,376	-
Share capital	-	34,914,974
Irredeemable convertible loan stocks	-	(3,986,440)
Share premium	-	(3,167,066)
Treasury shares	-	2,235,521
ESOS reserve	-	(86,729)
Warrant reserve	-	(1,405,884)
	28,504,376	28,504,376

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON
(Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016

Maximum Scenarios One and Two

	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity and Liabilities RM
Cash and bank balances	28,504,376	-
Share capital	-	34,914,974
Irredeemable convertible loan stocks	-	(3,986,440)
Share premium	-	(3,167,614)
Treasury shares	-	2,236,069
ESOS reserve	-	(86,729)
Warrant reserve	-	(1,405,884)
	28,504,376	28,504,376

3. MINIMUM SCENARIO

3.1 PRO FORMA I

Pro Forma I incorporates the effects of Subsequent Events and the Proposed Rights Issue of ICPS.

The following are the utilisation of proceeds from the Proposed Rights Issue of ICPS on the adjusted Consolidated Statements of Financial Position as at 31 March 2016:

	RM
Property, plant and equipment	2,620,000
Working capital	8,380,000
Estimated expenses for the Proposals	1,000,000
	12,000,000

The estimated expenses in relation to the Proposed Rights Issue of ICPS of RM1.0 million will be debited to the share premium account.

The Proposed Rights Issue of ICPS have the following impacts on the Pro Forma Consolidated Statements of Financial Position:-

	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity and Liabilities RM
Property, plant and equipment	2,620,000	-
Deferred tax assets	600,036	-
Cash and bank balances	8,380,000	-
ICPS – Equity portion	-	10,099,885
Share premium	-	(1,000,000)
ICPS – Liabilities portion (non-current liabilities)	-	2,500,151
	11,600,036	11,600,036

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016**

3.2 PRO FORMA II

Pro Forma II incorporates the effects of Subsequent Events and Pro Forma I and assuming full conversion of ICPS under the minimum scenario by surrendering ten (10) ICPS for one (1) new ATTA Share.

The full exercise of ICPS has the following impacts on the Pro Forma Consolidated Statements of Financial Position:-

	Increase/(Decrease)	
	Effect on	Effect on
	Total Assets	Total Equity
	RM	and Liabilities
		RM
Deferred tax assets	(600,036)	-
Share capital	-	12,000,000
ICPS – Equity portion	-	(10,099,885)
ICPS – Liabilities portion (non-current liabilities)	-	(2,500,151)
	(600,036)	(600,036)

4. MAXIMUM SCENARIO ONE

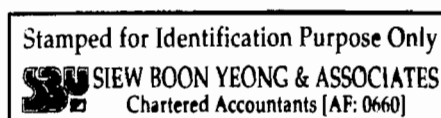
4.1 PRO FORMA I

Pro Forma I incorporates the effects of Subsequent Events and the Proposed Rights Issue of ICPS.

The following are the utilisation of proceeds from the Proposed Rights Issue of ICPS on the adjusted Consolidated Statements of Financial Position as at 31 March 2016:

	RM
Property, plant and equipment	16,550,000
Working capital	49,185,113
Estimated expenses for the Proposals	1,000,000
	66,735,113

The estimated expenses in relation to the Proposed Rights Issue of ICPS of RM1.0 million will be debited to the share premium account.



PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**ATTA GLOBAL GROUP BERHAD (“ATTA”)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016**

The Proposed Rights Issue of ICPS have the following impacts on the Pro Forma Consolidated Statements of Financial Position:-


	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity and Liabilities RM
Property, plant and equipment	16,550,000	-
Deferred tax assets	3,336,958	-
Cash and bank balances	49,185,113	-
ICPS – Equity portion	-	56,168,080
Share premium	-	(1,000,000)
ICPS – Liabilities portion (non-current liabilities)	-	13,903,991
	69,072,071	69,072,071

4.2 PRO FORMA II

Pro Forma II incorporates the effects of Subsequent Events and Pro Forma I and assuming full conversion of ICPS under the maximum scenario one by surrendering one (1) ICPS together with cash such that in aggregate it amounts to the conversion price of RM0.80 for one (1) new ATTA Share.

