

THIS CIRCULAR TO SHAREHOLDERS OF OCR GROUP BERHAD (“OCR” OR THE “COMPANY”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

Bursa Malaysia Securities Berhad (“Bursa Securities”) has only perused through Section 5(ii) of this Circular in respect of the Proposed New Shareholders’ Mandate for additional recurrent related party transactions of a revenue or trading nature on limited review basis pursuant to the provisions of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



OCR GROUP BERHAD

[Registration No. 199701025005 (440503-K)]

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

- **PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**
- **PROPOSED NEW SHAREHOLDERS’ MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

IN CONJUNCTION WITH THE SPECIAL BUSINESS

AT THE TWENTY-SECOND ANNUAL GENERAL MEETING

Notice of the Twenty-Second Annual General Meeting (“22nd AGM”) of OCR Group Berhad (“OCR”) to be conducted via an online platform from the Broadcast Venue at 10th Floor, Tower 1, Avenue 5, 59200 Bangsar South City, Kuala Lumpur on Monday, 27 July 2020, at 2:00 p.m. together with the Form of Proxy are set out in OCR’s 2019 Annual Report while extract of the resolutions on the Proposals are set out in Appendix II of this Circular.

Please complete, sign and return the Form of Proxy in accordance with the instructions thereon. Your completed Form of Proxy should reach the Company’s Share Register Office, Boardroom Share Registrars Sdn. Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time and date indicated below if you are not able to participate the AGM. The completion and lodging of the Form of Proxy shall not preclude you from participate in person at the AGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

Last day, date and time for lodging the Form of Proxy : Saturday, 25 July 2020 at 2:00 pm

Day, date and time of the AGM : Monday, 27 July 2020 at 2:00 pm

This Circular is dated 26 June 2020

DEFINITIONS

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

Act	- Companies Act, 2016, as amended from time to time including any re-enactment thereof
AESB	- Avenue Escape Sdn. Bhd. [201501006122 (1131454-P)]
AGM	- Annual General Meeting
Board	- The Board of Directors of OCR
Bursa Securities	- Bursa Malaysia Securities Berhad [200301033577 (635998-W)]
Directors	- Has the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or chief executive officer of the OCR Group
EGM	- Extraordinary General Meeting
Existing Mandate	- Mandate from the shareholders of the Company granted at the last AGM held on 29 May 2019 and EGM held on 26 December 2019 for the OCR Group to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business which are necessary for the OCR Group's day-to-day operations that is valid from respective General Meetings till the conclusion of the next AGM of the Company
FASB	- Famous Ambience Sdn. Bhd. [201301001386 (1031223-D)]
FVSB	- Fantastic Voyage Sdn. Bhd. [201401041105 (1117259-A)]
GSSB	- Grand Superland Sdn. Bhd, [201501022856 (1148185-D)]
Interested Directors	- Directors who are deemed to be Related Parties and are interested in the Proposed Shareholders' Mandate
Interested Major Shareholders	- Major Shareholders who are deemed to be Related Parties and are interested in the Proposed Shareholders' Mandate

DEFINITIONS (CONT'D)

Interested Persons Connected

- In relation to a director and/or major shareholder, who falls under any one of the following categories: -
 - i. a family member of the director or major shareholder;
 - ii. a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the director, major shareholder or a family member of the director or major shareholder, is the sole beneficiary;
 - iii. a partner of the director, major shareholder or a partner of a person connected with that director or major shareholder;
 - iv. a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the director or major shareholder;
 - v. a person in accordance with whose directions, instructions or wishes the director or major shareholder is accustomed or is under an obligation, whether formal or informal, to act;
 - vi. a body corporate or its directors which/who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the director or major shareholder;
 - vii. a body corporate or its directors whose directions, instructions or wishes the director or major shareholder is accustomed or under an obligation, whether formal or informal, to act;
 - viii. a body corporate in which the director or major shareholder, or persons connected with him are entitled to exercise, or control the exercise of, not less than fifteen percent (15%) of the votes attached to voting shares in the body corporate; or
 - ix. a body corporate which is a related corporation

Listing Requirements

- Main Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time

LPD

- 3 June 2020, being the latest practicable date prior to the printing of this Circular

Major Shareholder

- Includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a major shareholder of OCR as defined under paragraph 1.01 of the Listing Requirement or any other corporation which is its subsidiary or holding company.

“major shareholder” is defined in paragraph 1.01 of the Listing Requirement as a person who has an interest or interests in one or more voting shares in a corporation and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:-

- (i) ten percent (10%) or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or
- (ii) five percent (5%) or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation.”

For the purpose of this definition, "interest in shares" has the meaning given in Section 8 of the Act.”

OCCCSB

- O&C Commerce Sdn. Bhd. [201101033614 (961749-X)]

OCCSB

- O&C Construction Sdn. Bhd. [201401042973 (1119151-W)]

DEFINITIONS (CONT'D)

OCRDSB	- OCR Development Sdn. Bhd. [200801009125 (810413-W)]
OCRLDSB	- OCR Land Development Sdn. Bhd. [201801012568 (1274584-H)]
OCRLHSB	- OCR Land Holdings Sdn. Bhd. [198901003836 (181143-V)]
OCR or Company	- OCR Group Berhad [199701025005 (440503-K)]
OCR Group or Group	- Collectively, OCR and its subsidiaries as defined in Section 4 of the Act
OCR Shares or Shares	- Ordinary shares in the Company
ODKSB	- O&C Development (Kuantan) Sdn. Bhd. [201501016754 (1142088-K)]
OKH	- Ong Kah Hoe is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 7.12% and indirect interest of 12.05% by virtue of his interest in OCR Land Holdings Sdn. Bhd. and his parents and siblings
OKC	- Ong Kim Chong @ Ong Hwee Choo is the father of OKH
OKW	- Ong Kah Wee is the brother of OKH
OMISB	- O&C Makok Isola Sdn. Bhd. [201101009616 (937755- H)]
ONLTP	- OCR Noble Land (The Pano) Sdn. Bhd. [201101020514 (948649-V)]
OPYSB	- OCR Properties (Yolo) Sdn. Bhd. [200601021381 (741134-P)]
OPKSB	- O&C Properties (Kuantan) Sdn. Bhd. [201701011996 (1226161-P)]
OYM	- Ong Yew Ming is the sister of OKH
Proposed New Shareholders' Mandate	- Proposed NEW shareholders' mandate for the OCR Group to enter into additional recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business which are necessary for the OCR Group's day-to-day operations
Proposed Renewal of Shareholders' Mandate	- Proposed RENEWAL of shareholders' mandate for the OCR Group to enter into recurrent related party transactions of a revenue or trading nature with related parties in the ordinary course of business which are necessary for the OCR Group's day-to-day operations
Proposed Shareholders' Mandate	: Collectively, the Proposed Renewal of Shareholders' Mandate and the Proposed New Shareholders' Mandate
Recurrent Related Party Transactions or Recurrent Transaction or Recurrent Transactions or RRPT or RRPT(s) or RRPTs	- Recurring transactions of a revenue or trading nature which are necessary for the day-to-day operations and are entered into by the OCR Group with the Related Parties in the ordinary course of business which involves the interest, direct or indirect, of a Related Party

