

OTHER DISCLOSURES

UTILISATION OF PROCEED FROM CORPORATE PROPOSALS (IF ANY)

The company does not have any proceeds from corporate proposals.

AUDIT AND NON-AUDIT FEES FOR SERVICES RENDERED TO THE LISTED ISSUER OR ITS SUBSIDIARIES FOR THE FINANCIAL YEAR

During the year ended 31 December 2016, the following amount have been paid or payable to the auditors of the Company and Group for work performed:

	Audit Work (RM'000)	Non-Audit Work (RM'000)
Company Level	85	35
Group Level	703	52

MATERIAL CONTRACTS INVOLVING INTEREST OF DIRECTORS, CHIEF EXECUTIVE OFFICER WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDER

Save as disclosed below, there is no other material contract entered into by the CCM Group during the two (2) years immediately preceding the date of this Annual Report, other than contracts entered into in the ordinary course of business.

- (a) On 25 May 2015, the Company had entered into a second supplementary letter to the Share Sale Agreement (“SSA”) 4 dated 27 November 2014 on the Disposal by CCM Investments Limited (“CCM Investments”) of the entire enlarged issued and fully paid-up share capital of CCM International (Philippines), Inc. (“CCMI (P)”) including 5 CCMI (P) shares held by five (5) directors of CCMI (P) for CCM Investments for a cash consideration of RM1,000. None of the Directors and major shareholders or persons connected to them has any interest, direct or indirect in the Proposed Disposals. The aforesaid transactions were completed on 30 June 2015.

MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, neither CCM nor any of its subsidiaries are engaged in any material litigation, claims or arbitration proceedings, either as plaintiff or defendant, which will have a material effect on the financial position of the CCM Group and the Board is not aware of any proceedings pending or threatened against CCM and/or its subsidiaries or any facts likely to give rise to any proceedings which might materially affect the financial position and business of the CCM Group.

- a) P.T. CCM Indonesia, a subsidiary of CCM, had on 23 September 2014 submitted five (5) letters of appeal to the Indonesian Tax Court against the objection decisions of the Director-General of Tax, Indonesia on several tax adjustments/corrections made by the tax auditor totaling IDR36.1 billion (or equivalent to RM11.0 million) in aggregate. The appeals have been heard and are now pending decision by the Indonesian Tax Court.

REVALUATION POLICY OF LANDED PROPERTY

Land & Buildings are stated at cost or Director’s valuation based on open market valuations by professional firms of valuer less accumulated depreciation. Additions to land and buildings subsequent to the valuations are stated at cost.

OTHER DISCLOSURES (Cont'd)

RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE

At an Annual General Meeting (“AGM”) held on 26 May 2016, the Company obtained the shareholders’ mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations and are in the ordinary course of business with related parties. The said general mandate took effect from 26 May 2016 until the conclusion of the forthcoming AGM of the Group. The disclosure of the recurrent related party transactions conducted during the financial period ended 31 December 2016 is set out on pages 204 to 205 of the Annual Report.

The Group intends to seek a renewal of the said general mandate and a proposed shareholders’ mandate to apply to new recurrent related party transactions of a revenue or trading nature with new related parties at the forthcoming AGM of the Group. The details of the new mandate to be sought are furnished in the Circular to Shareholders dated 28 April 2017.