The full exercise of ICPS has the following impacts on the Pro Forma Consolidated Statements of Financial Position:-

	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity and Liabilities RM
Deferred tax assets	(3,336,958)	-
Cash and bank balances	600,616,017	-
Share capital	-	667,351,130
ICPS – Equity portion	-	(56,168,080)
ICPS – Liabilities portion (non-current liabilities)	-	(13,903,991)
	597,279,059	597,279,059

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 Chartered Accountants [AF: 0660]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016**

5. MAXIMUM SCENARIO TWO

5.1 PRO FORMA I

Pro Forma I incorporates the effects of Subsequent Events, and assuming:-

- (a) All the 180,778,569 ICULS constituted by the trust deed between the Company and the trustee who acts for the benefit of the holders of the ICULS dated 28 March 2012 are converted by surrendering RM0.10 nominal value of ICULS together with cash such that in aggregate it amounts to RM1.00 for one (1) new ATTA Share;
- (b) All the 21,382,993 outstanding Warrants B were exercised at the exercise price of RM1.00 per Warrant B;
- (c) All the 4,782,065 outstanding Warrants C were exercised at the exercise price of RM1.00 per Warrant C; and
- (d) All the 3,162,414 outstanding ESOS options were exercised at the exercise price of RM1.00 per ESOS option.

The full conversion/exercise of ICULS, Warrants B and C as well as ESOS options have the following impacts on the Pro Forma Consolidated Statements of Financial Position:-


	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity RM
Cash and bank balances	192,028,184	-
Share capital	-	214,722,543
Irredeemable convertible loan stocks	-	(18,077,857)
Warrant reserve	-	(4,373,450)
ESOS reserve	-	(243,052)
	192,028,184	192,028,184

5.2 PRO FORMA II

Pro Forma I incorporates the effects of Subsequent Events, Pro Forma I and the Proposed Rights Issue of ICPS.

The following are the utilisation of proceeds from the Proposed Rights Issue of ICPS on the adjusted Consolidated Statements of Financial Position as at 31 March 2016:

	RM
Property, plant and equipment	16,550,000
Fixed deposits with licensed banks ^(Note)	120,000,000
Working capital	63,652,979
Estimated expenses for the Proposals	1,000,000
	201,202,979

Stamped for Identification Purpose Only
 SIEW BOON YEONG & ASSOCIATES
 Chartered Accountants [AF: 0660]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON
(Cont'd)

ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
31 MARCH 2016


Note:

This proceeds of RM120.0 million have been earmarked for investment in new business. The Company will place the cash proceeds in interest-bearing bank deposits and/or money market financial instruments pending the identification of new businesses to be invested in. For the purpose of presentation of the Pro Forma Statements of Financial Position, this has been taken up as fixed deposits with licenced banks.

The estimated expenses in relation to the Proposed Rights Issue of ICPS of RM1.0 million will be debited to the share premium account.

The Proposed Rights Issue of ICPS have the following impacts on the Pro Forma Consolidated Statements of Financial Position:-

	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity and Liabilities RM
Property, plant and equipment	16,550,000	-
Deferred tax assets	10,060,758	-
Fixed deposits with licensed banks	120,000,000	-
Cash and bank balances	63,652,979	-
ICPS – Equity portion	-	169,343,911
Share premium	-	(1,000,000)
ICPS – Liabilities portion (non-current liabilities)	-	41,919,826
	210,263,737	210,263,737

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 SIEW BOON YEONG & ASSOCIATES
 Chartered Accountants [AF: (1661)]

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

**ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016**

5.3 PRO FORMA III

Pro Forma III incorporates the effects of Subsequent Events, Pro Forma I, II and assuming full conversion of ICPS under the maximum scenario two by surrendering one (1) ICPS together with cash such that in aggregate it amounts to the conversion price of RM0.80 for one (1) new ATTA Share.

