



# CCM DUOPHARMA BIOTECH BERHAD

Company No: 524271-W | Incorporated in Malaysia

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fifteenth (15<sup>th</sup>) Annual General Meeting of the Company will be held at **Premiere Hotel, Bandar Bukit Tinggi, 1/KS6, Jalan Langat, 41200 Klang, Selangor Darul Ehsan** on **Wednesday, 25 May 2016** at **10.30 a.m.** for the following purposes:-

### AGENDA

#### As Ordinary Business

- To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon. **Ordinary Resolution 1**
- To approve a Final Tax Exempt Dividend of 5.5 sen per ordinary share for the financial year ended 31 December 2015. **Ordinary Resolution 2**
- To re-elect Dato' Mohamad Kamarudin bin Hassan who retires in accordance with Article 93 of the Articles of Association of the Company. **Ordinary Resolution 3**
- To re-elect Dr. Byung-Geon Rhee who retires in accordance with Article 99 of the Articles of Association of the Company. **Ordinary Resolution 4**
- To re-elect Tan Sri Siti Sa'diah binti Sh. Bakir who retires in accordance with Article 99 of the Articles of Association of the Company. **Ordinary Resolution 5**
- To re-elect Dato' Azmi bin Mohd Ali who retires in accordance with Article 99 of the Articles of Association of the Company. **Ordinary Resolution 6**
- To re-appoint Messrs. KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 7**
- To approve the ordinary remuneration amounting to USD15,000.00 per annum payable to foreign directors of the Company who are entitled to receive the ordinary remuneration, in the manner as determined by the Board with effect from 5 October 2015. **Ordinary Resolution 8**
- To transact any other business of which due notice shall have been received.

#### As Special Business

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

#### 10. 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 9**

"That subject to the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company and/or its subsidiary shall be mandated to enter into the recurrent related party transactions of a revenue or trading nature with the related party as specified in Sections 2.2.1 and 2.2.5 of the Circular to Shareholders dated 28 April 2016 which are necessary for the Company and/or its subsidiary's day-to-day operations subject further to the following:-

- the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public, and the transactions are undertaken on arm's length basis and are not to the detriment of the minority shareholders;
- the approval is subject to annual renewal and shall continue to be in force until:-
  - the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which the Proposal is approved, at which time it will lapse, unless further renewed by a resolution passed at the next AGM;
  - the expiration of the period within the next AGM of the Company after the forthcoming AGM is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
  - revoked or varied by resolution passed by the shareholders in a general meeting of the Company, whichever is earlier; and
- the disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year.

And that the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

#### 11. Retention of Dato' Haji Ghazali bin Awang as an Independent Director of the Company. **Ordinary Resolution 10**

To consider, and if deemed fit, to approve the retention of Dato' Haji Ghazali bin Awang who had served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company in accordance with the Malaysian Code of Corporate Governance 2012.

### NOTICE OF BOOKS CLOSURE

**NOTICE IS HEREBY GIVEN** that subject to the approval of the Shareholders at the forthcoming AGM, a Final Tax Exempt Dividend of 5.5 sen per ordinary share, in respect of the Company's financial year ended 31 December 2015 will be paid on 28 June 2016 to shareholders whose names appear in the Record of Depositors on 8 June 2016.

A Depositor shall qualify for entitlement to the Dividend only in respect of:-

- Shares transferred into the Depositor's Securities Account before 5.00 p.m. on 8 June 2016 in respect of ordinary transfer; and
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

**NOOR AZWAH BINTI SAMSUDIN (LS 0006071)**

Company Secretary

Kuala Lumpur

Date: 28 April 2016



### NOTES:

- A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company.
- Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- 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 subsection 25A(1) of SICDA.
- 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 or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the meeting.
- Only depositors whose names appear in the Record of Depositors as at 18 May 2016 are regarded as members and entitled to attend and vote at the meeting.

#### Explanatory Notes on Ordinary Business

- Ordinary Resolution 8:** To approve the ordinary remuneration amounting to USD15,000.00 per annum payable to foreign directors of the Company who are entitled to receive the ordinary remuneration in the manner as determined by the Board with effect from 5 October 2015.

The Board acknowledges the need to have a highly committed and diverse board members from different background, geographies and experience to provide different views and perspective on the latest development in the industry locally and internationally. With that in mind, the Board, has appointed Dr. Byung-Geon Rhee, a Korean national, as an independent non-executive director on 5 October 2015 to provide insights from the international perspective on the pharmaceuticals industry.

The proposal to remunerate foreign directors at USD15,000 per annum was considered as fair and reasonable by the Board, taking into account the directors fees received by the local directors.

The Company, had in 2014, sought the shareholders' approval to increase the ordinary remuneration payable to the Directors entitled to receive the ordinary remuneration with effect from 1 January 2014, in the manner as determined by the Board as follows:-

	RM per annum
(a) Chairman of the Board	85,000
(b) Member of the Board	60,000
(c) Chairman of the Board Committees	7,000
(d) Member of the Board Committees	5,000

- Tan Sri Dato' Dr. Abu Bakar bin Suleiman and Tan Sri Dato' Dr. Jegathesan a/l N.M. Vasagam @ Manikavasagam who are subject to re-appointment pursuant to Section 129(1) of the Companies Act 1965, will not be seeking re-appointment at the forthcoming 15th Annual General Meeting of the Company, and therefore, shall retire at the conclusion of the said Annual General Meeting.

#### Explanatory Notes on Special Business

- Ordinary Resolution 9:** 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").

The explanatory note on Ordinary Resolution 9 is set out in the Circular to Shareholders dated 28 April 2016.

- Ordinary Resolution 10:** Retention of Dato' Haji Ghazali bin Awang as an Independent Director of the Company.

The Nomination and Remuneration Committee has assessed the independence of Dato' Haji Ghazali bin Awang, who has served as Independent Non-Executive Director of the Company based on the following justification:-

- He has fulfilled the criteria under the definition of independent director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and thus, would be able to function as check and balance, provide a broader view and bring with him an element of objectivity to the Board;
- He has provided the Board with a diverse set of experience, skill and expertise;
- He has performed his duties diligently in the best interest of the Company and provided a broader view as well as independent and balance assessment of proposals from Management; and
- He has no business dealings with the Company save and except as being a member of the Board of Directors of the Company.

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