DEFINITIONS (CONT'D)

Related Party or Related Parties	- Directors, major shareholders or persons connected with such director or major shareholder as defined under Chapters 1 and 10 of the Listing Requirements
RM and sen	- Ringgit Malaysia and sen respectively
SBSB	- Stack Builder Sdn. Bhd. [201801039692 (1301723-X)]
TCSB	- Tristar City Sdn Bhd [201501022066 (1147394-P)]
TPY	- Tan Poo Yot is the mother of OKH
UOSB	- Unilink Outdoor Sdn. Bhd. [201101043097(971217-U)]
USB	- Unilink Sdn. Bhd. [198101000726 (66835-D)]
WPSB	- Wonderland Projects Sdn. Bhd. [201101024913 (953049-T)]
YPOCD	- YP O&C Development Sdn. Bhd. [201601038462 (1209403-K)]

All references to “our Company” in this Circular are to OCR, references to “our Group” are to our Company and our subsidiaries. All references to “we”, “us”, “our” and “ourselves” are to our Company, or where the context requires, our Group. All references to “you” in this Circular are references to the shareholders of our Company.

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the tables between the amounts stated, actual figures and the totals thereof in this Circular are due to rounding.

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OCR GROUP BERHAD

[Registration No. 199701025005 (440503-K)]
(Incorporated in Malaysia)

Registered office:

49-B, Jalan Melaka Raya 8
Taman Melaka Raya
75000 Melaka

26 June 2020

Board of Directors

YAM Tunku Azudinshah Ibni Tunku Annuar (*Chairman / Independent Non-Executive Director*)
Ong Kah Hoe (*Group Managing Director*)
Hj. Abdullah Bin Abdul Rahman (*Independent Non-Executive Director*)
Lee Chin Cheh (*Non-Independent Non-Executive Director*)
Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Hj Ahmad Badaruddin (Retired)
(*Independent Non-Executive Director*)
Chong Min Shih (*Independent Non-Executive Director*)
Julian Koh Lu Ern (*Independent Non-Executive Director*)
Dato' Haji Mohd Fakrunizam Bin Ibrahim (*Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/Madam,

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE
PROPOSED NEW SHAREHOLDERS' MANDATE
(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")**

1. INTRODUCTION

The Company had on 15 April 2020 announced its intention to seek the shareholders' approval for the Proposals at the 22nd AGM scheduled on 27 July 2020.

The purpose of this Circular is to provide you with information on the Proposals and to seek your approval to the Resolutions pertaining to the Proposals under the agenda of Special Business, extract of which are set out in Appendix II of this Circular.

Notice of the Company's 22nd AGM is enclosed together with Annual Report of the Company for the financial year ended 31 December 2019.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED THEREIN BEFORE VOTING ON THE RESOLUTIONS TO GIVE EFFECT TO THE PROPOSALS AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

At OCR's 21st AGM and EGM respectively held on 29 May 2019 and 26 December 2019, the shareholders of the Company had inter-alia, granted the OCR Group with a mandate to enter into RRPTs. The mandate granted shall expire at the conclusion of the Company's forthcoming AGM scheduled on 27 July 2020 unless renewed by an ordinary resolution passed by the shareholders.

OCR is therefore seeking the approval of its shareholders to renew the existing shareholders' mandate pursuant to and in compliance with the conditions stated in Paragraph 10.09 of the MMLR and Practice Note 12, to enable the Group to continue entering into RRPT with the Related Parties.

In addition, a mandate will also be sought from the shareholders for additional Recurrent Transactions.

Pursuant to Paragraph 10.09(2) of the Listing Requirements and Practice Note 12, the listed Company may seek a shareholders' mandate in respect of its RRPTs subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (ii) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder mandate during the financial year where, the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09 (1) of the Listing Requirements.
- (iii) the issuance of a circular to shareholders for the mandate from the shareholders of the Company;
- (iv) in a meeting to obtain the shareholders' mandate, the Interested Directors, interested Major Shareholders or interested persons connected; and where it involves the interest of an interested person connected with a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution to approve the transactions. An Interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting on the resolutions approving the transactions; and
- (v) immediate announcement to the Bursa Securities when the actual value of a RRPT entered into by OCR, exceeds the estimated value of the RRPT disclosed in the Circular by 10% or more and must include information as may be prescribed by the Bursa Securities in its announcement.

Where a shareholder mandate pursuant to Paragraph 10.09(2) of the Listing Requirements has been procured, the provisions of Paragraph 10.08 of the Listing Requirements shall not apply.

The Proposed Shareholders' Mandate, if approved at OCR's 22nd AGM shall take effect from the passing of the ordinary resolutions on the Proposed Shareholders' Mandate at OCR's 22nd AGM scheduled on 27 July 2020 and shall continue to be in force until:-

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

whichever is earlier.

3. PRINCIPAL ACTIVITIES OF OCR GROUP

The Company is principally an investment holding company. The details of OCR's subsidiaries as well as their principal activities as at the LPD are set out in the table below:

Name of Company	Place of incorporation	Effective Equity Interest (%)	Principal activities
O&C Commerce Sdn. Bhd.	Malaysia	100	Retailers and traders of consumable products.
O&C Construction Sdn. Bhd.	Malaysia	100	Construction of residential and commercial properties and property development.
Tristar City Sdn. Bhd.	Malaysia	100	Property development and property investment.
Grand Superland Sdn. Bhd.	Malaysia	100	Construction of residential and commercial properties and property development.
Sunrise Meadow Sdn. Bhd.	Malaysia	100	Property development and property investment.
Kirana Masyhur Sdn. Bhd.	Malaysia	100	Construction of residential properties.
YP O&C Development Sdn. Bhd.	Malaysia	100	Real property management.
Fajar Simfoni Sdn. Bhd.	Malaysia	100	Engage in the business of investment holding, export and import of goods and real property management.
Junjung Simfoni Sdn. Bhd.	Malaysia	100	Engage in the business of investment holding, export and import of goods and real property management.
OCR Land Development Sdn Bhd	Malaysia	100	Construction of residential properties.
Amazing Symphony Sdn. Bhd.	Malaysia	100	Construction of residential properties.