The full exercise of ICPS has the following impacts on the Pro Forma Consolidated Statements of Financial Position:-

	Increase/(Decrease)	
	Effect on Total Assets RM	Effect on Total Equity and Liabilities RM
Deferred tax assets	(10,060,758)	-
Cash and bank balances	1,810,826,813	-
Share capital	-	2,012,029,792
ICPS – Equity portion	-	(169,343,911)
ICPS – Liabilities portion (non-current liabilities)	-	(41,919,826)
	1,800,766,055	1,800,766,055

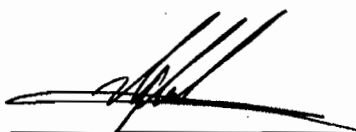
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE COMPANY AS AT 31 MARCH 2016 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON
(Cont'd)

**ATTA GLOBAL GROUP BERHAD ("ATTA")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
31 MARCH 2016**


APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 5 July 2017.

On behalf of the Board,



Ng Chin Nam
Executive Director

Stamped for Identification Purpose Only
 SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0661]

DETAILS OF THE PROPOSED M&A AMENDMENTS

1. MEMORANDUM OF ASSOCIATION

The existing Clause 5 of the Company's Memorandum of Association shall be amended as follows:

Existing Clause 5

The capital of the Company is RM800,000,000.00 divided into 800,000,000 ordinary shares of RM1.00 each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, differed or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

Revised Clause 5

The share capital of the Company is made up of Ordinary Shares and Irredeemable Convertible Preference Shares. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, differed or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

2. ARTICLES OF ASSOCIATION

The Articles of Association of the Company shall be altered, modified, added and/or deleted in the following manner:

(i) Article 2 (Definitions)

To add in further definitions and interpretations to Article 2 of the Articles of Association of ATTA:

- (a) *"Conversion" means the conversion of the ICPS into Ordinary Shares pursuant to Article 7.1.*
- (b) *"Conversion Date" means the date on which the ICPS Holder converts any or all of his issued and fully paid up ICPS pursuant to Article 7.1.*
- (c) *"Conversion Price" means the conversion price for the ICPS is RM0.80 for every one (1) new Share.*
- (d) *"General Meeting" means the meeting of the Members of the Company.*
- (e) *"Issue Date" means the date of the issue of the ICPS.*
- (f) *"ICPS Holder" means a person whose name is for the time being entered as the holder of an ICPS in the Company's Record of Depositors, and "Holders" shall be construed accordingly.*
- (g) *"ICPS" means Irredeemable Convertible Preference Shares in the capital of the Company issued and allotted upon the terms and subject to the conditions of the Article 7.1.*
- (h) *"Ordinary Shares" means fully paid ordinary shares in the capital of the Company or, if all the Ordinary Shares are replaced by other securities (all of which are identical), the expression "Ordinary Shares" shall thereafter refer to those other securities.*
- (i) *"RM" or "Ringgit Malaysia" means Ringgit Malaysia, the lawful currency of Malaysia.*

DETAILS OF THE PROPOSED M&A AMENDMENTS (Cont'd)

(ii) Article 7 (Preference Shares)

To delete the existing Article 7 in its entirety and replace by the following new Article 7 in the Articles of Association of ATTA:

7. ICPS

The ICPS shall rank equally in all respects amongst all ICPS and shall confer on their ICPS Holders the following rights and be subjected to the following restrictions:

7.1 Terms of the ICPS

Issue Size *Up to RM201,202,979.20 in value of ICPS comprising up to 2,515,037,240 ICPS.*

Issue Price *RM0.08 per ICPS.*

Board Lot *For the purpose of trading on Bursa Malaysia Securities Berhad (“Bursa Securities”), a board lot of ICPS will be 100 ICPS or in such other denomination as may be permitted by Bursa Securities from time to time.*

Tenure *Five (5) years commencing from and inclusive of the Issue Date.*

Maturity Date *the date immediately preceding the fifth (5th) anniversary from the Issue Date of the ICPS, and if such date is a non-market day, then the maturity date will be on the immediate preceding market day.*

Redemption *Not redeemable.*

Conversion Mode *The ICPS may be converted into new Shares in the following manner:*

- a) *by surrendering for cancellation ten (10) ICPS to be converted into one (1) new ATTA Share; or*
- b) *by surrendering for cancellation such number of ICPS with an aggregate value below the Conversion Price, subject to a minimum of one (1) ICPS, and paying the difference between the aggregate value of the ICPS surrendered and the Conversion Price in cash for one (1) new ATTA Share,*

subject to the adjustments as stated in Article 7.2.

