

**TAN CHONG MOTOR HOLDINGS BERHAD**  
**Registration No. 197201001333 (12969-P)**  
(Incorporated in Malaysia)

**MINUTES OF 50TH ANNUAL GENERAL MEETING OF TAN CHONG MOTOR HOLDINGS BERHAD (“TCMH” OR “THE COMPANY”) HELD AT THE BROADCAST VENUE AT TRICOR BUSINESS CENTRE, MANUKA 2 & 3 MEETING ROOM, UNIT 29-01, LEVEL 29, TOWER A, VERTICAL BUSINESS SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA ON WEDNESDAY, 1 JUNE 2022 AT 2.30 P.M.**

**PRESENT**

**Directors**

Present at the broadcast venue:

Mr. Lee Min On (*Chairman of the Meeting*) (*Independent Non-Executive Director*)

Dato’ (Dr.) Khor Swee Wah @ Koh Bee Leng aka Dato’ Rosie Tan (*Deputy President*)

Mr. Daniel Ho Wai Ming (*Group Chief Executive Officer*)

Dato’ Ng Mann Cheong (*Senior Independent Non-Executive Director*)

Mr. Ng Chee Hoong (*Independent Non-Executive Director*)

Dato’ Christopher Chan Choun Sien (*Independent Non-Executive Director*)

Joined via video-conferencing:

Dato’ Tan Heng Chew (*President*)

**Members, Corporate Representatives and Proxies**

Joined online via Tricor’s TIIH Online:

As per Attendance List attached

**In Attendance**

Present at the broadcast venue:

Mr. Chong Choon Yeng (*Chief Financial Officer/Company Secretary*)

Ms. Sharon Chin Yoon Leng (*Joint Company Secretary*)

Joined via video-conferencing:

Representatives of KPMG PLT (*External Auditors*)

Representatives of Tricor Investor & Issuing House Services Sdn. Bhd. (*Poll Administrator*)

Representatives of Asia Securities Sdn. Berhad (*Scrutineer*)

Members of Senior Management as per Attendance List attached

Mr. Lee Min On, an Independent Non-Executive Director, was presiding as Chairman of the Meeting.

**1. Chairman's Address**

On behalf of the Board of Directors, Mr. Lee Min On welcomed all members who participated remotely either in person or by corporate representative or by proxy ("Members") to the Company’s 50<sup>th</sup> Annual General Meeting ("AGM" or "the Meeting"). He informed the Members that the Directors had elected him to chair the 50<sup>th</sup> AGM.

The Chairman informed that:

- (i) The AGM was conducted virtually through live streaming and online remote voting using remote participation and voting facility (“RPV”) in accordance with Section 327 of the Companies Act 2016.
- (ii) Attendance at the Meeting was restricted to shareholders, duly appointed proxies and authorised representatives of corporate shareholders who had registered to join the meeting remotely;

- (iii) As all discussions that transpired at the Meeting were deemed confidential and only for the knowledge of such relevant parties, all visual or audio recording whilst the Meeting was ongoing was strictly prohibited unless the prior written consent of the Company had been obtained; and
- (iv) While the Company endeavoured to ensure a smooth live streaming, the quality of the broadcast might be affected by the audience's internet bandwidth connection.

The Chairman proceeded to introduce the Board of Directors, the Chief Financial Officer cum Company Secretary and the Joint Company Secretary who were present with him at the broadcast venue as well as those who attended the Meeting via video-conferencing, namely Dato' Tan Heng Chew, the President of the Company, and representatives of the external Auditors, KPMG PLT.

## **2. Quorum**

The Chairman informed that the Company Secretaries had confirmed that there was a requisite quorum present, and the Meeting was then called to order.

## **3. Notice**

With the consent of the Members, the notice convening the Meeting ("Notice of Meeting") was taken as read.