3. **PRINCIPAL ACTIVITIES OF OCR GROUP (CONT'D)**

Name of Company	Place of incorporation	Effective Equity Interest (%)	Principal activities
O&C Properties (Kuantan) Sdn. Bhd.	Malaysia	90	Property development and property investment.
O&C Development (Kuantan) Sdn. Bhd.	Malaysia	70	Property development and property investment.
Pangkal Teguh Sdn. Bhd.	Malaysia	70	Construction of residential and commercial properties, project management and real estate.
Kita Mampan Sdn. Bhd.	Malaysia	70	Construction of residential and commercial properties and real estate.
O&C Makok Isola Sdn. Bhd.	Malaysia	50.01	Property development.

<i>Subsidiary of Grand Superland Sdn. Bhd.</i>			
Greatway Capital Sdn. Bhd.	Malaysia	100	Construction of residential and commercial properties.
Serba Simfoni Sdn. Bhd.	Malaysia	100	Engage in the business of investment holding, export and import of goods and real property management.
Visi Anggun Properties Sdn. Bhd.	Malaysia	80	Construction of residential and commercial properties

3. PRINCIPAL ACTIVITIES OF OCR GROUP (CONT'D)

<i>Subsidiary of Kirana Masyhur Sdn. Bhd.</i>			
Mampan Esa (Melaka) Sdn. Bhd.	Malaysia	50.0005	Real estate management.
<i>Associate of Kita Mampan Sdn. Bhd.</i>			
AES Builders Sdn. Bhd.	Malaysia	49	Construction of residential and commercial properties.
<i>Associate Kirana Masyhur Sdn. Bhd.</i>			
Landasan Surimas Sdn. Bhd	Malaysia	40	Investment holding, project management consultation and construction.

*The principal activity is in the midst of change.

Due to the diversity of OCR Group, it is anticipated that OCR Group would, in the normal course of business, continue to enter into transactions with the Related Parties, details of which are set out in Section 5 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

The Board proposes to seek the shareholders' approval for the Proposed Shareholders' Mandate for the OCR Group to enter into transactions in the normal course of business within the classes of Related Parties set out in Section 5 below, provided such transactions are entered into at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders. Such mandate will enable the Group to enter into the RRPTs without the necessity, in most instances, to make the otherwise announcement or to convene meetings in order to procure specific prior approval of its shareholders. The RRPTs will also be subject to the review procedures set out in Section 6 below.

4 NATURE OF TRANSACTIONS

Principal activities of the Related Parties are as follows:-

<u>Related Parties</u>	<u>Principal Activities</u>
AESB	: Principally engaged in property development activities
FASB	: Principally engaged in the business of letting of property
FVSB	: Principally engaged in property development activities
OCRDSB	: Principally engaged in property development activities
OCRLHSB	: Principally engaged in property development activities
ONLTP	: Principally engaged in property development activities
OPYSB	: Principally engaged in property development activities
SBSB	: Principally engaged in property development activities
UOSB	: Principally engaged in property investment holding
USB	: Principally engaged in construction activities
WPSB	: Principally engaged in property investment activities

5. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

(i) Details of the Proposed Renewal of Shareholders' Mandate

Recurrent Transactions to be entered into between the following subsidiaries of OCR with the Related Parties for which the Proposed Renewal of Shareholders' Mandate is sought as well as the estimated value disclosed in last year's Circulars and the actual value transacted up to LPD (being the latest practicable date prior to the printing of the Circular) are set out below:-

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCR	AESB	<p>OCR rent the office premise from AESB.</p> <p><u>Particulars of the office premise</u> No. G.03A, No. 8.01, No. 16.01, Lower and Upper Penthouse Persoft Tower 6B, Persiaran Tropicana, Tropicana Golf & Country Resort 47410 Petaling Jaya, Selangor.</p> <p>Size: 22,757.50 Sq ft Tenancy Period: 1st Jan 2019 to 31st Dec 2022</p>	Interested Director OKH ^{(a)(b)}	1,800	-	1,800

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCR	UOSB	OCR rents the billboard from UOSB for advertising and marketing projects purpose. Renting Period: 1 year commencing from January 2020	Interested Director OKH ^{(a)(c)}	1,500	-	1,500
OMISB	UOSB	OMISB rents the billboard from UOSB for advertising and marketing projects purpose. Renting Period: 1 year commencing from January 2020	Interested Director OKH ^{(a)(c)}	1,500	-	1,500
ODKSB	UOSB	ODKSB rents the billboard from UOSB for advertising and marketing projects purpose. Renting Period: 1 year commencing from January 2020	Interested Director OKH ^{(a)(c)}	1,000	-	1,000

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OPKSB	UOSB	OPKSB rents the billboard from UOSB for advertising and marketing projects purpose. Renting Period: 1 year commencing from January 2020	Interested Director OKH ^{(a)(c)}	1,000	-	1,000
TCSB	UOSB	TCSB rents the billboard from UOSB for advertising and marketing projects purpose. Renting Period: 1 year commencing from January 2020	Interested Director OKH ^{(a)(c)}	1,000	-	1,000
OMISB	OCRLHSB	OMISB pays marketing fee to OCRLHSB for advertising and marketing for Isola project at KLCC. Marketing fee is at 3% (which made up of 2% of agent fee and 1% for advertising and promotional purpose) on the gross development value of the Isola project.	Interested Director OKH ^{(a)(d)}	7,000	423	7,000

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
ODKSB	OCRLHSB	<p>ODKSB pays marketing fee to OCRLHSB for advertising and marketing for the PRIYA Scheme Kuantan.</p> <p>Marketing fee is at 3% (which made up of 2% of agent fee and 1% for advertising and promotional purpose) on the gross development value of the AHDS project.</p>	Interested Director OKH ^{(a)(d)}	5,000	2,690	5,000
OCCSB	OPYSB	<p>OPYSB awards a construction contract for Yolo Project to OCCSB.</p> <p>1 Block of 41 levels commercial building at Lot 62142, Jalan PJS 8/9, PJS 8, Bandar Sunway, Petaling Jaya, Selangor.</p> <p>Commencement: November 2018 Expected completion: December 2021 Contract sum: RM150 million Contract costs: RM120 million</p>	Interested Director OKH ^{(a)(e)}	150,000	18,233	150,000

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCCSB	ONLTP	<p>OCCSB receives project management fee from ONLTP for monitoring The Pano project located at Jalan Ipoh.</p> <p>Comprising of 363 units of service apartment and retails.</p> <p>Commencement: November 2018 Expected completion: December 2021</p> <p>Project management fee is charged at 3% on the gross development value of The Pano project at Jalan Ipoh.</p>	Interested Director OKH ^{(a)(f)}	8,000	-	8,000

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCCSB	FASB	<p>OCCSB to undertake awards a construction contract for The Arch, Jalan Tun Razak Project from FASB.</p> <p>3-storey commercial building block containing space for renting, parking, office, and banquet at Lot 550 & 551, Jalan Tun Razak, Seksyen 90, Kuala Lumpur.</p> <p>Commencement: August 2019 Expected completion: January 2021 Contract sum: RM120 million Contract costs: RM96 million</p>	Interested Director OKH ^{(a)(g)}	120,000	-	120,000

