

CHEMICAL COMPANY OF MALAYSIA BERHAD (5136-T)

(Incorporated in Malaysia)

EXTRACT OF MINUTES OF EXTRAORDINARY GENERAL MEETING HELD ON FRIDAY, 2 MARCH 2018 AT 10.00 A.M. AT BALLROOM 1 & 2, INTERCONTINENTAL KUALA LUMPUR, 165 JALAN AMPANG, 50450 KUALA LUMPUR

PRESENT:

YB Dato' Hajah Normala binti Abdul Samad	- Chairman
Puan Nik Fazila binti Nik Mohamed Shihabuddin	- Group Managing Director
Encik Khalid bin Sufat	- Senior Independent Director
Dato' Azmi bin Mohd Ali	- Director
Dr Leong Chik Weng	- Director
Dato' Seri Ir. Dr. Zaini bin Ujang	- Director
Datin Paduka Kartini binti Hj. Abdul Manaf	- Director

SHAREHOLDERS – as per attendance list

PROXIES – as per attendance list

IN ATTENDANCE :

Puan Hjh. Noor Azwah binti Samsudin	- Head, Legal & Secretarial/ Company Secretary
Encik Mukri bin Harun	- Acting Chief Executive Officer, Chemicals
Dr Khew Mei Ching	- Chief Executive Officer, Polymers
Puan Hjh. Wan Aishah Idris binti Muhamad Idris	- Head, Group Integrity & Assurance
Encik Hasfizal bin Mukhtar	- Senior Manager, Treasury & Corp Dev

Representatives from Maybank Investment Bank Berhad (Principal Adviser) – as per attendance list

Representatives from Zain & Co (Legal Adviser) – as per attendance list

Representatives from Deloitte Tax Services Sdn Bhd (Tax Adviser) – as per attendance list

Representatives from KPMG PLT – as per attendance list

Symphony Share Registrars Sdn Bhd – as per attendance list

Symphony Corporatehouse Sdn Bhd – as per attendance list

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 is sufficient, the Secretary confirmed the quorum for the meeting. In addition, a total of 198 proxies totalling 94,509,156 ordinary shares representing 56.36% of the Company's paid up capital were received by the Registrar.

NOTICE OF MEETING

With the consent from the shareholders, the notice of the Extraordinary General Meeting ("EGM") dated 14 February 2018, containing the agenda as contained in the Circular to Shareholders dated 14 February 2018, was taken as read:

OPENING REMARKS

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

In her opening remark, YB Dato' Chairman informed that the purpose of the EGM was to seek the shareholders' approval in respect of the proposed disposal of three (3) parcels of leasehold land measuring approximately 287,153 square metres to Global Vision Logistics Sdn Bhd for a cash consideration of RM190 million, the details of which are as contained in the Circular to Shareholders dated 14 February 2018, as follows:

ORDINARY RESOLUTION

PROPOSED DISPOSAL BY CCMB OF THE FOLLOWING THREE (3) PARCELS OF LEASEHOLD LAND MEASURING APPROXIMATELY 287,153 SQUARE METRES (OR EQUIVALENT TO 70.96 ACRES) TO GLOBAL VISION LOGISTICS SDN BHD ("GVL") FOR A CASH CONSIDERATION OF RM190.0 MILLION:

- (A) PN 112585 LOT 818 SEKSYEN 16, BANDAR SHAH ALAM, DAERAH PETALING, NEGERI SELANGOR ("LOT 818") EXCLUDING THAT PORTION OF LOT 818 MEASURING APPROXIMATELY 11,655 SQUARE METRES (OR EQUIVALENT TO 2.88 ACRES) WHICH HAS BEEN TAKEN OVER BY PERBADANAN KEMAJUAN NEGERI SELANGOR ("PKNS") AND SURRENDERED TO THE RELEVANT AUTHORITY(IES) PURSUANT TO THE TERMS AND CONDITIONS OF THE LAND EXCHANGE AGREEMENT DATED 1 JULY 2004 ("LAND EXCHANGE AGREEMENT") AS AMENDED BY A SUPPLEMENTAL AGREEMENT TO THE LAND EXCHANGE AGREEMENT DATED 4 APRIL 2016 BOTH ENTERED INTO BETWEEN CCMB AND PKNS;**

- (B) HS(D) 135878, PT 757 SEKSYEN 16, BANDAR SHAH ALAM, DAERAH PETALING, NEGERI SELANGOR; AND**

(C) HS(D) 135879, PT 758 SEKSYEN 16, BANDAR SHAH ALAM, DAERAH PETALING, NEGERI SELANGOR,

TOGETHER WITH ALL REMAINING BUILDINGS, STRUCTURES AND PLANTS (“BUILDINGS”) EXCLUDING SUCH PORTION OF THE BUILDINGS WHICH ARE TO BE DEMOLISHED AND/OR REMOVED BY CCMB AND/OR ANY TENANT(S)

(COLLECTIVELY REFERRED TO AS “SHAH ALAM LAND”) (“PROPOSED DISPOSAL”)

For the above proposals, YB Dato’ Chairman informed that the Board had appointed **Maybank Investment Bank Berhad** as Principal Advisor, **Zain & Co** as the Legal Advisor, **Mohd Nor & Partners (PJ) Sdn Bhd** as the professional valuer and **Deloitte Tax Services Sdn Bhd** as the Tax Advisor to assist the Board in the proposed disposal.