Conversion Period *The ICPS shall be convertible into new ATTA Shares on any market day commencing on and including the Issue Date of the ICPS up to and including the Maturity Date.*

Any outstanding ICPS not converted at the end of the Conversion Period shall be mandatorily converted into new Shares at the Conversion Price on the Maturity Date by surrendering ten (10) ICPS for one (1) new Share without the payment of additional consideration by the ICPS holder, into fully paid new Shares.

Any fractional new Share arising from the mandatory conversion of the ICPS on the Maturity Date shall be disregarded and be dealt with by the Board as it may deem fit and expedient in the best interest of the Company

DETAILS OF THE PROPOSED M&A AMENDMENTS (Cont'd)

Dividend

A cumulative preference dividend rate of 40.0 sen per hundred (100) ICPS per annum, if declared, shall be payable annually (“ICPS Dividend Date”) in arrears out of post taxation profits. For the avoidance of doubt, the ICPS Dividend Date shall refer to a market day immediately before the ICPS anniversary date of the Issue Date and if such date is not a market day, then on immediate preceding market day.

No dividend shall be paid on the Ordinary Shares of the Company unless the dividends on the ICPS have first been paid and shall be in priority over the Ordinary Shares of the Company.

The right to receive dividends, including dividends in arrears, shall cease (save for dividends declared and unpaid) once the ICPS are converted into ATTA Shares (including where the ICPS are mandatorily converted in accordance with the terms of the ICPS).

**Priority on
Winding-up and
Return of Capital**

In the event of any liquidation, dissolution or winding up of ATTA, whether voluntary or involuntary (“Liquidation Event”), the funds and assets that may be legally distributed to the Company’s shareholders (the “Available Funds and Assets”) shall be distributed to the shareholders in the following manner and order:

- (i) firstly, the holders of each ICPS then in issue shall be entitled to be paid, out of the Available Funds and Assets, in respect of the holders of the ICPS, all expected dividend from the ICPS’ original issue date (including the amount of any dividend that has been declared and remaining in arrears) up to the Liquidation Event less any interim dividends or distributions paid, and in the case of holders of any other classes of preference shares ranking pari passu with the ICPS which ATTA may from time to time allot, their respective entitled dividends, provided that where the Available Funds and Assets are insufficient to permit the payment to each holder of the ICPS their full preferential amounts in this subparagraph (i), the Available Funds and Assets shall be distributed, on an equal priority, on pari passu basis, among all the holders of the ICPS in proportion to each holder’s preferential entitlement due under their respective ICPS;*

DETAILS OF THE PROPOSED M&A AMENDMENTS (Cont'd)

**Priority on
Winding-up and
Return of Capital
(Cont'd)**

- (ii) *secondly, the holder of each ICPS then in issue shall be entitled to be paid, out of the Available Funds and Assets after payment of any dividend payable under subparagraph (i) above (including the amount of any dividend that has been declared and remaining in arrears), and prior and in preference to any payment or distribution (or any setting apart of any payment or distribution) of any Available Funds and Assets on any ordinary shares, an amount per share equal to the value of each such ICPS, respectively. If upon any liquidation, dissolution or winding up of the Company, the Available Funds and Assets shall be insufficient to permit the payment to holders of the ICPS of their full preferential amounts described in this subparagraph (ii), then all the remaining Available Funds and Assets shall be distributed, on an equal priority, on pari passu basis, among the holders of the ICPS then in issue in proportion to each holder's preferential entitlement in this subparagraph (ii) due under their respective ICPS; and*
- (iii) *lastly, if there are any Available Funds and Assets remaining after the payment or distribution (or the setting aside for payment or distribution) to the holders of the ICPS of their full preferential amounts described above in subparagraphs (i) and (ii), then all such remaining Available Funds and Assets shall be distributed among the holders of the Ordinary Shares then in issue pro rata according to the number of Ordinary Shares held by each holder thereof,*

provided, however, that upon the occurrence of a Liquidation Event, the holders of the ICPS shall be entitled to convert any or all of its respective ICPS in accordance with Article 7.1.

