



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fifty- Eighth (58<sup>th</sup>) Annual General Meeting (“AGM”) of the Company will be held at the Board Room of Chemical Company of Malaysia Berhad, 13<sup>th</sup> Floor, Menara PNB, 201-A Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur on **Monday, 15 June 2020 at 10.00 a.m.** for the following purposes:

## AGENDA

### As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors retiring under Articles 105 and 110 of the Constitution of the Company.
  - (a) Dato’ Wan Mohd Fadzmi bin Che Wan Othman Fadzilah (Article 105)  
**Ordinary Resolution 1**
  - (b) Datuk Anuar bin Ahmad (Article 110)  
**Ordinary Resolution 2**
  - (c) Raja Azura binti Raja Mahayuddin (Article 110)  
**Ordinary Resolution 3**
  - (d) Hasman Yusri bin Yusoff (Article 110)  
**Ordinary Resolution 4**
  - (e) Dr. Leong Yuen Yoong (Article 110)  
**Ordinary Resolution 5**
  - (f) Zainal Abidin bin Jamal (Article 110)  
**Ordinary Resolution 6**
3. To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.  
**Ordinary Resolution 7**
4. To approve the proposed total Directors’ Fees amounting to RM1,000,000 for the period commencing from the conclusion of the forthcoming 58<sup>th</sup> AGM of the Company scheduled on 15 June 2020 until the conclusion of the next AGM of the Company in 2021 and to authorise the Directors to apportion the fees and make payment in the manner as the Directors may determine.  
**Ordinary Resolution 8**
5. To approve the proposed payment of total Directors’ Benefit (excluding Directors’ Fees) up to an amount of RM500,000 for the period from the conclusion of the 58<sup>th</sup> AGM of the Company scheduled on 15 June 2020 until the conclusion of the next AGM of the Company in 2021 (“Relevant Period”).  
**Ordinary Resolution 9**

### As Special Business

To consider and if thought fit, to pass the following Resolution:

6. Proposed Amendments to the Existing Constitution of the Company (“Proposed Amendments”)  
**Special Resolution 1**

“**THAT** the Company’s existing Constitution be altered, modified, added and/or deleted, as the case may be, in the form and manner as set out in Appendix III of the Circular to Shareholders dated 15 May 2020 accompanying the Company’s Annual Report for the financial year ended 31 December 2019;



# NOTICE OF ANNUAL GENERAL MEETING

**AND THAT** the Directors be and are hereby authorised to do all such acts, deeds and things as are necessary and/or expedient in order to give full effect to the Proposed Amendments with full powers to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities.”

7. To transact any other business of which due notice shall have been received.

**By Order of the Board**

**NOOR AZWAH BINTI SAMSUDIN**

License No.: LS 0006071

SSM Practising Certificate No.: 201908002122

Company Secretary

Kuala Lumpur

Date: 15 May 2020

**NOTES:**

1. As part of the Company's initiative to curb the spread of COVID-19 outbreak and in line with the recommendation of the Suruhanjaya Syarikat Malaysia (“SSM”) and Securities Commission Malaysia to consider conducting AGMs electronically as provided under Section 327 of the Companies Act 2016 (“CA 2016”), the 58<sup>th</sup> AGM of the Company will be conducted on a virtual basis through live streaming and online remote voting via the Remote Participation and Voting (“RPV”) facilities which are available on the Share Registrar's website, Boardroom Smart Investor Online Portal.

Please follow the procedures provided in the Administrative Guide for the 58<sup>th</sup> AGM in order to register, participate and vote remotely via the RPV facilities.

2. The venue of the 58<sup>th</sup> AGM is strictly for the purpose of complying with Section 327(2) of CA 2016 which requires the Chairman of the Meeting to be at the main venue. No shareholders/proxy(ies) from the public will be physically present at the meeting venue.
3. All Resolutions in the Notice of AGM are to be conducted by poll voting as per Paragraph 8.29A(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad.
4. 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. Since the AGM will be conducted virtually/online, if a member is unable to participate in the AGM via the RPV facilities, he/she is entitled to appoint another person or the Chairman of the meeting to vote in accordance with his/her voting instructions as indicated in the Proxy Form.
5. The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either under seal or under the hand of two authorised officers, one of whom shall be a Director, or of its attorney duly authorised in writing.
6. 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.

An exempt authorised 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 Section 25A(1) of SICDA.



# NOTICE OF ANNUAL GENERAL MEETING

7. The instrument appointing a proxy must be deposited to the Share Registrar, Boardroom Share Registrars Sdn. Bhd., 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim (Jalan Semangat), Seksyen 13, 46200 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 CA 2016.