## **4. Voting Requirements**

The Chairman also informed the Members of the following:

- (i) Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of Meeting would be put to vote by poll;
- (ii) As Chairman of the Meeting, he demanded for a poll to be taken on all the resolutions as set out in the Notice of Meeting, pursuant to Article 66 of the Company's Constitution, to be conducted by way of electronic polling;
- (iii) The Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") to administer the poll voting electronically and Asia Securities Sdn. Berhad as Scrutineer to verify the poll results; and
- (iv) The e-voting session was available until the closure of the voting session to be announced later and Members could cast their votes then or later after all the resolutions had been read out. The results of the poll voting would be announced after the Scrutineers had verified the poll results upon closure of the voting session.

Upon invitation by the Chairman, the representative of Tricor, the Poll Administrator, briefed the Members on the voting procedures.

## **5. Meeting Procedures**

The Chairman welcomed the Members to raise questions on real time by transmitting questions via the query box which would be opened throughout the whole meeting, and to vote on the resolutions in the agenda of the Meeting. He informed that questions received would be moderated to avoid repetition, and lengthy questions would be summarised for brevity.

Before proceeding further, the Chairman highlighted that the Company had received questions in advance from Members prior to the AGM. The Chairman would address those, as well as questions received live via the query box after concluding all the items on the agenda of the Meeting.

## **6. President's Address**

The Group Chief Executive Officer, Mr. Daniel Ho Wai Ming was then invited to deliver the President's Address on behalf of the President, Dato' Tan Heng Chew.

## **7. Audited Financial Statements and Reports of the Directors and Auditors**

The Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2021, together with the Reports of the Directors and Auditors, which had been earlier circulated to the Members within the prescribed period and, with the permission of the Members, were taken as read.

Upon the Chairman's invitation, Mr. Daniel Ho gave a presentation on the overview of the financial performance of the Group for the financial year ended 31 December 2021 and the strategies going forward.

The Chairman then informed the Members that the Audited Financial Statements were laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only. They did not require shareholders' approval and hence, would not be put for voting. Accordingly, the Chairman declared that the Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2021, together with the Reports of the Directors and Auditors thereon, laid at the meeting in accordance with Section 340(1)(a) of Companies Act 2016 be duly received.

## **8. Directorate**

### ***8.1 Re-election of Dato' Ng Mann Cheong as Director***

The Members were informed that in accordance with Article 103 of the Company's Constitution, Dato' Ng Mann Cheong, an Independent Non-Executive Director, would retire from the Board by rotation and being eligible, had offered himself for re-election.

The Chairman put the motion relating to the re-election of Dato' Ng Mann Cheong as Director of the Company in accordance with Article 103 of the Company's Constitution (Proposed Ordinary Resolution 1) to the Meeting for consideration.

### ***8.2 Re-election of Mr. Lee Min On as Director***

As the motion related to his re-election as Director, the Chairman handed the conduct of the proceeding to Mr. Ng Chee Hoong. The Members were informed that in accordance with Article 103 of the Company's Constitution, Mr. Lee Min On, an Independent Non-Executive Director, would retire from the Board by rotation and, being eligible, had offered himself for re-election.

Mr. Ng put the motion relating to the re-election of Mr. Lee Min On as Director of the Company in accordance with Article 103 of the Company's Constitution (Proposed Ordinary Resolution 2) to the Meeting for consideration. Mr. Ng thereafter passed back the conduct of Meeting to Mr. Lee Min On.

**9. Directors' Fees**

The Members were informed that Proposed Ordinary Resolution 3 was to approve the payment of Directors' fees of up to RM500,000/- in aggregate to the Non-Executive Directors of the Company and up to RM32,400 in aggregate to the Non-Executive Directors of TC Trust Labuan Limited, a subsidiary of the Company, during the course of the period from 2 June 2022 until the next Annual General Meeting of the Company.

The Chairman put the said motion to the Meeting for consideration.

**10. Directors' Benefits**

The Members were informed that Proposed Ordinary Resolution 4 was to approve the payment of Directors' benefits of up to RM344,600/- in aggregate to the Non-Executive Directors of the Company and up to RM5,400/- in aggregate to the Non-Executive Directors of TC Capital Resources Sdn. Bhd., a subsidiary of the Company, during the course of the period from 2 June 2022 until the next Annual General Meeting of the Company.

The Chairman put the said motion to the Meeting for consideration.

