

CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)

(Incorporated in Malaysia)

SUMMARY OF THE 55th ANNUAL GENERAL MEETING HELD AT JUNIOR BALLROOM, INTERCONTINENTAL KUALA LUMPUR, 165 JALAN AMPANG, 50450 KUALA LUMPUR ON WEDNESDAY, 24 MAY 2017 AT 10.30 A.M

PRESENT:

YB Dato' Hajah Normala binti Abdul Samad	-	<i>Chairman</i>
Encik Leonard Ariff bin Abdul Shatar	-	<i>Group Managing Director</i>
Encik Khalid bin Sufat	-	<i>Senior Independent Director</i>
Dato' Azmi bin Mohd Ali	-	<i>Director</i>
Dr Leong Chik Weng	-	<i>Director</i>
Dato' Seri Ir. Dr. Zaini bin Ujang	-	<i>Director</i>
Datin Paduka Kartini binti Hj. Abdul Manaf	-	<i>Director</i>
Tan Sri Siti Sa'diah binti Sh Bakir	-	<i>Director</i>
Datuk Nik Moustpha bin Haji Nik Hassan	-	<i>Director</i>

SHAREHOLDERS – as per attendance list

PROXIES – as per attendance list

IN ATTENDANCE:

Puan Hjh. Noor Azwah binti Samsudin	-	<i>Group Company Secretary</i>
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BY INVITATION:

Puan Hjh. Noor Azwah binti Samsudin	-	<i>Group Company Secretary</i>
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BY INVITATION:

Puan Nik Fazila binti Nik Mohamed Shihabuddin	-	<i>Group Chief Operating Officer cum Chief Financial Officer</i>
Abd Rahman bin Abdullah Thani	-	<i>Director, Fertilizers Division</i>
Encik Anuar bin Kasim	-	<i>Chief Executive Officer, Chemicals</i>
Dr Khew Mei Ching	-	<i>Chief Executive Officer, Polymers</i>
Encik Wan Amir-Jefferey bin Wan Abd Majid	-	<i>Chief Strategy Officer, CCM Duopharma</i>
Mr Chek Wu Kong	-	<i>Chief Financial Officer, CCM Duopharma</i>
Puan Hjh. Wan Aishah Idris binti Muhamad Idris	-	<i>Group Internal Auditor</i>
Encik Ibrahim Hussin Salleh	-	<i>General Manager, Group Legal</i>
Puan Anita binti Esa	-	<i>Head, Group Risk Management</i>

Puan Nur Melissa Fernandez Abdullah	-	<i>General Manager, Program and Communication</i>
Puan Roziatul Akmam binti Osman	-	<i>General Manager, Group Halal and Government Relations</i>
Representatives from KPMG PLT	-	<i>as per attendance list</i>
Representatives from Symphony Share Registrars'	-	<i>as per attendance list</i>
Representatives from Symphony Corporatehouse	-	<i>as per attendance list</i>
Representatives from Raja, Darryl & Loh	-	<i>as per attendance list</i>

PRELIMINARIES/ QUORUM

According to Article 45 of the Company's Constitution, the quorum for the meeting shall be two members present in person.

As the number of members present was sufficient, the Secretary confirmed the quorum for the meeting. In addition, a total of 882 proxies totalling of 325,982,439 shares representing 71.23% of the Company's issued and paid up share capital were received by the Registrars.

NOTICE OF MEETING

With the consent from the shareholders, the notice of the 55th Annual General Meeting dated 28 April 2017 was taken as read.

OPENING REMARKS

YB Dato' Chairman chaired the Meeting and welcomed all members and invitees present at the meeting.

YB Dato' Chairman delivered her opening address and briefed the members/ proxies on the Group's Continue and Discontinue operations performance for Year 2016 and proceeded to invite the Group Managing Director of the Company to brief the members/ proxies on the performance and highlights for financial year 2016, which included among others, the following:

- (i) The significant improvement and growth in the financial results of the continuing operations in particular, the Chemicals Business whereby revenue has increased by 0.4% on the back of improved PBT of 172.7% against last year.

Meanwhile, in respect of Polymers Business, revenue remained stable despite contraction of average selling prices in the first half of 2016. PBT decreased by 29.8% against last year largely attributed to competitive pricing and increase in raw material prices due to weakened Ringgit in 2016;

For Pharmaceuticals Business, revenue decreased by 6.5% against last year, due to lower demand from Government in the Ethical segments. As a result, PBT decreased by 31.7% against last year largely due to increase in the raw material costs, changes in sales mix and lower overall off-take from the Government;

- (ii) The positive prospects and key focus areas of the Continuing Businesses for 2017;
- (iii) The full exit from the fertilizers business i.e. completion of the sale of three parcels of land in Medan, completion of the disposal of 100% equity interests in subsidiaries in East Malaysia, certain trademark under Cock's Head Brand and two parcels of land in Bintulu, Sarawak. As a result, the Fertilizers business recorded a net loss of RM102.9 million in the financial year under review. Apart from operational loss, Management had also taken a more prudent position on inventories balance whereby a further impairment was made during the year totalling to RM29.4 million.
- (iv) The highlights for 2016 which included awards and recognitions received by CCM Group.