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22nd AGM on 27 July 2020 to the date to next AGM RM'000
TCSB	OCRLHSB	<p>TCSB pays marketing fee to OCRLHSB for advertising and marketing for the Melaka project.</p> <p>1 block of hotel and 1 block of serviced apartment at Lot 475 & 476, Melaka Tengah, Melaka.</p> <p>Marketing fee is at 3% (which made up of 2% of agent fee and 1% for advertising and promotional purpose) on the gross development value of the Melaka project.</p>	Interested Director OKH ^{(a)(d)}	6,200	-	6,200

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 30 April 2019 RM'000	Actual Value Transacted (from the date of last AGM held on 29 May 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
ODKSB	OCRLHSB	<p>ODKSB pays marketing fee OCRLHSB for advertising and marketing for the PRIYA Scheme Kuantan</p> <p>.</p> <p>34 retail outlets and 2 blocks of services apartments with 978 units located at Lot 421, Kuantan, Pahang,</p> <p>Marketing fee is at 3% (which made up of 2% of agent fee and 1% for advertising and promotional purpose) on the gross development value of the Kuantan project.</p>	Interested Director OKH ^{(a)(d)}	8,250	-	8,250

(i) **Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)**

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 11 December 2019 RM'000	Actual Value Transacted (from the date of last EGM held on 26 December 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
GSSB	OCRLHSB	<p>GSSB pays marketing fees to OCRLHSB for advertising and marketing for Tiara Bangi Homes Project.</p> <p>Comprised of 200 units of residential units** at Bangi, Selangor.</p> <p>Commencement: September 2020** Expected completion: September 2022** Contract Sum: RM90 million** Contract Costs: RM67.5 million**</p> <p>Marketing fee is at 3% (which made up of 2% of agent fee and 1% for advertising and promotional purpose) on the gross development value of the Tiara Bangi Homes Project.</p>	Interested Director OKH ^{(a)(d)}	2,700	-	2,700

(i) Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 11 December 2019 RM'000	Actual Value Transacted (from the date of last EGM held on 26 December 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCCSB	ONLTP	<p>ONLTP awards a construction contract for The Pano Project to OCCSB.</p> <p>Comprised of 363 units of service apartment and 8 units of retail located at Jalan Ipoh, Wilayah Persekutuan Kuala Lumpur.</p> <p>Commencement: January 2019 Expected completion: December 2021 Contract Sum: RM56 million Contract Costs: RM39 million</p>	Interested Director OKH ^{(a)(f)}	56,000	8,055	56,000
OCCSB	USB	<p>OCCSB awards a construction contract for The Mate Project to USB.</p> <p>Comprised of 268 units of office suites and 5 units of retail located at Damansara Jaya, Petaling Jaya, Selangor.</p> <p>Commencement: January 2019 Expected completion: January 2020 Contract Sum: RM58 million Contract Costs: RM48 million</p>	Interested Director OKH ^{(a)(h)}	58,000	-	58,000

(i) Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 11 December 2019 RM'000	Actual Value Transacted (from the date of last EGM held on 26 December 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCCSB	USB	<p>OCCSB awards labour and related services for the Pano Project to USB.</p> <p>Comprised of 363 units of service apartment and 8 units of retail located at Jalan Ipoh, Wilayah Persekutuan Kuala Lumpur.</p> <p>Commencement: January 2019 Expected completion: December 2021 Contract Sum: RM30 million Contract Costs: RM22.5 million</p>	Interested Director OKH ^{(a)(h)}	30,000	3,000	30,000
YPOCD	SBSB	<p>SBSB awards a property development contract for Shah Alam Project to YPOCD.</p> <p>Comprised of 2,892 units of affordable house at Shah Alam, Selangor to be developed in phases.</p> <p>Commencement: January 2020** Expected completion: December 2026** Contract Sum: RM723 million** Contract Costs: RM542.2 million**</p>	Interested Director OKH ^{(a)(i)}	723,000	-	723,000

(i) Details of the Proposed Renewal of Shareholders' Mandate (Cont'd)

Related party within OCR Group	Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value as disclosed in the Circular dated 11 December 2019 RM'000	Actual Value Transacted (from the date of last EGM held on 26 December 2019 up to LPD) RM'000	*Estimated Value for Proposed Mandate Renewal from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCRLDSB	OCRDSB	<p>OCRDSB awards a property development contract for Kayu Ara Project to OCRLDSB.</p> <p>Comprised of 88 units of residential units at Kayu Ara, Petaling Jaya, Selangor.</p> <p>Commencement: May 2020** Expected completion: May 2023** Contract Sum: RM146 million** Contract Costs: RM109.5 million**</p>	Interested Director OKH ^{(a)(i)}	146,000	-	146,000
OCCCSB	WPSB	<p>WPSB awards a property development contract for Jalan Alor Project to Commerce.</p> <p>Comprised of 249 units of office suites and 8 units of retail lots at Jalan Alor, Wilayah Persekutuan Kuala Lumpur.</p> <p>Commencement: September 2020** Expected completion: September 2023** Contract Sum: RM84 million** Contract Costs: RM64 million**</p>	Interested Director OKH ^{(a)(k)}	84,000	-	84,000

(ii) **Details of the Proposed New Shareholders' Mandate (Cont'd)**

Additional New Recurrent Transactions to be entered into between OCR subsidiaries with the following related parties for which the Proposed New Shareholders' Mandate is sought are as follows: -

Related party within OCR Group	New Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value for Proposed New Mandate from the date of OCR's 22 nd AGM on 27 July 2020 to the date to next AGM RM'000
OCCSB	FVSB	<p>FVSB awards a construction contract for the Priya II Project** to OCCSB.</p> <p>288 units of residential units** and 26 units of retail lots** at KM 13 and KM 14 of Jalan Kuantan – Pekan, Mukim Penor, Kuantan, Pahang.</p> <p>Commencement: September 2020** Expected completion: September 2022** Contract sum: RM69 million** Contract costs: RM55 million**</p>	Interested Director OKH ^{(a)(l)}	50,000
OCCSB	OCRLHSB	<p>OCCSB pays marketing fee to OCRLHSB for advertising and marketing for the Mate project in Petaling Jaya.</p> <p>Comprised of 268 units of office suites and 5 units of retail located at Damansara Jaya, Petaling Jaya, Selangor.</p> <p>Marketing fee is at 3% (which made up of 2% of agent fee and 1% for advertising and promotional purpose) on the gross development value of the Mate project in Petaling Jaya.</p>	Interested Director OKH ^{(a)(d)}	4,500

