



Permodalan Nasional Berhad

**PRESS RELEASE**

**For Immediate Release  
17 November 2020**

**PNB DIVESTS STAKE IN CHEMICAL COMPANY OF MALAYSIA  
BERHAD**

*AT 69% PREMIUM TO 3-MONTH VOLUME WEIGHTED AVERAGE SHARE PRICE*

**Kuala Lumpur, 17 November 2020** – Permodalan Nasional Berhad (PNB) today announced that it has reached an agreement with Batu Kawan Berhad (BKB) for the sale of the entire shareholdings of 56.3% in Chemical Company of Malaysia Berhad (CCM) held by PNB and its unit trust funds for RM292.8 million.

This price represents a 69% premium to the 3-month volume weighted average share price. The sale will trigger a mandatory general offer by BKB for the remaining shares in CCM.

“This divestment is part of PNB’s asset diversification strategy to rebalance the portfolio and is consistent with our efforts to continuously enhance value and deliver sustainable returns to our unit holders. A robust sale and price discovery process was conducted by our adviser Maybank Investment Bank Berhad and we are pleased that the final sale price represents a significant premium to the market price,” said the President and Group Chief Executive of PNB, Ahmad Zulqarnain Onn.

As with other investment and divestment decisions made by PNB, this divestment has undergone a rigorous due diligence and a multi-layer governance process to ensure it meets PNB’s stringent investment policies and objectives.

CCM is a reputable manufacturer of chlor-alkali and polymer coating products in Malaysia, being one of the top three polymer coatings for the glove industry and one of the largest producers of chlorine used for the treatment of water supply. During the period when CCM was one of PNB’s strategic companies, it has undergone various initiatives including the demerger of CCM Duopharma Biotech Berhad from CCM in

2017 which gave the company the agility to pursue its growth strategy in order to ensure future sustainability.

With BKB's extensive experience and knowledge in the chemicals industry, PNB believes that BKB would make a strategic fit for CCM, strengthening its position as one of the leading chemicals companies in Malaysia. At the same time, expanding BKB's involvement in industrial chemicals manufacturing will enable CCM to better serve a wider range of customers and geographical markets.

"We greatly value the trust and confidence that our unit holders have placed in us to generate returns and we will continue to work and act in their best interests. As custodians to the wealth of millions of Bumiputera and Malaysian unit holders, PNB is always guided by our mandate in all investment decisions and remains committed to the highest standards of conduct in delivering returns to our unit holders," Ahmad Zulqarnain Onn concluded.

*-End-*

**About Permodalan Nasional Berhad (PNB)**

Permodalan Nasional Berhad (PNB) is one of the largest fund management companies in Malaysia with assets under management (AUM) exceeding RM300 billion. PNB's portfolio covers strategic investments in Malaysia's leading corporates, global equities, private investments and real estate. For more information, please visit [www.pnb.com.my](http://www.pnb.com.my).

**About Chemical Company of Malaysia Berhad (CCM)**

CCM is a public listed company on the main market of Bursa Malaysia. Established in 1963, CCM plays a key role in the development of the chemical and polymer industries in Malaysia. With more than five decades of commitment to enhancing the quality of life for all Malaysians, For more information, visit CCM's website at [www.ccemberhad.com](http://www.ccemberhad.com).

**Issued by Permodalan Nasional Berhad**