The Group Managing Director also shared the questions received from MSWG and the corresponding responses accordingly. Members/ proxies present at the meeting were also invited to pose questions to the Company.

In summary, the questions posed by the members/ proxies were in relation to among others; the performance and prospects of the business conducted by the Group, the Group's strategy in capitalising on the Halal market, the restoration cost of the site in Shah Alam, effect of the foreign exchange (FOREX) rate fluctuation due to imported materials as well as the effectiveness of the hedging activities carried out by Management, modernization exercise of the Pasir Gudang plant, the request for Management to review its dormant companies, future of Shah Alam land (Lot 818), the reduction in the number of employees within the Group as a result of the closure of Fertilizers business, the impact of the compression of margin on the Group's businesses, impact of electricity cost for the Chemicals' Pasir Gudang plant and the economic profit of the Group, going forward.

Following the questions and answers session, the meeting then proceeded to the agenda proper.

GENERAL INSTRUCTIONS ON MEETING PROCEDURES

Dato' Chairman briefed the members/ proxies present that pursuant to Paragraph 8.29A(1) of the Bursa Malaysia Listing Requirements, all resolutions in the Notice of Annual General Meeting which were put to vote shall be decided by way of electronic voting (e-voting).

For this purpose, a poll was conducted upon completion of the deliberation of all resolutions to be transacted at this AGM. The Company had appointed Symphony Share Registrars as Poll Administrator to conduct the polling process and Symphony Corporate House as Scrutineers to verify the poll results.

For the record, only members present in person or proxies appointed by members may vote on each of the resolution tabled at this AGM. Every member present in person or by proxy shall have one (1) vote for each share he/ she holds.

AGENDA OF AGM

The Chairman then proceeded to the Agenda proper as set out in the Notice of AGM as follows, and requested a proposer and seconder for each of the motions following to be carried:

1. To consider and adopt the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon.
(Ordinary Resolution 1)
2. To re-elect the following Directors, who retire in accordance with Article 91 and Article 96 of the Company's Constitution:
 - (i) Dato' Seri Ir. Dr. Zaini bin Ujang – Article 91
(Ordinary Resolution 2)
 - (ii) Datin Paduka Kartini binti Haji Abdul Manaf – Article 91
(Ordinary Resolution 3)
 - (iii) Datuk Nik Moustpha bin Haji Nik Hassan – Article 96
(Ordinary Resolution 4)
3. To re-appoint Messrs. KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.
(Ordinary Resolution 5)

4. To approve the payment of total Directors' Fees amounting to RM698,000 for the financial year ended 31 December 2016 and proposed total Directors' Fees amounting to RM1,080,000 for the period commencing 1 January 2017 until the conclusion of the next AGM of the Company in 2018, and further, to authorise the Directors to apportion the fees and make payment in the manner as the Directors may determine.
(Ordinary Resolution 6)
5. To approve the proposed payment of total Directors' Remuneration (excluding Directors' Fees) up to an amount of RM650,300 for the period from 31 January 2017 until the conclusion of the next AGM of the Company ("Relevant Period").
(Ordinary Resolution 7)
6. To transact any other business of which due notice shall have been received.

As Special Business

7. Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Shareholders' Mandate")
(Ordinary Resolution 8)

CONDUCT OF POLL VOTING

Before proceeding with the poll voting, YB Dato' Chairman invited the Poll Administrator from Symphony Share Registrars Sdn Bhd to brief the meeting on the polling process and procedures.

Subsequently, the Chairman adjourned the meeting for 30 minutes to allow the shareholders to cast their votes.

OUTCOME OF THE AGM - POLL RESULTS

Based on the poll results which had been verified by the Scrutineers, Symphony Corporatehouse Sdn Bhd, the Chairman declared that all resolutions tabled at the AGM were carried and the poll results were as follows:

Resolutions	Vote For		Vote Against		Total Votes	
	No. of Units	%	No. of Units	%	No. of Units	%
Ordinary Resolution 1	324,104,860	100.0	0	0.0	324,104,860	100.0
Ordinary Resolution 2	324,099,460	99.9983	5,400	0.0017	324,104,860	100.0
Ordinary Resolution 3	324,099,660	99.9984	5,200	0.0016	324,104,860	100.0
Ordinary Resolution 4	324,099,460	99.9983	5,400	0.0017	324,104,860	100.0
Ordinary Resolution 5	324,103,560	99.9996	1,300	0.0004	324,104,860	100.0
Ordinary Resolution 6	324,099,360	99.9983	5,500	0.0017	324,104,860	100.0
Ordinary Resolution 7	324,099,360	99.9984	5,200	0.0016	324,104,860	100.0
Ordinary Resolution 8	324,104,860	100.0	0	0.0	324,104,860	100.0

CLOSE OF MEETING

There being no other business to be transacted, the meeting concluded at 12.20 p.m. after passing of vote of thanks to YB Chairman.

Dated:

SIGNED AS A CORRECT RECORD:

CHAIRMAN