(ii) **Details of the Proposed New Shareholders' Mandate (Cont'd)**

Related party within OCR Group	New Related Party	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated Value for Proposed New Mandate from the date of OCR's 22 nd AGM on 27 June 2020 to the date to next AGM RM'000
OCCSB	UOSB	<p>OCCSB rents the billboard from UOSB for advertising and marketing projects purpose.</p> <p>Renting Period: 1 year commencing from January 2020</p>	Interested Director OKH ^{(a)(c)}	1,500
OCRLDSB	UOSB	<p>OCRLDSB rents the billboard from UOSB for advertising and marketing projects purpose.</p> <p>Renting Period: 1 year commencing from January 2020</p>	Interested Director OKH ^{(a)(c)}	1,500
OCRLDSB	USB	<p>OCRLDSB awards a construction contract for Kayu Ara Project to USB.</p> <p>Comprised of 88 units of residential units at Kayu Ara, Petaling Jaya, Selangor.</p> <p>Commencement: September 2020**</p> <p>Expected completion: September 2023**</p> <p>Contract Sum: RM146 million**</p> <p>Contract Costs: RM109.5 million**</p>	Interested Director OKH ^{(a)(h)}	64,000

(ii) **Details of the Proposed New Shareholders' Mandate (Cont'd)**

Notes:

* The estimated value of transactions is based on the past record of RRPT carried out with the Related Parties. However, the actual value of the transactions from the date of OCR's 22nd AGM to the date of the next AGM may be subject to changes.

**The project name, units, types of houses, commencement, expected completion, contract sum and contract costs are subjected to the finalisation of feasibility studies and authorities' approval.

Related Parties and Nature of Relationship

- a) OKH is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 7.12% and indirect interest of 12.05% by virtue of his interest in OCRLHSB, a company in which OKH is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings as at LPD date.
- b) OKH is a director and major shareholder of AESB with a direct interest of 80% as at LPD date.
- c) OKH is a director and major shareholder of UOSB with a direct interest of 65% as at LPD date.
- d) OCRLHSB is a major shareholder of the OCR with direct interest of 9.09% as at LPD date.
- e) OKH is a director and major shareholder of OPYSB with a direct interest of 50% as at LPD date.
- f) OKH is a director and major shareholder of ONLTP with a direct interest of 50% as at LPD date.
- g) OKH is a director and major shareholder of FASB with a direct interest of 43%% as at LPD date.
- h) OKH is a director and major shareholder of USB with a direct interest of 35% as at LPD date.
- i) OKH is a director and major shareholder of SBSB with a direct interest of 50% as at LPD date.
- j) OKH is a director and major shareholder of OCRDSB with a direct interest of 50% as at LPD date.
- k) OKH is a director and major shareholder of WPSB with a direct interest of 40% as at LPD date.
- l) OKH is a director and major shareholder of FVSB with a direct interest of 50% as at LPD date.

(iii) **Actual and Estimated Value of the RRPT of Existing Mandate:-**

As at LPD, there was no deviation of the actual value exceeded the estimated value by 10% or more in the existing mandate.

6. REVIEW METHODS OR PROCEDURES FOR RRPT(S)

The following review procedures have been formalised to ensure that the RRPTs contemplated under the Proposed Shareholders' Mandate are undertaken on transaction prices and terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of OCR:-

(a) Identification

- (i) A list of the Related Parties will be circulated to all heads of department within the OCR Group to notify that all transactions with the Related Parties are required to be undertaken on an arm's length basis, under normal commercial terms consistent with the Group's business practices and policies and on terms not more favourable to the Related Party(ies) than those generally available to the public and, are not to the detriment of the minority shareholders of OCR.
- (ii) All companies within the OCR Group are required to inform the Management before entering into any RRPTs other than those entered into pursuant to the Proposed Shareholders' Mandate. In addition, all heads of department are advised to report to the Management all transactions involving Related Parties who will monitor and report to the Audit Committee for review on a quarterly basis.

(b) Authorisation

- (i) The pricing methods and procedures of the transactions are to be determined by market forces, under similar commercial terms for transactions with third parties that depend on the demand and supply, quality and the availability of the products.
- (ii) All types of RRPTs are carried out at arm's length and under the Group's normal commercial terms, and are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of OCR Group.
- (iii) The Related Parties and Directors who are deemed interested have been advised of their responsibilities and obligations under the relevant Listing Requirements, the Group's policy and procedures for RRPTs.
- (iv) If a member of the Board or Audit Committee has an interest, direct or indirect, in any RRPT(s), he shall abstain from any decision-making by the Board or Audit Committee in respect of the said transaction(s).
- (v) Where a transaction is valued at more than RM500,000, it will be notified to Audit Committee and subject to approval by the Board. Where a transaction is valued at RM500,000 or less, it will be approved by a senior management staff who has been identified for this purpose and who shall have no interest in the transaction and notify to Audit Committee.
- (vi) Wherever practicable and/or feasible, at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantial similar type of products/services and/or quantities.
- (vii) In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the Management will rely on the usual business norms and practices taking into account the efficiency, quality and type of support services to be provided to ensure that the RRPTs are not detrimental to the OCR Group.

6. REVIEW METHODS OR PROCEDURES FOR RRPT(S) (Cont'd)

(c) Monitoring and Reporting

- (i) A register shall be maintained by the respective companies within the OCR Group to record all RRPTs, which are entered into pursuant to the Proposed New Shareholders' Mandate.
- (ii) All RRPTs shall be reported to the Audit Committee on a quarterly basis together with the quarterly financial reports.
- (iii) Audit Committee will review the existing procedures, on an annual basis and as and when required, to ensure that the RRPTs are at all times carried out on commercial terms consistent with the OCR Group's usual business practices and policies.

7. OUTSTANDING RRPT RECEIVABLES

As at 31 December 2019, the amount due and owing to the OCR Group by the following parties under RRPTs which is exceeded the credit terms are as follows:-

Nature of RRPT	Amount of Outstanding RRPT Receivables (RM'000)				Total
	< 1 year	>1 year to 3 years	>3 years to 5 years	>5 years	
OCRLHSB awarded a construction contract for Flexus @ Jalan Kuching to OCCSB.	13,574	3,087	-	-	16,661
USB awarded a construction contract for Laguna Biru Project to OCCSB	7,509	2,049	-	-	9,558
OPYSB awarded a construction contract for Yolo Project to OCCSB	5,333	2,257	-	-	7,590
ONLTP awards a construction contract for The Pano Project to OCCSB.	8,055	-	-	-	8,055
Total	34,471	7,393	-	-	41,864

OCRLHSB awarded a construction contract for Flexus @ Jalan Kuching to OCCSB

Construction of 1 block of commercial building with 21 floors at Jalan Kuching, Wilayah Persekutuan Kuala Lumpur ("Flexus @ Jalan Kuching Project") awarded by OCRLHSB to OCCSB had been completed during the financial period ended 31 December 2018. Both parties have finalised the final claim and target to settle the total outstanding amount on or before 2022.

