

# RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At the Annual General Meeting held on 25 May 2016, the Company had obtained a shareholders' mandate to allow the Company to enter into Recurrent Related Party Transaction of a Revenue or Trading Nature.

In accordance to the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, details of the Recurrent Related Party Transactions audited during the financial year ended 31 December 2016, pursuant to the shareholders mandate are as follows:

No.	Nature of RRPTs	Vendor/ Provider	Purchaser/ Recipient	Aggregate Value (RM'000)	Related parties
1)	Purchase of raw material for pharmaceutical products	CCM Chemicals Sdn. Bhd. ("CCMC")	Duopharma (M) Sdn. Bhd. ("DMSB")	-	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>
2)	Sale of pharmaceutical/health care products	DMSB	CCM Marketing Sdn. Bhd. ("CCMM")	-	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>
3)	Professional services & construction of water treatment plant, etc.	CCM Water Systems Sdn. Bhd. ("CCMWS")	DMSB	-	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>
4)	Provision of Shared/ Management Services <sup>3</sup>	CCM	CCMD	388	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>
5)	Provision of Shared/ Management Services <sup>3</sup>	CCM	DMSB	4,374	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>
6)	Provision of Shared/ Management Services <sup>3</sup>	CCM	UPHA	3,030	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>
7)	Provision of Shared/ Management Services <sup>3</sup>	CCM	CCMP	2,731	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>
8)	Provision of Shared/ Management Services <sup>3</sup>	CCM	Sentosa Pharmacy Sdn. Bhd.	110	<i>Interested Major Shareholder: CCM<sup>1</sup></i> <i>Interested Director/Interested Person Connected: Leonard Ariff bin Abdul Shatar<sup>2</sup></i>

No.	Nature of RRPTs	Vendor/ Provider	Purchaser/ Recipient	Aggregate Value (RM'000)	Related parties
9)	Provision of Shared/ Management Services <sup>3</sup>	CCM	Unique Pharmacy (Penang) Sdn. Bhd.	98	<i>Interested Major Shareholder: CCM<sup>1</sup></i>  <i>Interested Director/Interested Person Connected:</i> Leonard Ariff bin Abdul Shatar <sup>2</sup>
10)	Provision of Shared/ Management Services <sup>3</sup>	CCM	CCMIP	177	<i>Interested Major Shareholder: CCM<sup>1</sup></i>  <i>Interested Director/Interested Person Connected:</i> Leonard Ariff bin Abdul Shatar <sup>2</sup>
11)	Provision of Shared/ Management Services <sup>3</sup>	CCM	Innovax Sdn. Bhd.	606	<i>Interested Major Shareholder: CCM<sup>1</sup></i>  <i>Interested Director/Interested Person Connected:</i> Leonard Ariff bin Abdul Shatar <sup>2</sup>
12)	Provision of Shared/ Management Services <sup>3</sup>	CCM	CCMPS	103	<i>Interested Major Shareholders: CCM<sup>1</sup></i>  <i>Interested Director/Interested Person Connected:</i> Leonard Ariff bin Abdul Shatar <sup>2</sup>
13)	Provision of Shared/ Management Services <sup>3</sup>	CCM	CCM Pharma Sdn. Bhd.	22	<i>Interested Major Shareholder: CCM<sup>1</sup></i>  <i>Interested Director/Interested Person Connected:</i> Leonard Ariff bin Abdul Shatar <sup>2</sup>

\*There was no deviation from the Actual Value exceeding the Estimated Aggregate Value by 10% or more in the Existing Mandate.

**Notes:**

1. CCMP, UPHA, Sentosa Pharmacy, Unique Pharmacy (Penang), CCMIP, Innovax, CCMPS and CCM Pharma are wholly-owned subsidiaries of CCMD. CCM holds 100% interest in CCMM which in turn holds 73.37% interest in CCMD. Therefore, CCM is deemed to have indirect interest of 73.37% of the issued share capital of CCMD and its wholly owned subsidiaries. CCM also has direct interest of 94.72% in the issued share capital of CCMWS through CCM's wholly-owned subsidiary, CCM UKSB.
2. Leonard Ariff bin Abdul Shatar is the Chief Executive Officer of CCMD and is a Director of CCMD, as defined under the Definitions Section of the Circular to Shareholders dated 27 April 2017. He is also the Group Managing Director of CCM. Leonard Ariff bin Abdul Shatar is also a Non-Executive Director of CCMP, Innovax, DMSB, UPHA and CCM Pharma. He has no direct interest in CCMD. Leonard Ariff bin Abdul Shatar is an interested director and an interested "Person(s) connected" as defined in the Definitions Section in the Circular to Shareholders dated 27 April 2017. Therefore, he is deemed interested in the Proposed Shareholders Mandate by virtue of him being an interested Director and interested person connected to CCM.
3. Provision of Shared/Management Services refers to support services covering areas of accounting, treasury, procurement, security, company secretarial, corporate affairs, legal, internal audit, human resource, information technology services, etc.