

CCM DUOPHARMA BIOTECH BERHAD

(Company No. 524271-W)

Incorporated in Malaysia

**SUMMARY OF THE FIFTEENTH (15TH) ANNUAL GENERAL MEETING OF THE
COMPANY HELD AT PREMIERE HOTEL, BANDAR BUKIT TINGGI, 1/KS6,
JALAN LANGAT, 41200 KLANG, SELANGOR DARUL EHSAN ON
WEDNESDAY, 25 MAY 2014 AT 10.30 A.M.**

PRESENT: : Tan Sri Dato' Dr Abu Bakar bin Suleiman - *Chairman*
(Also a shareholder)
Tan Sri Dato' Dr. M.Jegathesan a/l N M Vasagam @
Manikavasagam - *Director (Also a shareholder)*
Dato' Haji Ghazali bin Awang – *Director (Also a shareholder)*
Dato' Mohamad Kamarudin bin Hassan - *Director*
Datuk Alias bin Ali - *Director*
Dr. Byung-Geon Rhee - *Director*
Tan Sri Siti Sa'diah binti Sh Bakir - *Director*
Dato' Azmi bin Mohd Ali - *Director*
En Leonard Ariff bin Abd Shatar – *Chief Executive Officer*

Shareholders

(As per attendance list from the Registrar)

Proxies

(As per attendance list from the Registrar)

IN ATTENDANCE : Ms Noor Azwah Samsudin
- Company Secretary

BY INVITATION: : Management Members

The list of shareholders and proxies who attended the Annual General Meeting are set out in the Attendance Sheets which are attached the full Minutes and shall form an integral part of the Minutes of the Meeting.

QUORUM AND NOTICE OF MEETING

According to Article 64 of the Company's Articles of Association, the quorum for the meeting shall be three members present in person.

As the number of members present was sufficient, the Secretary confirmed that a quorum was present and the Notice of the 15th Annual General Meeting of the Company was taken as read.

In addition to this, a total of 417 proxies totalling 216,140,300 shares representing 77.5% of the Company's issued and paid up share capital, (out of which nine (9) holders of 18,951 shares had appointed the Chairman of the Meeting to be their proxy) were received by the Registrar.

CHAIRMAN'S ADDRESS

Tan Sri Dato' Dr. Abu Bakar bin Suleiman chaired the Meeting and welcomed all members, shareholders and invitees present at the meeting.

Tan Sri Chairman then delivered his address and briefed the shareholders on the Company's performance for Year 2015 and outlook for Year 2016. Tan Sri Chairman proceeded to invite En Leonard Ariff bin Abd Shatar, the Chief Executive Officer ("CEO") of CCM Duopharma Biotech Berhad ("CCMD" or the "Company") to brief the shareholders of the performance and highlights for 2015 before proceeding with agenda proper, which included among others, the financial and operations review for 2015, and continuing initiatives. The CEO further highlighted the prospects and strategy for the CCMD Group going forward, the outlook for the pharmaceuticals industry in Malaysia, and the business plan for the Group which included focusing on commercializing EPO biosimilar, insulin & oncology products, developing the halal market segment, strengthening product portfolio via focused R&D and increasing contributions from overseas market.

The Chief Executive Officer also shared the questions and responses with regards to the questions received from MSWG.

Shareholders and proxies present at the meeting were also invited to pose questions to the Company. In summary, the questions posed by the shareholders/ proxies were in relation to, among others, the performance and prospects of the Group, the impact of the recent acquisition of the pharmaceutical companies owned by CCM Berhad in terms of capacity, profitability and the performance of management under the consolidated Group, the construction of a new state of the art plant and new warehouse and the impact of the increased capacity as a result of the new plant, performance of the export division, possibility of venturing into online sale, present and future product lines, including possible foray into health supplements, as well as the possible impact of the Trans-Pacific Partnership Agreement on the pharmaceuticals industry.

Following the questions and answers session, the meeting then proceeded to the agenda proper.

**1. TO RECEIVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 TOGETHER WITH THE REPORTS OF THE DIRECTORS' AND AUDITOR'S THEREON
- ORDINARY RESOLUTION 1**

On the proposal of Tan Sri Chairman and seconded by Mr. Sivapathy Lilipathy, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:

“**THAT** the Audited Financial Statements for the financial year ended 31 December 2015 as well as the Reports of the Directors and Auditors thereon be hereby received and adopted.”

**2. 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**

On the proposal of Tan Sri Chairman and seconded by Mr Tan Teong Huat, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:

“**THAT** Ordinary Resolution 2 on the proposal to declare the payment of final tax exempt dividend of 5.5 sen per ordinary share for the financial year ended 31 December 2015 be and is hereby approved”.

**3. RE- ELECTION OF DIRECTOR RETIRING BY ROTATION – DATO' MOHAMAD KAMARUDIN BIN HASSAN
- ORDINARY RESOLUTION 3**

On the proposal of Tan Sri Chairman and seconded by Mr. Phang Ah Kow, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:

“**THAT** Ordinary Resolution 3 on the re-election of Dato' Mohamad Kamarudin bin Hassan be and is hereby approved”.

