

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifty-Seventh (57th) Annual General Meeting (“AGM”) of the Company will be held at **Ballroom A, Level 10, DoubleTree by Hilton Kuala Lumpur, The Intermark, 348 Jalan Tun Razak, 50400 Kuala Lumpur on Tuesday, 28 May 2019 at 10.30 a.m.** for the following purposes:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon.
2. To declare a final single tier dividend of 2 sen per ordinary share for the financial year ended 31 December 2018.
Ordinary Resolution 1
3. To re-elect the following Directors retiring under Article 110 of the Constitution of the Company.
 - (a) Dato’ Idris bin Kechot (Article 110)
Ordinary Resolution 2
 - (b) Amizar binti Mizuar (Article 110)
Ordinary Resolution 3
4. To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.
Ordinary Resolution 4
5. To approve the proposed total Directors’ Fees amounting to RM1,000,000 for the period commencing from the conclusion of the forthcoming 57th AGM of the Company on 28 May 2019 until the conclusion of the next AGM of the Company in 2020, and further, to authorise the Directors to apportion the fees and make payment in the manner as the Directors may determine.
Ordinary Resolution 5
6. To approve the proposed payment of total Directors’ Benefits (excluding Directors’ Fees) up to an amount of RM500,000 for the period commencing from the conclusion of the 57th AGM of the Company scheduled on 28 May 2019 until the conclusion of the next AGM of the Company in 2020 (“Relevant Period”).
Ordinary Resolution 6
7. To transact any other business of which due notice shall have been received.

By Order of the Board

NOOR AZWAH BINTI SAMSUDIN (LS 0006071)
Company Secretary

Kuala Lumpur
Date: 25 April 2019

NOTES:

1. All Resolutions in the Notice of AGM are to be conducted by poll voting as per Paragraph 8.29A(1) of the Listing Requirements of Bursa Malaysia.
2. A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. A proxy may but need not be a member of the Company.
3. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings 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 for multiple beneficial owners in one securities account ("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. An exempt authorized nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer, one of whom shall be a director or attorney duly authorised in writing.
7. The instrument appointing a proxy must be deposited at the Company's Registrar, Boardroom Share Registrars Sdn. Bhd. (formerly known as Symphony Share Registrars Sdn. Bhd.), Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than twenty-four (24) hours before the time appointed for the taking of the poll as per Section 334(3) of the Companies Act 2016.
8. Only Depositors whose names appear in the Record of Depositors as at 23 May 2019 shall be regarded as members and entitled to attend and vote at the meeting

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. Audited Financial Statements for financial year ended 31 December 2018

The Audited Financial Statements are laid in accordance with Section 340(1) of the Companies Act (CA) 2016 for discussion only. They do not require shareholders' approval and hence, will not be put for voting.

2. Ordinary Resolution 1: Declare a final single tier dividend of 2 sen per ordinary share for the financial year ended 31 December 2018

With reference to Section 131 of CA 2016, a company may only make a distribution to the shareholders out of profits of the company available if the company is solvent. On 22 February 2019, the Board had considered the amount of dividend and decided to recommend the same for shareholders' approval. The Directors of the Company are satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made on 14 June 2019 in accordance with the requirements under Sections 132(2) and (3) of CA 2016.

Notice of Annual General Meeting

3. Ordinary Resolutions 2 and 3: Re-election of Directors retiring under Article 110 of the Company's Constitution

Article 105 of the Constitution provides that one-third of the Directors for the time being, or if their number is not in multiple of three, then a number nearest to one-third shall retire from office. For the current year, two directors shall be retiring under this Article and under Article 107 of the Constitution shall be eligible for re-election. Dr Leong Chik Weng and Datin Paduka Kartini binti Hj. Abdul Manaf who were appointed on 11 October 2010 and 10 January 2011 will retire in accordance to Article 105 of the Constitution. However, they have formally informed the Board in writing of their intention to retire from the Board of the Company and therefore will not be seeking re-election at the AGM. They will retain office until the conclusion of this AGM.

Article 110 of the Constitution provides that any Director so appointed to fill a casual vacancy shall hold office until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. Amizar binti Mizuar and Dato' Idris bin Kechot, who were appointed on 14 September 2018 and 18 March 2019, respectively, shall hold office until the 57th AGM and having been eligible, have offered themselves for re-election.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 57th AGM, the Nomination and Remuneration Committee (NRC) has assessed each of the retiring Directors, and considered the following:

- (i) The Director's performance and contribution based on the results of the Board Effectiveness Evaluation (BEE) 2018;
- (ii) The Director's level of contribution to the Board deliberations through his/her skills, experience and strength in qualities; and
- (iii) The level of independence demonstrated by the Director, and his/her ability to act in the best interests of the Company in decision-making.

Based on the results of the BEE 2018, the individual Directors met the performance criteria required of an effective and high performance Board.

Based on the above, the Board approved the NRC's recommendation that the Directors who retire in accordance with Article 110 of the Constitution are eligible to stand for re-election. These retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant NRC and Board meetings.