Alternatively, a member may deposit his/her proxy form(s) by electronic means through the Share Registrar's website, Boardroom Smart Investor Online Portal. Kindly follow the link at <https://www.boardroomlimited.my/> to login and deposit your proxy form electronically, also not less than 24 hours before the meeting.

8. Only Members whose names appear in the General Meeting Record of Depositors on 10 June 2020 will be regarded as members and will be entitled to attend, participate and vote at the meeting.

## Explanatory Notes on Ordinary Business

1. Audited Financial Statements for financial year ended 31 December 2019

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

2. Ordinary Resolutions 1 to 6: Re-election of Directors retiring under Articles 105 and 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.

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 re-eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Consequently, one director, Dato' Wan Mohd Fadzmi bin Che Wan Othman Fadzilah will be retiring in accordance with Article 105 and five directors, Datuk Anuar bin Ahmad, Raja Azura binti Raja Mahayuddin, Hasman Yusri bin Yusoff, Dr. Leong Yuen Yoong and Zainal Abidin bin Jamal, will be retiring under Article 110.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 58<sup>th</sup> AGM, the Nomination and Remuneration Committee (NRC) has assessed each of the retiring Directors, and considered the following:

- (i) The Director's level of contribution to the Board deliberations through his/ her skills, experience and strength in qualities; and
- (ii) In respect of the Independent Directors, the level of independence demonstrated by these Directors, and their ability to act in the best interests of the Company in decision-making

The individual Directors have 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 Articles 105 and 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.

3. Ordinary Resolution 7 - Re-appointment of KPMG PLT as Auditors of the Company

The Board, at its meeting held in February 2020 approved the Audit and Compliance Committee's (ACC) recommendation for the shareholders' approval to be sought at the 58<sup>th</sup> AGM in respect of the re-appointment of KPMG PLT as External Auditors of the Company for FY 2020.



# NOTICE OF ANNUAL GENERAL MEETING

## 4. Ordinary Resolution 8 – Directors’ Fees

The structure of 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 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 57<sup>th</sup> AGM of the Company held on 28 May 2019, the shareholders had approved **RM1,000,000** as total Directors’ Fees payable to the Directors of the Company from the conclusion of the 57<sup>th</sup> AGM on 28 May 2019 until the conclusion of the 58<sup>th</sup> AGM of the Company.

The total Directors’ Fees incurred were as follows:

	Approved at last AGM (from 28 May 2019 until conclusion of 58 <sup>th</sup> AGM) (RM)	Forecasted (from 28 May 2019 until conclusion of 58 <sup>th</sup> AGM) (RM)
Company	1,000,000	911,428
Group	1,000,000	911,428

With respect to the proposed total Directors’ Fees from the conclusion of the forthcoming AGM which has been scheduled to be held on 15 June 2020 until the conclusion of the next AGM of the Company in 2021, 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 2021.

## 5. Ordinary Resolution 9 – 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	Member
Meeting allowance (RM 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.



# NOTICE OF ANNUAL GENERAL MEETING

The shareholders have approved a total of RM500,000 for the period from 28 May 2019 until the conclusion of the forthcoming AGM which has been scheduled on 15 June 2020.

The actual total benefits incurred were as follows:

	Approved at last AGM (28 May 2019 until conclusion of 58 <sup>th</sup> AGM) (RM)	Actual (28 May 2019 until conclusion of 58 <sup>th</sup> AGM) (RM)
Company	500,000	171,800
Group	500,000	171,800

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 which has been scheduled on 15 June 2020 until the conclusion of the next AGM in 2021, the total amount of actual benefits excluding Directors' Fees) to be incurred is expected to be **RM500,000**. In the event that the Proposed Directors' Remuneration (excluding Directors' Fees) 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 9, if passed, will be paid 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.

6. Special Resolution 1 - Proposed Amendments to the Existing Constitution of the Company ("Proposed Amendments")

This proposed Special Resolution 1, if passed, will give full effect to the Proposed Amendments as set out in Appendix III of the Circular to Shareholders dated 15 May 2020 accompanying the Company's Annual Report for the financial year ended 31 December 2019.

The rationale of the Proposed Amendments is primarily to provide further clarity on certain terms of the Constitution and to ensure compliance with CA 2016, the Malaysian Code on Corporate Governance (MCCG), the MMLR of Bursa Malaysia Securities Berhad and other prevailing statutory and regulatory requirements applicable to the Company.