As at LPD, OCRLHSB has settled RM7,625,000 with OCCSB.

7. OUTSTANDING RRPT RECEIVABLES (Cont'd)

USB awarded a construction contract for Laguna Biru Project to OCCSB

Design and construction of 6 blocks of middle cost apartment at Laguna Phase 2 at Rawang, Selangor ("**Laguna Biru Project**") had been completed and handover in April 2019. Both parties were in the midst of finalising the final claims and the total outstanding amount. The payment is expected to be received from the employer, Syarikat Perumahan Nasional Berhad upon finalisation of the final claims. Both parties target to finalise the final claims by end of 2020 and settle the total outstanding amount on or before 2022.

As at LPD, USB has settled RM 4,374,000 with OCCSB.

OPYSB awarded a construction contract for Yolo Project to OCCSB

Construction of 1 block of commercial building with 41 floors at Bandar Sunway, Petaling Jaya, Selangor ("**Yolo Project**") is expected to be completed in June 2022. The delay in payment is mainly due to slowdown in sales and site progress caused by the economic repercussions from the Covid-19 pandemic.

ONLTP awards a construction contract for The Pano Project to OCCSB

Construction of 1 block of 363 units of service apartment and retails at Jalan Ipoh, Kuala Lumpur ("**the Pano Project**") is expected to be completed in December 2021.

The Company has not imposed any late payment charges at this stage. The Directors of the Company are of the opinion that the outstanding debt is receivable.

The Management is monitoring the outstanding amount very closely and will engage in regular communication with the Related Parties to ensure payments are made. The Audit Committee and the Board have reviewed the outstanding amount and are of the opinion that the outstanding amount arose strictly as part and parcel of the Group's business operations. Collections from the Related Party continue to come in during the financial year and they do not have high default risk due to the good market response to their development projects.

As at LPD, there is a sum of RM29,865,000 have yet to be collected.

8. STATEMENT BY THE AUDIT COMMITTEE

The Audit Committee of the Company has seen and reviewed the procedures laid down in respect of RRPTs as set out in Section 6 above and are satisfied that the said procedures are sufficient to ensure that the RRPTs will be undertaken:

- on arm's length basis;
- under normal commercial terms consistent with the Group's business practices and policies;
- on terms not more favourable to the Related Parties than those generally available to the public; and
- not to the detriment of the minority shareholders of the Company.

In addition, the Audit Committee is of the view that the Group has put in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and will at its discretion, amend the guidelines and procedures which are no longer appropriate or adequate, to ensure that the RRPTs are at all times carried out on terms consistent with the Company's practices and are not to the detriment of the minority shareholders. These procedures and processes are reviewed at least once a year.

8. STATEMENT BY THE AUDIT COMMITTEE (Cont'd)

The Audit Committee of the Company, comprising the following members as at the LPD, after having considered all relevant aspects of the Proposed Shareholders' Mandate including the rationale and effects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate are in the best interest of the OCR Group and are fair and reasonable:-

Members of the Audit Committee

- (i) Julian Koh Lu Ern (*Chairman*) (*Independent Non-Executive Director*)
- (ii) Tunku Azudinshah Ibni Tunku Annuar (*Member*) (*Independent Non-Executive Director*)
- (iii) Hj. Abdullah Bin Abdul Rahman (*Member*) (*Independent Non-Executive Director*)

9. RATIONALE OF THE PROPOSED SHAREHOLDERS' MANDATE AND BENEFIT TO THE COMPANY

The RRPTs set out in Section 5 are likely to continue to occur with some degree of frequency from time to time. By obtaining the Proposed Shareholders' Mandate, the Company will not need to convene separate meetings from time to time to seek the approval of its shareholders as and when potential RRPTs with the specific classes of Related Parties arise, thereby reducing substantial administrative time and expenses in convening such shareholder meetings. It would also benefit the Group by enabling it to realise business opportunities as and when they become available, in a timely and effective manner.

The RRPTs are intended to meet the business needs of the Group at the best possible terms. By transacting with the Related Parties, the Group would have an advantage of familiarity with the background, financial wellbeing and management of the Related Parties thus enabling more informed commercial decisions to be made. In most dealings with the Related Parties, the Group and the Related Parties have a good understanding of each other's business needs and expectations thereby providing a platform where all parties can benefit from conducting the RRPTs.

10. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate are administrative in nature and are therefore not expected to have any effect on the issued and paid-up capital, major shareholders' shareholdings and any material effect on the consolidated net assets, consolidated earnings per share and consolidated gearing of OCR.

11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save as disclosed in Section 5 of this Circular, none of the other Directors and/or Major Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Shareholders' Mandate.

11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM (Cont'd)

Based on the Register of Shareholdings as at the LPD, the direct and indirect shareholdings of the Substantial Shareholders, Directors of OCR and person connected to them are as follows:

Names	As at LPD			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<u>Substantial Shareholders</u>				
Ace Credit (M) Sdn. Bhd	39,424,700	11.48	-	-
OCR Land Holdings Sdn. Bhd.	31,215,000	9.09	-	-
Dato' Koon Poh Tat	29,239,000	8.52	-	-
Kumpulan Wang Persaraan (Diperbadankan)	-	-	17,953,700 ⁽⁶⁾	5.23
Ong Kah Hoe	24,442,600	7.12	41,378,800	12.05 ⁽¹⁾
CIMB Commerce Trustee Berhad – Kenanga Growth Fund	21,451,900	6.25		
<u>Interested Major Shareholder</u>				
OCR Land Holdings Sdn. Bhd.	31,215,000	9.09	-	-
<u>Interested Director</u>				
Ong Kah Hoe	24,442,600	7.12	41,378,800	12.05 ⁽¹⁾
<u>Persons Connected</u>				
Ong Kim Chong @ Ong Hwee Choo	800,000	0.23	65,021,400	18.94 ⁽²⁾
Tan Poo Yot	2,600,000	0.76	63,221,400	18.42 ⁽³⁾
Ong Kah Wee	3,381,900	0.93	62,439,500	18.19 ⁽⁴⁾
Ong Yew Ming	3,381,900	0.93	62,439,500	18.19 ⁽⁵⁾

Notes:

- (1) Deemed interested by virtue of his interest in OCRLHSB Holdings Sdn. Bhd. pursuant to Section 8 of the Act and his parents' and siblings' direct shareholdings in OCR.
- (2) Held through OKC's spouse and children shareholdings and also via OCRLHSB in which OKC is deemed interested under Section 8 of the Act.
- (3) Held through TPY's spouse and children shareholdings and also via OCRLHSB in which TPY is deemed interested under Section 8 of the Act.
- (4) Held through OKW's parents and siblings' shareholdings and also via OCRLHSB in which OKW is deemed interested under Section 8 of the Act.
- (5) Held through OYM's parents and siblings' shareholdings and also via OCRLHSB in which OYM is deemed interested under Section 8 of the Act.
- (6) Total shareholdings managed by Kumpulan Wang Persaraan (Diperbadankan)'s fund managers.