4. Ordinary Resolution 4: Re-appointment of KPMG PLT as Auditors of the Company

The Audit and Compliance Committee ("ACC") undertook an annual assessment of the suitability and independence of the external auditors, KPMG PLT in accordance with the Policy on External Auditors which was approved by the Board in February 2018. In its assessment, the ACC considered several factors which included the following:

- (i) Calibre of external audit firm
- (ii) Quality processes / performance
- (iii) Audit team
- (iv) Independence and objectivity
- (v) Audit scope and planning
- (vi) Audit fee
- (vii) Audit communications

The ACC was satisfied with the suitability of KPMG in the above areas and had recommended to the Board for KPMG PLT's reappointment as auditors of the Company. The Board, at its meeting held in February 2019 approved the Audit and Compliance Committee's (ACC) recommendation for shareholders' approval to be sought at the 57th AGM in respect of the re-appointment of KPMG PLT as External Auditors of the Company for FYE 2019.

5. Ordinary Resolution 5: Directors' Fees

The Board of Directors' Fees for the holding company as set out below had been implemented since 2012 while the Board Committees' Fees had been implemented since 2010.

| Position | RM per Annum |
|-----------------------------|--------------|
| Chairman of the Board | 100,000 |
| Member of the Board | 75,000 |
| Chairman of Board Committee | 10,000 |
| Member of Board Committee | 8,000 |

Section 230(1) of the CA 2016 provides amongst others, the "Fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

At the 56th AGM of the Company held on 31 May 2018, the shareholders had approved **RM1,000,000** as total Directors' Fees payable to the Directors of the Company from the conclusion of the 56th AGM on 31 May 2018 until the conclusion of the 57th AGM of the Company on 28 May 2019.

The total Directors' Fees incurred were as follows:

| | Approved at last AGM (from 1 June 2018 until conclusion of 57 th AGM) RM | Forecasted (from 1 June 2018 until conclusion of 57 th AGM) RM |
|---------|--|--|
| Company | 1,000,000 | 670,874 |
| Group | 1,000,000 | 670,874 |

With respect to the proposed total Directors' Fees from the conclusion of the forthcoming AGM on 28 May 2019 until the conclusion of the next AGM of the Company in 2020, the remuneration structure as approved since 2012 shall remain. Assuming that the total number of Directors and Board Committees as well as the members of the Board Committees remain the same, the total Group Directors Fees is estimated at **RM1,000,000**. This resolution, if passed, will facilitate the payment of Directors' Fees on current financial year basis until conclusion of the next AGM in 2020.

Notice of Annual General Meeting

6. Ordinary Resolution 6: Directors' Benefits (excluding Directors' Fees)

The directors' benefits (excluding Directors' Fees) comprise allowance and other emoluments/benefits payable to the Chairman and the Non-Executive Directors at Board and Board Committee level. The current board remuneration policy is set out below:

| Description | | Chairman (RM) | Member (RM) |
|---------------------------------|---|---------------|-------------|
| Meeting allowance (per meeting) | Board of CCM | 1,300 | 1,000 |
| | Board Committee of CCM | 1,200 | 1,000 |
| | Board Task Force / Working Group of CCM | 1,000 | 1,000 |
| | Board of listed subsidiaries | 700 | 500 |
| | Board of unlisted active subsidiaries | 300 | 300 |
| Other benefits | Parking and other claimable benefits | | |

Note:

The Group Managing Director does not receive any Directors' Benefits other than those specified in her service contract.

The shareholders have approved a total of RM500,000 for the period from 1 June 2018 until the conclusion of the forthcoming AGM on 28 May 2019.

The actual total benefits incurred were as follows:

| | Approved at last AGM (1 June 2018 until conclusion of 57 th AGM) (RM) | Forecasted (1 June 2018 until conclusion of 57 th AGM) (RM) |
|---------|--|--|
| Company | 500,000 | 150,224 |
| Group | 500,000 | 150,745 |

In determining the estimated total amount of benefits (excluding Directors' Fees) for the directors of the Company, the Board considered various factors including the number of scheduled meetings for the Board and Board Committees as well as the number of Directors involved in these meetings. The number of Board and Board Committee meetings are determined based on the strategy and plans of the Company and Group for the financial year.

For the period from the conclusion of the forthcoming AGM on 28 May 2019 until the conclusion of the next AGM in 2020, the total amount of actual benefits (excluding Directors' Fees) to be incurred is expected to be **RM500,000**. In the event that the Directors' Benefits (excluding Directors' Fees) proposed is insufficient (e.g. due to more meetings or enlarged board size, etc.), approval will be sought at the next AGM for the additional remuneration to meet the shortfall.

Ordinary Resolution 6, if passed, will be made by the Company on a monthly basis and/or as and when incurred. The Board is of the view that it is fair and equitable for the directors to be paid on a monthly basis and/or as and when incurred particularly after they have discharged their responsibilities and rendered their services to the Company throughout the Relevant Period.