Conversion

- (i) *The ICPS Holder shall, at any time on any day between Monday to Friday that is not a public holiday, from the Issue Date up to and including the Maturity Date, be entitled to convert its ICPS or any part thereof into new Ordinary Shares at the Conversion Price based on the Conversion Mode provided that a Conversion Notice (as defined in Article 7.1) has been given to the Company.*
- (ii) *The Conversion Notice once submitted, shall not be withdrawn without the consent in writing of the Company.*
- (iii) *Subject always to the prevailing applicable laws, rules and regulations, within eight (8) market days of receipt of the duly completed Conversion Notice or on the Conversion Date, whichever is the later, the Company shall allot and issue to the ICPS Holder the number of new Ordinary Share to which the ICPS Holder is entitled to pursuant to the terms of the ICPS and such allotment and issuance shall be in full satisfaction and discharge of the amount of the ICPS stated in the Conversion Notice.*

 DETAILS OF THE PROPOSED M&A AMENDMENTS (Cont'd)

- Conversion (Cont'd)** (iv) *All new Ordinary Shares issued in respect of the ICPS or part thereof so converted shall be credited as fully paid up and shall rank pari passu with all existing Ordinary Shares of the Company save that such new Ordinary Shares shall not be entitled to any dividends, rights, allotments, and/or other distributions that may be declared, the entitlement date of which is prior to the date of allotment of the said new Ordinary Shares.*
- Conversion Notice** *An ICPS Holder shall give a notice in writing in a prescribed form as approved by the Company ("Conversion Notice") before the Conversion Date to the Company of his intention to convert all or a portion of the ICPS then outstanding held by such ICPS Holder, which have been issued and are fully paid up. The applicable Conversion Date shall be specified in the said Conversion Notice.*
- Once the Conversion Notice has been submitted to the Company, the ICPS Holder shall not sell, transfer) dispose or otherwise encumber the ICPS the conversion rights of which have been exercised under the Conversion Notice. The Conversion Notice shall not be withdrawn without written consent from the Company.*
- Subject always to all applicable prevailing laws, rules and regulations, the Company shall or the Registrar shall within eight (8) market days from its receipt of the Conversion Notice or the Conversion Date, whichever is the later, take all such steps as may be necessary or requisite to credit the allotted ordinary shares into the securities accounts of the ICPS Holder.*
- Class Meetings** *ICPS Holders shall be entitled to attend class meetings of ICPS Holders. Every ICPS Holder who is present in person at such class meetings shall have one vote on a show of hands and on a poll one vote for every ICPS of which he is the ICPS holder. Notice of such class meetings shall be given in accordance with the procedures in respect of notice of General Meetings as set out in these presents.*
- Further Participation** *The ICPS Holder shall not be entitled to participate in the profit or assets of the Company beyond such rights as are expressly set out in this Article 7.1.*
- Voting** (i) *The ICPS Holders are not entitled to any voting rights or participation in any rights, allotments and/or other distribution in the Company except in the following circumstances until and unless such holders convert their ICPS into new Shares:*
- (aa) *on a proposal for the winding-up, liquidation, compromise and/or arrangement of the Company for the winding-up, liquidation, compromise and/or arrangement of the Company and during the winding-up, liquidation, compromise and/or arrangement of the Company;*
- (bb) *any resolution which varies or is deemed to vary the rights and privileges attached to the ICPS;*

DETAILS OF THE PROPOSED M&A AMENDMENTS (Cont'd)

