

# LOTTE CHEMICAL TITAN

## LOTTE CHEMICAL TITAN HOLDING BERHAD

(Company No. 222357-P)

(Incorporated in Malaysia)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2019 Annual General Meeting of the Company will be held at @mySpace 2, 3rd Floor, the Malaysia International Trade and Exhibition Centre ("MITEC"), Kompleks MITEC, No. 8, Jalan Dutamas 2, 50480 Kuala Lumpur on Thursday, 25 April, 2019 at 2.00 p.m. to transact the following business:

#### AGENDA

- To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon.
- To re-elect the following Directors who are retiring by rotation pursuant to Article 94 of the Company's Constitution:
  - Mr Lee Dong Woo **Resolution 1**
  - Tan Sri Datuk (Dr.) Rafiah binti Salim **Resolution 2**
- To re-elect the following Directors who are retiring by rotation pursuant to Article 101 of the Company's Constitution:
  - Tan Sri Datuk Sidi Sa'diah binti Sheikh Bakir **Resolution 3**
  - Ms Kim So Yun **Resolution 4**
- To approve the payment of Directors' Fees amounting to RM600,000 for the financial year ended 31 December 2018. **Resolution 5**
  - To approve the payment of Directors' Fees amounting to RM764,712 for the financial year ending 31 December 2019. **Resolution 6**
  - To approve the payment of Directors' remuneration and benefits (excluding Directors' Fees) to the Non-Executive Directors up to an amount of RM191,000 with effect from the 2019 Annual General Meeting until the next Annual General Meeting of the Company. **Resolution 7**
- To declare a final single tier dividend of 17 sen per ordinary share for the financial year ended 31 December 2018. **Resolution 8**
- To re-appoint Messrs. Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 9**

#### As Special Business:

- To consider and if thought fit, to pass the following ordinary/special resolutions: **Resolution 10**

##### 7.1 Ordinary Resolution

**Proposed renewal of the existing shareholders' mandate and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading in nature and contracts entered into from time to time which are necessary or would facilitate the day-to-day operations**

"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the renewal of the existing shareholders' mandate and new shareholders' mandate for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a revenue or trading in nature and contracts entered into from time to time with Related Party(ies) as specified in Section 2.3 of the Circular to Shareholders dated 27 March 2019 which are necessary for the day-to-day operations, in the ordinary course of business, based on normal commercial terms which are not more favourable to the Related Party(ies) than those generally available to the public and are not detrimental to minority shareholders of the Company ("Shareholders' Mandate") and such approval 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 Shareholders' Mandate is passed, at which time such Shareholders' Mandate will lapse, unless by a resolution passed at the meeting, the authority for the Shareholders' Mandate is renewed;
- the expiration of the period, within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

AND THAT the Directors of the Company be authorized to complete and do all such acts and things as they may consider expedient or necessary to give full effect to the Shareholders' Mandate."

##### 7.2 Special Resolution

**Proposed adoption of the new Constitution of the Company**

"THAT approval be and is hereby given for the Company to adopt a new Constitution as set out in Appendix 2 of the Circular to Shareholders dated 27 March 2019, in place of the existing Constitution. ("Proposed Adoption")

AND THAT, the Directors of the Company be and are hereby authorized to assent to any modification, variation and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give effect to the Proposed Adoption."

#### NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

**NOTICE IS ALSO HEREBY GIVEN** that subject to the approval of the shareholders at the 2019 Annual General Meeting to be held on 25 April 2019, a final single tier dividend of 17 sen per ordinary share in respect of the financial year ended 31 December 2018 will be paid on 3 June 2019. The entitlement date for the dividend payment is on 16 May 2019.

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

- Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 16 May 2019 in respect of transfers; and
- Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of Bursa Malaysia Securities Berhad.

By Order of the Board

**Philip Kong Chock Hoon (MACS 01402)**  
**Cynthia Gloria Louis (MAICSA 7008306)**  
**Chew Mei Ling (MAICSA 7019175)**  
Company Secretaries

Kuala Lumpur  
27 March 2019

#### Notes:

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 April 2019 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 2019 Annual General Meeting.
- A member entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him save for a member who is an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 and holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which such member may appoint in respect of each omnibus account it holds. There shall be no restriction as to the qualification of the proxy and a proxy duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.
- 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 its Common Seal or attorney duly authorised in writing.
- The Form of Proxy must be deposited at the office of the Company's Share Registrar, 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, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the meeting.

#### Explanatory Notes to Ordinary and Special Business

##### 1. Item 1 of the Agenda – Audited Financial Statements for financial year ended 31 December 2018

The Agenda No. 1 is meant for discussion only as Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the audited financial statements. Hence, this item of the Agenda is not put forward for voting.

##### 2. Resolution 5 and 6 – Directors' fees

The Company adopted the following fees for Non-Executive Directors:

Independent Chairman	RM240,000 per annum
Independent Directors	RM180,000 per director per annum

##### 3. Resolution 7 – Directors' remuneration and benefits

The Directors' remuneration and benefits (excluding Directors' Fees) comprise meeting allowances and other emoluments payable to the Non-Executive Directors from 2019 Annual General Meeting until the next Annual General Meeting of the Company ("the Relevant Period").

The meeting allowance for Board Meetings and Committee Meetings is stated below:

##### Board Meeting Allowance

Independent Chairman	RM2,000 per meeting
Independent Directors	RM1,500 per meeting

##### Committee Meeting Allowance

Audit Committee	RM1,500 per meeting
Risk Management Committee	RM1,500 per meeting
Nomination and Remuneration Committee	RM1,500 per meeting

In determining the estimated total meeting allowances for the Relevant Period, the Board has considered various factors, among others, the size of the Board and Board Committee as well as the number of meetings scheduled to be held during the Relevant Period.

##### 4. Resolution 10 – Proposed renewal of the existing shareholders' mandate and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading in nature and contracts entered into from time to time which are necessary or would facilitate the day-to-day operations

The proposed Ordinary Resolution 10, if approved, will allow Lotte Chemical Titan Group to enter into Recurrent Related Party Transactions pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Further information on the proposed renewal of the existing shareholders' mandate and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading in nature and contracts entered into from time to time which are necessary or would facilitate the day-to-day operations is set out in the Circular to Shareholders of the Company dated 27 March 2019 which is dispatched together with the Company's 2018 Integrated Annual Report.

##### 5. Resolution 11 – Proposed adoption of the new Constitution

The Special Resolution, if passed will streamline the Company's Constitution with the new provisions of the Companies Act 2016, amendments made to Main Market Listing Requirements and enhance administrative efficiency.

The Board proposed that the existing Constitution be revoked in its entirety and the proposed new Constitution of the Company as set out in "Appendix 2" of the Circular be adopted as the new Constitution of the Company. The Proposed Adoption shall take effect once it has been passed by a majority or not less than 75% of such members who are entitled to vote and do vote in person or by proxy at the 2019 Annual General Meeting.