

**TAN CHONG MOTOR HOLDINGS BERHAD (12969-P)**  
(Incorporated in Malaysia)

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Fortieth Annual General Meeting of TAN CHONG MOTOR HOLDINGS BERHAD will be held at Pacific Ballroom, Level 2, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50350 Kuala Lumpur, Malaysia on Wednesday, 23 May 2012 at 3:00 p.m. to transact the following businesses:

**As Ordinary Business**

1. To receive the Financial Statements for the financial year ended 31 December 2011 together with the Reports of the Directors and Auditors thereto. **Resolution 1**
2. To declare a final dividend of 12% less income tax for the financial year ended 31 December 2011. **Resolution 2**
3. To re-elect Dato' Ng Mann Cheong, a Director who is retiring pursuant to Article 101 of the Articles of Association of the Company, and being eligible, has offered himself for re-election. **Resolution 3**
4. To consider and if thought fit, to pass the following resolutions in accordance with Section 129(6) of the Companies Act, 1965:
  - (i) "THAT Mr Seow Thiam Fatt be and is hereby re-appointed a Director of the Company pursuant to Section 129(6) of the Companies Act, 1965 and to hold office until the next Annual General Meeting." **Resolution 4**
  - (ii) "THAT Dato' Haji Kamaruddin @ Abas bin Nordin be and is hereby re-appointed a Director of the Company pursuant to Section 129(6) of the Companies Act, 1965 and to hold office until the next Annual General Meeting." **Resolution 5**
5. To re-appoint Messrs KPMG as Auditors of the Company for the financial year ending 31 December 2012 and to authorise the Directors to fix their remuneration. **Resolution 6**

**As Special Business**

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

6. **DIRECTORS' FEES**

"THAT the aggregate fees payable to the Directors of the Company be hereby increased to an amount of not exceeding RM450,000/- per annum for the financial year ending 31 December 2012 and each financial year thereafter." **Resolution 7**
7. **PROPOSED GRANT OF AUTHORITY PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

"THAT, subject always to the Companies Act, 1965 ("Act"), the Articles of Association of the Company and approvals and requirements of the relevant governmental and/or regulatory authorities (where applicable), the Directors be and are hereby empowered pursuant to Section 132D of the Act to allot and issue new ordinary shares of RM0.50 each in the Company, from time to time and upon such terms and conditions and for such purposes and to such persons whomsoever the Directors may, in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the issued and paid-up share capital (excluding treasury shares) for the time being of the Company AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." **Resolution 8**

8. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES**

“THAT, subject to the Companies Act, 1965 (“Act”), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”) and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised, to purchase such amount of ordinary shares of RM0.50 each in the Company (“Proposed Share Buy-Back”) as may be determined by the Directors of the Company from time to time through BMSB upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that the aggregate number of shares purchased and/or held pursuant to this Resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company.

THAT an amount not exceeding the Company’s retained profits be allocated by the Company for the Proposed Share Buy-Back.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion to retain the shares so purchased as treasury shares (as defined in Section 67A of the Act) and/or to cancel the shares so purchased and/or to resell them and/or to deal with the shares so purchased in such other manner as may be permitted and prescribed by the Act, rules, regulations, guidelines, requirements and/or orders pursuant to the Act and/or the rules, regulations, guidelines, requirements and/or orders of BMSB and any other relevant authorities for the time being in force.

THAT the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will expire:

- (i) at the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
- (ii) at the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by BMSB and/or any other relevant governmental and/or regulatory authorities (if any).

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back as may be agreed or allowed by any relevant governmental and/or regulatory authorities.”

**Resolution 9**

9. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH WARISAN TC HOLDINGS BERHAD AND ITS SUBSIDIARIES AND JOINTLY-CONTROLLED ENTITIES**

“THAT, subject to the Companies Act, 1965 (“Act”), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (“TCMH Group”) to enter into all arrangements and/or transactions with Warisan TC Holdings Berhad and its subsidiaries and jointly-controlled entities involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the TCMH Group (“Related Parties”) including those as set out in Paragraph 3.2.1.1 of the Company’s Circular to Shareholders dated 30 April 2012 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders (“Shareholders’ Mandate”).

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time the authority will lapse, unless by a resolution passed at a general meeting of the Company, the authority of the Shareholders’ Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

**Resolution 10**

10. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH APM AUTOMOTIVE HOLDINGS BERHAD AND ITS SUBSIDIARIES AND JOINTLY-CONTROLLED ENTITIES**

“THAT, subject to the Companies Act, 1965 (“Act”), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (“TCMH Group”) to enter into all arrangements and/or transactions with APM Automotive Holdings Berhad and its subsidiaries and jointly-controlled entities involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the TCMH Group (“Related Parties”) including those as set out in Paragraph 3.2.1.2 of the Company’s Circular to Shareholders dated 30 April 2012 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public (where applicable) and are not to the detriment of the minority shareholders (“Shareholders’ Mandate”).

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time the authority will lapse, unless by a resolution passed at a general meeting of the Company, the authority of the Shareholders’ Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

**Resolution 11**

11. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH AUTO DUNIA SDN BHD**

“THAT, subject to the Companies Act, 1965 (“Act”), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (“TCMH Group”) to enter into all arrangements and/or transactions with Auto Dunia Sdn Bhd involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the TCMH Group (“Related Parties”) including those as set out in Paragraph 3.2.2 of the Company’s Circular to Shareholders dated 30 April 2012 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders (“Shareholders’ Mandate”).