11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM (Cont'd)

The Interested Director, OKH, has and shall continue to abstain from all deliberations and voting at Board meetings pertaining to the Proposed Shareholders' Mandate.

The Interested Director and Interested Major Shareholder, i.e. OKH and OCRLHSB as disclosed in Section 5 of this Circular have undertaken that they will abstain from voting in respect of their direct and/or indirect shareholdings in OCR on the ordinary resolutions pertaining to the Proposed Shareholders' Mandate at the forthcoming AGM. They further undertake to ensure that Persons Connected to them will abstain from voting in respect of their direct and indirect shareholdings in the Company on the Proposed Shareholders' Mandate.

12. APPROVALS REQUIRED

The Proposed Shareholders' Mandate is conditional upon the approval of the shareholders of the Company being obtained at the forthcoming AGM to be convened.

13. BOARD'S RECOMMENDATION

The Board, (except for OKH who is an interested Director in respect of the Proposed Shareholders' Mandate as set out in Section 5 of this Circular) having taken in consideration all aspects of the Proposed Shareholders' Mandate, are of the opinion that the Proposed Shareholders' Mandate are in the best interest of the Group. Accordingly, the Board (save for OKH) do recommends that the shareholders vote in favour of the resolutions pertaining to the aforementioned Proposed Shareholders' Mandate to be tabled at the OCR's AGM.

14. AGM

The AGM, the Notice of which is enclosed with this Circular, will be conducted entirely via an online platform from the broadcast venue at the Broadcast Venue at 10th Floor, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur, ("Broadcast Venue") on the date and time indicated below or at any adjournment thereof for the purpose of considering and, if thought fit, passing, with or without any modifications, the resolution by way of poll to give effect to the Proposals.

Date and time of the AGM	:	Monday, 27 July 2020 at 2:00 pm
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If you are unable to participate in person at the AGM, you may appoint a proxy to participate on your behalf by completing, signing and returning the enclosed Form of Proxy in accordance with the instructions contained therein as soon as possible, so as to arrive at the office of the Company's Share Registrar not less than 48 hours before the time set for holding the AGM or any adjournment thereof. The completion and lodgement of the Form of Proxy shall not preclude you from participate in person at the AGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

15. FURTHER INFORMATION

Please refer to the enclosed appendices for further information.

Yours faithfully,
For and on behalf of the Board of
OCR GROUP BERHAD

TUNKU AZUDINSHAH IBNI TUNKU ANNUAR
Chairman

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board of OCR who collectively and individually accept full responsibility for the accuracy and correctness of the information contained herein and they further confirm that, after having made all reasonable enquiries, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, neither OCR nor any of its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has or would have a material and adverse effect on the financial position or business of the Group and, to the best of the Board's knowledge and belief, the Board is not aware of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group:-

Ismail Bin Othman v Duta Skyline Sdn. Bhd. ("DSSB") and Amazing Symphony Sdn. Bhd. ("ASSB")

ASSB, a wholly-owned subsidiary of the Company, had entered into a joint venture agreement dated 22 April 2019 with DSSB ("**JVA**") for the purpose of the development of a parcel of freehold land held under GRN 23940, Lot 613, Mukim Ulu Semenyih, Daerah Ulu Langat, Selangor Darul Ehsan, measuring approximately 501.5 acres owned by DSSB ("**Lot 613 Land**"). Pursuant thereto, DSSB had also executed an irrevocable limited power of attorney in favour of ASSB ("**Power of Attorney**").

On 28 August 2019, Ismail Bin Othman, one of the Directors of DSSB ("**Plaintiff**"), filed an originating summons ("**OS**") against DSSB (being the first defendant) and ASSB (being the second defendant) at the Shah Alam High Court, where the Plaintiff sought, amongst others:-

- (i) a declaration that the JVA is null and void ab initio and of no effect whatsoever; and
- (ii) an order that the Power of Attorney be revoked and/or cancelled.

The Plaintiff had also filed an application for injunction dated 28 August 2019 to, amongst others, restrain both DSSB and ASSB from acting upon and/or giving effect in any manner to the JVA and the Power of Attorney and dealing with the Lot 613 Land ("**Injunction Application**").

On 11 September 2019, the Plaintiff applied for and was granted an ad interim injunction until 30 September 2019, subject to undertaking as to damages ("**Ad Interim Injunction**").

AASB and DSSB filed an application to strike out the OS on 20 September 2019 and 24 September 2019 respectively ("**Striking-out Applications**").

On 30 September 2019, the Plaintiff applied for and was granted an extension of the Ad Interim Injunction until 14 October 2019.

The Plaintiff was subsequently granted with another extension of the Ad Interim Injunction until the disposal of the Injunction Application and Striking-out Applications, subject to undertaking as to damages. The Injunction Application and the Striking-out Applications are to be heard on 10 January 2020.

2. MATERIAL LITIGATION, CLAIMS AND ARBITRATION (Cont'd)

On 10 January 2020, the hearing was vacated as the new Judge had to attend a function. The next hearing which was originally fixed on 20 April 2020, has been postponed to 7 July 2020 in view of the court closure during the Movement Control Order of Malaysia which is enforce from 18 March 2020 to 28 April 2020.

The hearing which was initially fixed on 7 July 2020 was vacated and the next hearing date will be fixed by the Court later.

The solicitors for AASB are of the view that AASB has a reasonably good chance in resisting the OS.

3. MATERIAL CONTRACTS

Save as disclosed below, as at the LPD, neither OCR nor its subsidiary companies have entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years immediately preceding the date of this Circular:-

- (i) On 17 July 2017, the Company received a Letter of Award (“LOA”) from Damansara Realty (Johor) Sdn. Bhd. to develop its project known as Perumahan Penjawat Awam 1Malaysia (“PPA1M”) on all that piece of land held under No. Lot PT 12952 (5R7) in the district of Precinct 5 in the state of Putrajaya measuring approximately 11.898 acres.

On 1 March 2019, the Company received a termination letter from Damansara Realty (Johor) Sdn. Bhd. to terminate the LOA due to Perbadanan Putrajaya issuance of Notice of Termination dated 22 February 2019, with a reason of national and public interests. The 3 months’ notice for the said termination shall be effective from 25 February 2019.