<i>Voting (Cont'd)</i>	<p>(cc) any resolution to reduce the share capital of the Company;</p> <p>(dd) any resolution for the purposes of sanctioning the disposal of the whole or a substantial part (as defined in Section 223 of the Companies Act 2016) of the property, business, or undertaking of the Company; and</p> <p>(ee) other circumstances as may be provided under law and applicable to preference shares and/or preference shareholders from time to time.</p> <p>(ii) With respect to matters to which the ICPS Holders have the right to vote, the ICPS Holders shall be entitled to vote together with the Members. If the voting is by way of a poll, the ICPS Holder shall have one (1) vote for each ICPS held by him.</p>
<i>Further Issues of Preference Shares</i>	<p>Subject to the Act, the Company is authorised to issue preference shares which:</p> <p>(i) carry terms or a conversion mode equal to or less favourable than the terms or the Conversion Mode of the ICPS; or</p> <p>(ii) rank <i>pari passu</i> with the ICPS.</p> <p>The rights attached to the ICPS shall not be deemed to be varied by the creation or issue of any of the aforesaid preference shares.</p>
<i>Fractional Entitlements</i>	<p>Any fraction of an Ordinary Share arising on Conversion in favour of a holder of the ICPS otherwise entitled thereto shall be disregarded.</p>
<i>Transferability</i>	<p>(i) The ICPS shall be transferable by way of a transfer of title on the ICPS certificate;</p> <p>(ii) As the ICPS will be listed on and traded on the Main Market of Bursa Securities, the ICPS will be deposited with the central depository system of Bursa Securities and will be subject to the Rules of Bursa Malaysia Depository Sdn Bhd.</p>
<i>Modification of rights</i>	<p>The Company may from time to time with the consent or sanction of all holders of the ICPS make modifications to the terms of which in the opinion of the Company are not materially prejudicial to the interest of the holders of the ICPS or are to correct a manifest error or to comply with mandatory provisions of the laws of Malaysia and the relevant regulations.</p>

DETAILS OF THE PROPOSED M&A AMENDMENTS (Cont'd)

7.2 Adjustment in Relation to the Conversion of the ICPS

- (a) *The Conversion Price will be adjusted, at the determination of the Company upon consultation with its advisers and certified by the auditors, in all or any of the following cases:*
- (i) *A bonus issue of ordinary shares by the Company;*
 - (ii) *A rights issue of ordinary shares or convertible securities by the Company;*
 - (iii) *A capital distribution to shareholders made by the Company whether on a reduction of capital or otherwise, but excluding any cancellation of capital which is lost or unrepresented by assets; or*
 - (iv) *any circumstances which in the opinion of the Directors would have the effect of diluting the interests of the ICPS Holders.*

In any event, no adjustment to the Conversion Price shall be made unless it has been duly certified by the auditors of the Company.

- (b) *Whenever there is an adjustment as herein provided, the Company shall make available for inspection at the registered office of the Company, a copy of the certificate from the Auditors certifying the adjustment and setting forth brief particulars of the events giving rise to the adjustment, and the period during which the adjustment shall apply.*
- (c) *In giving any certificate or making any adjustment hereunder, the Auditors shall be deemed to be acting as experts and not as arbitrators (to the intent that the Arbitration Act 2005 shall not apply) and in the absence of manifest error, their decision shall be conclusive and binding on all ICPS Holders and any other person having interest in any Security of the Company.*

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INFORMATION ON SUBSTANTIAL SHAREHOLDERS

1. Information on Skylitech

Skylitech was incorporated in Malaysia under the Companies Act, 1965 on 5 December 1991 as a private limited company.

The principal activity of Skylitech is investment holding.

As at the LPD, Skylitech has an issued share capital of RM500,000.00 comprising 500,000 ordinary shares.

As at the LPD, the shareholdings of the shareholders of Skylitech are as follows:

	Direct	
	No. of shares	%
Ooi Chieh Yun	20,000	4.00
OCS	360,000	72.00
Tang Ah Mooi	120,000	24.00

The directors of Skylitech are Tang Ah Mooi and OCS.

2. Information on AWGSB

AWGSB was incorporated in Malaysia under the Companies Act, 1965 on 2 June 2008 as a private limited company under the name of SMPC Steel Mill Sdn Bhd. AWGSB subsequently changed to its present name on 29 May 2015.

The principal activity of AWGSB is investment holding.