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time the authority will lapse, unless by a resolution passed at a general meeting of the Company, the authority of the Shareholders’ Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

**Resolution 12**

12. **PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH TAN CHONG INTERNATIONAL LIMITED AND ITS SUBSIDIARIES**

“THAT, subject to the Companies Act, 1965 (“Act”), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (“TCMH Group”) to enter into all arrangements and/or transactions with Tan Chong International Limited and its subsidiaries involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the TCMH Group (“Related Parties”) including those as set out in Paragraph 3.2.1.3 of the Company’s Circular to Shareholders dated 30 April 2012 provided that such arrangements and/or transactions are recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders (“Shareholders’ Mandate”).

THAT such approval shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time the authority will lapse, unless by a resolution passed at a general meeting of the Company, the authority of the Shareholders’ Mandate is renewed or the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) or revoked or varied by a resolution passed by the shareholders in a general meeting, whichever is earlier.

THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

**Resolution 13**

13. To transact any other business of the Company of which due notice shall have been received.

## **NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT**

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Fortieth Annual General Meeting of Tan Chong Motor Holdings Berhad, a final dividend of 12% less income tax will be paid on 22 June 2012 to shareholders whose names appear in the Register of Members on 1 June 2012.

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

- (1) shares transferred into the depositor's securities account before 4:00 p.m. on 1 June 2012 in respect of transfers;
- (2) shares deposited into the depositor's securities account before 12:30 p.m. on 30 May 2012 in respect of shares exempted from mandatory deposit; and
- (3) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis in accordance with the rules of Bursa Malaysia Securities Berhad.

By Order of the Board

**YAP BEE LEE** (MAICSA 864482)  
**CHANG PIE HOON** (MAICSA 7000388)  
Company Secretaries

Kuala Lumpur  
30 April 2012

### **NOTES:**

1. A depositor whose name appears in the Record of Depositors of the Company as at 15 May 2012 shall be regarded as a member entitled to attend, speak and vote at the meeting.
2. A member entitled to vote is entitled to appoint a proxy or proxies (but not more than two) to attend and vote for him. A proxy need not be a member of the Company, and, where there are two proxies, the number of shares to be represented by each proxy must be stated.
3. Where the Form of Proxy is executed by a corporation, it must be executed under seal or under the hand of an officer or attorney duly authorised.
4. An authorised nominee may appoint one proxy in respect of each securities account the authorised nominee holds in the Company standing to the credit of such securities account. Each appointment of proxy shall be by a separate instrument of proxy which shall specify the securities account number and the name of the beneficial owner for whom the authorised nominee is acting.
5. Where a member of the Company is an exempt authorised nominee (as defined under the Securities Industry (Central Depositories) Act, 1991) which holds 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.
6. The Form of Proxy must be deposited at the Registered Office of the Company, 62 - 68 Jalan Ipoh, 51200 Kuala Lumpur, Malaysia, not less than forty-eight hours before the time appointed for the meeting.

## **EXPLANATORY NOTES ON SPECIAL BUSINESS:**

### **1. Directors' Fees**

At the Annual General Meeting of the Company held on 19 May 2010, the shareholders passed an ordinary resolution giving approval for the Company to pay aggregate fees of not exceeding RM400,000/- per annum to the Directors of the Company for the financial year ended 31 December 2010 and each financial year thereafter.

It is important that the Directors of the Company be adequately remunerated so that the Company will be able to retain and attract persons of caliber and credibility with the necessary skills and experience to manage the Company. In accordance with Article 83(ii) of the Company's Articles of Association, the Board recommends that shareholders approve, in advance, an annual payment of directors' fees of an aggregate amount of not exceeding RM450,000/-. The Board will seek fresh approval from the shareholders when there is a need to change the amount.

### **2. Proposed Grant of Authority Pursuant to Section 132D of the Companies Act, 1965**

The Company continues to consider opportunities to broaden the operating base and earnings potential of the Company. If any of the expansion or diversification proposals involve the issue of new shares, the Directors of the Company, under normal circumstances, would have to convene a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the issued and paid-up share capital (excluding treasury shares) of the Company.

To avoid any delay and costs involved in convening a general meeting to approve such issuance of shares, the Directors of the Company had obtained the general mandate at the Company's 39<sup>th</sup> Annual General Meeting held on 25 May 2011 to allot and issue shares in the Company up to an amount of not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being, for such purpose. The Company has not issued any new shares under the general mandate granted to the Directors at the 39<sup>th</sup> Annual General Meeting which will lapse at the conclusion of the 40<sup>th</sup> Annual General Meeting to be held on 23 May 2012.

A renewal of the mandate is being sought at the 40<sup>th</sup> Annual General Meeting under proposed Resolution 8. The renewed mandate, unless revoked or varied at a general meeting, shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

### **3. Proposed Renewal of Authority for the Company to Purchase Its Own Ordinary Shares**

The proposed Resolution 9, if passed, will empower the Directors of the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company ("Proposed Share Buy-Back") by utilizing the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Further information on the Proposed Share Buy-Back is set out in the Circular to Shareholders dated 30 April 2012, despatched together with the Company's 2011 Annual Report.

### **4. Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions**

The proposed Resolutions 10, 11, 12 and 13, if passed, will enable the Company and/or its subsidiaries to enter into recurrent transactions involving the interest of related parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of the minority shareholders of the Company.

Further information on proposed Resolutions 10, 11, 12 and 13 are set out in the Company's Circular to Shareholders dated 30 April 2012, despatched together with the Company's 2011 Annual Report.