- (ii) On 7 November 2017, O&C Construction Sdn. Bhd., a wholly-owned subsidiary of the Company had entered into a Sale and Purchase Agreement with Tropicana City Sdn. Bhd. (“TCSB”) to purchase a piece of freehold land held under Geran 54432, Lot 45822 Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor together with the incomplete building structure currently subsisting therein bearing postal address Lot 45822 (Lot 8), Jalan SS 20/27, Damansara Intan, 47400 Petaling Jaya, Selangor Darul Ehsan for a total cash consideration of RM24,587,651.00.
- (iii) On 26 April 2018, the Company had entered into a Share Sale Agreement with Mr. Choo Peng Hung for the disposal of its 100% equity interest comprising of 100,000 ordinary shares in Takaso Industries Pte. Ltd. (“TIPL”) for a cash consideration of RM4,400,000.00.

TIPL and its subsidiary, P.T. Takaso Indonesia Global Manufacturing had ceased to be subsidiaries of OCR on 26 April 2018.

- (iv) On 17 May 2018, Junjung Simfoni Sdn. Bhd, one of its wholly owned subsidiaries of OCR, had entered into a Joint Venture Agreement with Casa Bangsar Sdn. Bhd. to jointly undertake, implement, develop and complete the construction of an integrated mixed development to be erected on Project Land in phases.
- (v) On 12 June 2018, the Company had entered into Share Sale Agreement with Mr. Ooi Joul Sion for the disposal of its 100% equity interest comprising of 8,000,000 ordinary shares in Takaso Rubber Products Sdn. Bhd. (“TRPSB”) for a cash consideration of RM8,000,000.00.

TRPSB and its subsidiary, Takaso Marketing Sdn. Bhd, had ceased to be subsidiaries of OCR on 26 June 2018.

3. MATERIAL CONTRACTS (Cont'd)

- (vi) On 31 May 2018 and 3 December 2018, O&C Development (Kuantan) Sdn. Bhd. (“ODKSB”), one of its wholly-owned subsidiaries of OCR, had at the requested of SSPP Development Sdn. Bhd. (“SSPP”) vide its Solicitors to extend the time frame for Conditions Precedent under Section 3 of the Joint Venture Agreement dated 1 June 2015 (“JVA”) to be extended for another six months period on 31 May 2019 as SSPP’s application to the State Authorities for the conversion of the said land is still in progress.

On 2 January 2020, the time frame for Conditions Precedent under Section 3 of the JVA had been extended for another one (1) year from 31 May 2019 and to be expired on 30 May 2020.

On 4 June 2020, the time frame for Conditions Precedent under Section 3 of the JVA had been extended for another six (6) months from 31 May 2019 and to be expired on 30 November 2020.

- (vii) On 22 April 2019, Amazing Symphony Sdn. Bhd., one of its wholly-owned subsidiary of OCR had entered into a Joint Venture Agreement with Duta Skyline Sdn. Bhd. to jointly develop a parcel of freehold land held under GRN 23940, Lot 613, Mukim Ulu Semenyih, Daerah Ulu Langat, Selangor Darul Ehsan measuring approximately 501.5 acres owned by Duta Skyline Sdn. Bhd. into a mixed development comprising landed residential components and other development components.

- (viii) On 17 May 2019, Fajar Simfoni Sdn. Bhd., (“FSSB”) one of its wholly-owned subsidiary of OCR, had entered into a Joint Venture Agreement (“JVA”) with D’nonce Properties Sdn. Bhd. (“DNP”) to jointly develop a parcel of vacant land held under Lot No. 10320, GM No. 1496 (formerly PT471, HSM1598), Mukim 10, Seberang Perai Tengah, Pulau Pinang measuring in area 6,774 square meter, belonging to Mr. Tan Than Kau and Mr. Tan Tiang Yang.

On 10 March 2020, FSSB terminated the Joint Venture Agreement with DNP, and reserve the rights to claim against DNP under the JVA and the laws.

- (ix) On 6 May 2020, Serba Simfoni Sdn. Bhd., a wholly-owned subsidiary of Grand Superland Sdn. Bhd., one of its wholly-owned subsidiary of OCR had entered into a Shares Sale Agreement to acquire 900,000 ordinary shares representing 100% of the issued and paid-up capital of Fotopop (M) Sdn. Bhd. for a consideration of RM10,900,000.00.

The above acquisition of Fotopop (M) Sdn. Bhd. was completed on 6 May 2020.

- (x) On 1 June 2020, OCR Land Development Sdn. Bhd. (“OCRLDSB”), a wholly-owned subsidiary of OCR had entered into a Joint Development Agreement (“JDA”) with OCR Development Sdn. Bhd. (“OCRDSB”) to jointly develop a parcel of vacant land held under PM454, Lot 13844, Kampung Sungai Kayu Ara, Mukim Sungai Buloh, District of Petaling, Negeri Selangor measuring in area approximately 6,022.8 square meter into a residential development.

- (xi) On 18 June 2020, LSSB entered into a Joint Venture and Shareholders’ Agreement (“JVSA”) with Perbadanan Kemajuan Negeri Pahang for the purpose of investment into a joint venture company known as Taraf Raya Sdn. Bhd. to provide the mechanical and civil work relating to East Coast Rail Link Project (“Project”). LSSB is currently at negotiation stage with Malaysia Rail Link Sdn. Bhd. and China Communications Construction (ECRL) Sdn. Bhd. in regards to the Project.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at OCR's Registered Office at 49-B Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka, Malaysia during business hours from 9.00 a.m. to 5.00 p.m. from Mondays to Fridays (excluding public holidays) for the period commencing from the date of this Circular up to and including the date of our forthcoming AGM:-

- (a) the Constitution of the Company;
- (b) the audited consolidated financial statements of our Group for the past two (2) financial period ended 31 December 2018 and year ended 31 December 2019; and
- (c) the material contracts referred to in Section 3 of this Appendix I.

EXTRACT OF RESOLUTIONS ON THE PROPOSALS

ORDINARY RESOLUTION NO. 9**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT, subject always to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given to the Company and its subsidiaries (collectively the "Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 5(i) of the Circular to Shareholders dated 26 June 2020, provided that such transactions and/or arrangements which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "Proposed Renewal of Shareholders' Mandate");-

THAT the Proposed Renewal of Shareholders' Mandate shall only continue to be in full force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at said AGM, such authority is renewed; or
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

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

EXTRACT OF RESOLUTIONS ON THE PROPOSALS (Cont'd)

ORDINARY RESOLUTION NO. 10**PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT, subject always to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given to the Company and its subsidiaries (collectively the "Group") to enter into and give effect to the additional recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 5(ii) of the Circular to Shareholders dated 26 June 2020, provided that such transactions and/or arrangements which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "Proposed New Shareholders' Mandate");-

THAT the Proposed New Shareholders' Mandate shall only continue to be in full force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at said AGM, such authority is renewed; or
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

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