As at the LPD, AWGSB has an issued share capital of RM10,000.00 comprising 10,000 ordinary shares.

As at the LPD, the shareholdings of the shareholders of AWGSB are as follows:

	Direct	
	No. of shares	%
Ong Gim Wah	9,900	99.00
Loh Geok Bee	50	0.50
Koh Cheng Poay	50	0.50

The directors of AWGSB are Koh Cheng Poay, Loh Geok Bee and Ong Gim Wah.

3. Information on A1 Capital Sdn Bhd ("A1 Capital")

A1 Capital was incorporated in Malaysia under the Companies Act, 1965 on 21 August 2006 as a private limited company under the name of Golden Eagle Resources Sdn Bhd. A1 Capital subsequently changed to its present name on 28 December 2009.

The principal activity of A1 Capital is investment holding.

As at the LPD, A1 Capital has an issued share capital of RM20,000.00 comprising 20,000 ordinary shares.

INFORMATION ON SUBSTANTIAL SHAREHOLDERS (Cont'd)

As at the LPD, the shareholdings of the shareholders of A1 Capital are as follows:

	Direct	
	No. of shares	%
Lim Seow Chin	500	2.50
Kwan Seong Kee	19,500	97.50

The directors of A1 Capital are Lim Kean Wah, Loh Geok Bee and Ong Gim Wah.

4. Information on Tan Sun Ping

NRIC : 650719-10-5343

Nationality : Malaysian

Age : 51 years old

Address : F2-02-04, Subang Perdana Court 6,
Taman Seafeld Jaya,
47610 Subang Jaya, Selangor

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FURTHER INFORMATION

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 Proposals, 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 Proposals.

Messrs. Siew Boon Yeong & Associates, being the Reporting Accountants for the Proposals, have given and have not subsequently withdrawn their written consent to the inclusion in this Circular of their name and the pro forma consolidated statements of financial position of the ATTA as at 31 March 2016 together with the Reporting Accountants' letter thereon and all references thereto where relevant, in the form and context in which they appear in this Circular.

Messrs. Siew Boon Yeong & Associates have also confirmed that they are not aware of any conflict of interest which exists or are likely to exist in its capacity as the Reporting Accountants in connection with the Proposals.

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) Proposed subscription of 55% equity interest in Tetap Gembira Development Sdn. Bhd. ("TGSB") by ATTA ("**Proposed Subscription**")

On 16 February 2017, the Company has issued a letter of undertaking to TGSB whereby ATTA undertakes to subscribe for 1,237,500 new ordinary shares in TGSB ("**New TGSB Shares**") representing 55% equity interest in TGSB for a total cash consideration of RM6,187,500 ("**Subscription Price**") subject to the terms and upon the condition contained in the said letter. The Subscription Price shall be payable by ATTA to TGSB in the following manner:

- (a) RM1,237,500 upon allotment and issuance of the New TGSB Shares to ATTA; and
- (b) RM4,950,000 will be used to pay Malayan Banking Berhad, being the financier of TGSB, to redeem a property held under title number known as Lot 71113 No. Hakmilik 3416, Mukim 12, Daerah Barat Daya, Penang which is charged to Malayan Banking Berhad for the loan obtained by TGSB.

FURTHER INFORMATION (Cont'd)

As at the LPD, the parties have yet to execute the relevant documents in respect of the Proposed Subscription and the transaction is 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.

	Group (RM'000)
Property, plant and equipment	
- Authorised and contracted for	904
Subscription of shares in subsidiary	
- Authorised but not contracted for	6,188
Total	<u><u>7,092</u></u>

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 M&A of ATTA;
- (ii) the audited consolidated financial statements of ATTA for the past two (2) FYEs 31 March 2015 and 31 March 2016 and the latest unaudited consolidated financial statements of ATTA for the FYE 31 March 2017;
- (iii) the Undertakings by Skylitech, OCS and NCN dated 24 May 2017 as referred to in Section 2.1.5 of this Circular;
- (iv) the pro forma consolidated statements of financial position of the ATTA as at 31 March 2016 together with the Reporting Accountants' letter thereon as set out in Appendix II of this Circular;
- (v) the letter of consent and conflict of interest as referred to in Section 2 of this Appendix; and
- (vi) the material contract 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 Iconic Hotel, Jalan Icon City, Icon City, Bukit Mertajam, 14000 Penang on Wednesday, 16 August 2017 at 11.30 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