**4. RE-ELECTION OF DIRECTOR RETIRING IN ACCORDANCE WITH ARTICLE 99 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY – DR. BYUNG-GEON RHEE
- ORDINARY RESOLUTION 4**

On the proposal of Tan Sri Chairman and seconded by Mdm. Cheah Keat Heng, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:

“**THAT** Ordinary Resolution 4 on the re-election of Dr. Byung-Geon Rhee be and is hereby approved”.

**5. RE-ELECTION OF DIRECTOR RETIRING IN ACCORDANCE WITH ARTICLE 99 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY – TAN SRI SITI SA'DIAH BINTI SH BAKIR
- ORDINARY RESOLUTION 5**

On the proposal of Tan Sri Chairman and seconded by Mdm. Cheah Keat Heng, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:

“**THAT** Ordinary Resolution 5 on the re-election of Tan Sri Siti Sa'diah binti Sh Bakir be and is hereby approved”.

**6. RE-ELECTION OF DIRECTOR RETIRING IN ACCORDANCE WITH ARTICLE 99 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY – DATO' AZMI BIN MOHD ALI
- ORDINARY RESOLUTION 6**

On the proposal of Tan Sri Chairman and seconded by Mdm. Cheah Keat Heng, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:

“**THAT** Ordinary Resolution 6 on the re-election of Dato' Azmi bin Mohd Ali be and is hereby approved”.

**7. RE-APPOINTMENT OF MESSRS. KPMG AS AUDITORS OF THE COMPANY
- ORDINARY RESOLUTION 7**

On the proposal of Tan Sri Chairman and seconded by Mdm. Cheah Keat Heng, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:-

“**THAT** Messrs KPMG having signified their consent to act, be and is hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.”

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**
- ORDINARY RESOLUTION 8

The Board acknowledged the need to have 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 2015, the Board had appointed Dr Byung-Geon Rhee, a Korean national, as an independent non-executive director to provide insights from the international perspective on the pharmaceutical industry. Accordingly, the Board is of the view that a remuneration of USD15,000 per annum was fair, taking into account the directors fees received by the local directors.

On the proposal of Tan Sri Chairman and seconded by Mdm. Cheah Keat Heng, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED:-**

“THAT an ordinary remuneration of USD15,000.00 per annum be and is hereby approved for foreign directors with effect from 5 October 2015.”

9. **ANY OTHER BUSINESS**

The meeting noted that there were no other ordinary business to be transacted.

10. **SPECIAL BUSINESS**

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE AND PROPOSED NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE (“PROPOSED SHAREHOLDERS MANDATE”)

- ORDINARY RESOLUTION 9

Tan Sri Chairman informed the shareholders that the Proposed Shareholders Mandate is in line with the Bursa Malaysia Securities Berhad’s requirement pursuant to Chapter 10.09, Part E of the Listing Requirements, and was intended to meet the business needs of the CCM Group and to ensure smooth running of the businesses within the Group.

The Proposed Shareholders’ Mandate when obtained shall eliminate the need to announce to Bursa Malaysia, and to convene separate general meetings to seek shareholders’ approval, as and when the Recurrent Transactions occur and hence, would substantially reduce the administrative time and expenses for convening such

general meetings, improve administrative efficiency and allow the CCM Group to channel such resources towards attaining other corporate objectives and business opportunities available to CCM Group.

On the proposal of Tan Sri Chairman and seconded by Mdm. Cheah Keat Heng, the Proposed Shareholders Mandate was put to vote and accepted unanimously by a show of hands. It was **RESOLVED:-**

“That subject to the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”), the Company and/or 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 Section 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 to the following:-

- (i) 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;
- (ii) the approval is subject to annual renewal and shall continue to be in force until:-
 - (a) 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;
 - (b) 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
 - (c) revoked or varied by resolution passed by the shareholders in a general meeting of the Company,whichever is the earlier; and
- (iii) the disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to 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. SPECIAL BUSINESS

PROPOSED RETENTION OF DATO' HAJI GHAZALI BIN AWANG AS AN INDEPENDENT DIRECTORS OF THE COMPANY

- ORDINARY RESOLUTION 10

Tan Sri Chairman informed the shareholders that the purpose of the special business was to propose the retention of Dato' Haji Ghazali bin Awang as an independent director of the Company, after having served for more than 9 years as independent directors. The justifications were based on the following:

- (i) He has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, would be able to function to provide check and balance, and bring objectivity to deliberations by the Board;
- (ii) He brings to the Board a diverse set of experience, skills and expertise;
- (iii) He has performed their duties diligently in the best interest of the Company;
- (iv) He had no business dealings with the Company save and except as being a member of the Board of Directors.

On the proposal of Tan Sri Chairman and seconded by Mr. Phang Ah Kow, a shareholder, the motion was put to vote and accepted unanimously by a show of hands and it was **RESOLVED**:

“THAT Ordinary Resolution 9 on the retention of Dato' Hj Ghazali bin Awang as an Independent Director of the Company be and is hereby approved”.

CONCLUSION

There being no other business to be transacted, the Meeting concluded at 12.10 p.m. with a vote of thanks to Tan Sri Chairman.

Note: The full minutes of the 15th Annual General Meeting of CCM Duopharma Biotech Berhad is available for Members' inspection without charge at the Company's registered office pursuant to Section 157(1) of the Companies Act, 1965.