To explain further the proposals, YB Dato’ Chairman had invited the Group Managing Director to brief the shareholders on the proposed disposal as contained in the Circular to Shareholders dated 14 February 2018. The Group Managing Director also shared the questions received from Minority Shareholders’ Watchdog Group (MSWG) prior to the meeting and the corresponding responses accordingly.

Before the motions were put to the Meeting, members/ proxies present were also invited to address their queries in relation to the proposal to the Board of Directors.

In summary, the questions posed by MSWG and the shareholders were in relation to among others; the Group’s de-gearing exercise and the non-core assets identified for divestment to de-gear; other bidders who had submitted their proposal for the Proposed Disposal; the valuation undertaken for the Proposed Disposal; the timing of the Proposed Disposal and the direction and prospect of the Group, post the Proposed Disposal;

The GMD highlighted that the gearing exercise was targeted to be completed in H2 2018 and Management had identified the non-core assets to be divested which included the equity interest in PanGen Biotech Inc and a parcel of leasehold land in Nilai. The GMD also added that the Group had conducted an open tender process in March and April 2017 for the Proposed Disposal. On closing date at the tender exercise, four (4) other bidders submitted the tender for the said Shah Alam land. The proceeds from the Proposed Disposal would be used to pare down the Group’s borrowing which would result to an interest savings of between RM13-14 million. The GMD also explained that the Proposed Disposal would result to a loss on disposal of RM8.9 million which was mainly due to the RPGT to be incurred from the Proposed Disposal. Nevertheless, it would materialise the fair value adjustments into cash.

The GMD explained that the value of the building had been disregarded in the valuation. At the same time, demolition work had been completed and the Group was now undertaking the land rehabilitation work, as part of its corporate responsibility, to ensure that the contaminants on the land were made good.

Going forward, the Group is set for a better growth trajectory as both the Chemicals and Polymers businesses have shown improvements from PBT perspective. Capacity was also expected to improve for both businesses.

Upon conclusion of the questions and answers session, the meeting then proceeded to the agenda proper.

GENERAL INSTRUCTIONS ON MEETING PROCEDURES

YB 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 EGM 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 EGM. The Company had appointed Symphony Share Registrars Sdn Bhd as Poll Administrator to conduct the polling process and Symphony Corporatehouse Sdn Bhd 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 EGM. Every member present in person or by proxy shall have one (1) vote for each share he/ she holds.

AGENDA OF EGM

The Chairman then proceeded to the Agenda proper as set out in the Notice of EGM and requested a proposer and seconder for the Proposed Disposal :

ORDINARY RESOLUTION

PROPOSED DISPOSAL BY CCMB OF THE FOLLOWING THREE (3) PARCELS OF LEASEHOLD LAND MEASURING APPROXIMATELY 287,153 SQUARE METRES (OR EQUIVALENT TO 70.96 ACRES) TO GLOBAL VISION LOGISTICS SDN BHD ("GVL") FOR A CASH CONSIDERATION OF RM190.0 MILLION:

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EXCHANGE AGREEMENT DATED 1 JULY 2004 (“LAND EXCHANGE AGREEMENT”) AS AMENDED BY A SUPPLEMENTAL AGREEMENT TO THE LAND EXCHANGE AGREEMENT DATED 4 APRIL 2016 BOTH ENTERED INTO BETWEEN CCMB AND PKNS;

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(COLLECTIVELY REFERRED TO AS “SHAH ALAM LAND”) (“PROPOSED DISPOSAL”)

CONDUCT OF POLL VOTING

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

Subsequently, the Chairman adjourned the meeting for 15 minutes to allow the shareholders to cast their votes.

OUTCOME OF MEETING

Based on the poll results which had been verified by the Scrutineers, Symphony Corporatehouse Sdn Bhd, the Chairman declared that the following Ordinary Resolution tabled at the EGM was carried:

“THAT, subject to all approvals being obtained from the relevant authorities and / or parties (if required), approval be and is hereby given to the Company to dispose of the Shah Alam Land to Global Vision Logistics Sdn Bhd for a cash consideration of RM190.0 million, upon the terms and conditions as set out in the sale and purchase agreement dated 30 November 2017 entered into between the Company and GVL.

AND THAT the Board be and is hereby authorised to take all such steps and to enter into all deeds, agreements, arrangements, undertakings, transfers and indemnities as the Board may deem fit, necessary and expedient and/or appropriate in the interest of the Company in order to implement, finalise and give full effect to the Proposed Disposal, with full powers to assent to any conditions, modifications, variations and/or amendments and correspondingly to do all acts and things as may be required by any relevant authorities and/or as the Board deems fit, appropriate and in the best interest of the Company.”

The outcome of the poll results which had been verified by the Scrutineers, Symphony Corporatehouse Sdn Bhd were as follows:

Resolutions	VOTE FOR		VOTE AGAINST		TOTAL VOTES		ABSTAINED
	No. of Units	%	No. of Units	%	No. of Units	%	No. of Units
Ordinary Resolution: Proposed Disposal	99,215,116	99.9978	2,177	0.0022	99,217,293	100.0	3,362

CLOSE OF MEETING

There being no other business to be transacted, the meeting concluded at 12.50 p.m. after passing of vote of thanks to YB Dato' Chairman.

Dated:

SIGNED AS A CORRECT RECORD:

CHAIRMAN

Dated: 2 March 2018