ORDINARY RESOLUTION

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 2,515,037,240 NEW IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (“ICPS”) AT AN ISSUE PRICE OF RM0.08 PER ICPS ON THE BASIS OF EIGHT (8) ICPS FOR EVERY ONE (1) EXISTING ORDINARY SHARE HELD IN ATTA (“ATTA SHARE(S)” OR “SHARE(S)”) ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“ENTITLEMENT DATE”) (“PROPOSED RIGHTS ISSUE OF ICPS”)

“**THAT**, subject to the passing of the Special Resolution, and the approvals of all relevant authorities, including but not limited to the approval-in-principle granted by Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for all the ICPS to be issued hereunder and all the new ATTA Shares to be issued arising from the conversion of the ICPS, approval be and is hereby given to the Directors of the Company to:

- (a) provisionally allot and issue by way of a renounceable rights issue of up to 2,515,037,240 ICPS at an issue price of RM0.08 per ICPS on the basis of eight (8) ICPS for every one (1) existing ATTA Share to the entitled shareholders of ATTA whose names appear in the Record of Depositors of the Company on the Entitlement Date;
- (b) allot and issue such number of additional ICPS as may be required or permitted to be issued as a result of any adjustments under the terms of the memorandum and articles of association of ATTA; and
- (c) allot and issue such number of new ATTA Shares arising from the conversion of the ICPS during the tenure of the ICPS; and

THAT any ICPS which are not validly taken up or which are not allotted for any reason whatsoever shall be made available for excess applications by the entitled shareholders and/or their renounee(s)/transferee(s) in a fair and equitable manner on a basis to be determined and announced later by the Company;

THAT the Directors of the Company be and are hereby empowered and authorised to deal with any fractional entitlements that may arise from the Proposed Rights Issue of ICPS in such manner and on such terms and conditions as the Directors of the Company in their absolute discretion as they may deem fit or think expedient or in the best interest of the Company;

THAT the proceeds of the Proposed Rights Issue of ICPS be utilised for the purposes as set out in Section 2.1.8 of the circular to the shareholders of the Company dated 6 July 2017 (“**Circular**”), and the Directors of the Company be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Directors of the Company may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities;

THAT the new ATTA Shares to be issued pursuant to the conversion of the ICPS shall upon allotment and issue, rank *pari passu* in all respects with the then existing ATTA Shares, save and except that such they will not be entitled to any dividends, rights, allotments and/or other distributions, that may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment of the new ATTA Shares to be issued arising from the conversion of the ICPS;

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 Rights Issue of ICPS 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 Rights Issue of ICPS.”

SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY TO FACILITATE THE PROPOSED RIGHTS ISSUE OF ICPS (“PROPOSED M&A AMENDMENTS”)

“**THAT** subject to the passing of the Ordinary Resolution, approval be and is hereby given for the Company to amend its Memorandum and Articles of Association in the manner as set out in Appendix III of the Circular.

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 M&A Amendments 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 M&A Amendments.”

By order of the Board

Chan Yoke Yin (MAICSA 7043743)

Chan Eoi Leng (MAICSA 7030866)

Company Secretaries

Ipoh, Perak

6 July 2017

Notes:

- 1. Only members whose names appear on the Record of Depositors as at 7 August 2017 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.*



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 Iconic Hotel, Jalan Icon City, Icon City, Bukit Mertajam, 14000 Penang on Wednesday, 16 August 2017 at 11.30 a.m., or at any adjournment thereof in the manner indicated below in respect of the following resolutions:

Resolution	For	Against
Ordinary Resolution - Proposed Rights Issue of ICPS		
Special Resolution - Proposed M&A Amendments		

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:

- Only members whose names appear on the Record of Depositors as at 7 August 2017 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.
- 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.
- 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.
- 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.
- 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.
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Fold this flap for sealing

Then fold here

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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