**11. Re-appointment of Auditors**

The Members were informed that the External Auditors, KPMG PLT, represented by the engagement partner, Mr. Lee Hean Kok, had indicated their willingness to continue in office.

The Chairman put the motion relating to the re-appointment of KPMG PLT as Auditors of the Company for the financial year ending 31 December 2022 (Proposed Ordinary Resolution 5), to hold office until the conclusion of the next Annual General Meeting, with their remuneration to be fixed by the Directors, to the Meeting for consideration.

**12. Continuing in Office of Dato' Ng Mann Cheong as Independent Non-Executive Director**

The Members were informed that in accordance with the Board Charter of the Company, Members' approval was sought for Dato' Ng Mann Cheong, who had served in the capacity as an Independent Non-Executive Director for a cumulative term of more than nine (9) years, to continue to be designated as an Independent Non-Executive Director of the Company based on the key justifications as set out in the Notice of Meeting.

The Chairman further highlighted to the Members that the Proposed Ordinary Resolution 6 - Continuing in Office of Dato' Ng Mann Cheong as Independent Non-Executive Director, where in his case he had served for 23 years, would come under Practice 5.3 of the Malaysian Code on Corporate Governance which states that "the Board should seek annual shareholders' approval through a 2-tier voting process, if the Board intends to retain an independent director beyond the 9th year". Notwithstanding Practice 5.3, the Board was guided by a legal opinion that the 2-tier voting process was incompatible with the Companies Act 2016 and that the only legally permissible way for the Company to approve the resolution was to pass an ordinary resolution to that effect through the usual single tier voting.

The Chairman put the motion relating to "Continuing in Office of Dato' Ng Mann Cheong as Independent Non-Executive Director" (Proposed Ordinary Resolution 6) to the Meeting for consideration.

**13. Proposed Renewal of Authority for the Company to Purchase Its Own Shares**

The Members were informed that the Proposed Ordinary Resolution 7 was relating to the renewal of authority for the Company to purchase its own shares from time to time provided that the aggregate number of shares purchased and/or held did not exceed 10% of the total number of issued shares of the Company as set out in the Notice of Meeting.

The Chairman put forward the motion to the Meeting for consideration.

**14. Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The Members were informed that the Proposed Ordinary Resolutions 8, 9, 10 and 11 were relating to shareholders' mandates for recurrent related party transactions. The Chairman reminded those Members who had interests in the recurrent related party transactions to abstain from voting on the relevant motions and to ensure that persons connected with them also abstained from voting.

***14.1 Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Warisan TC Holdings Berhad and its Subsidiaries and Jointly-Controlled Entities***

The Chairman put forward the motion relating to the "Proposed shareholders' mandate for recurrent related party transactions with Warisan TC Holdings Berhad and its subsidiaries and jointly- controlled entities" (Proposed Ordinary Resolution 8) as set out in the Notice of Meeting, to the Meeting for consideration.

***14.2 Proposed Shareholders' Mandate for Recurrent Related Party Transactions with APM Automotive Holdings Berhad and its Subsidiaries and Joint Ventures***

The Chairman put forward the motion relating to the "Proposed shareholders' mandate for recurrent related party transactions with APM Automotive Holdings Berhad and its subsidiaries and joint ventures" (Proposed Ordinary Resolution 9) as set out in the Notice of Meeting, to the Meeting for consideration.

***14.3 Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Tan Chong International Limited and its Subsidiaries***

The Chairman put forward the motion relating to the "Proposed shareholders' mandate for recurrent related party transactions with Tan Chong International Limited and its subsidiaries" (Proposed Ordinary Resolution 10) as set out in the Notice of Meeting, to the Meeting for consideration.

***14.4 Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Auto Dunia Sdn. Bhd.***

The Chairman put forward the motion relating to the "Proposed shareholders' mandate for recurrent related party transactions with Auto Dunia Sdn. Bhd." (Proposed Ordinary Resolution 11) as set out in the Notice of Meeting, to the Meeting for consideration.

**15. Any Other Business**

The Chairman confirmed that no notice was received for transacting any other business.

**16. Questions & Answers**

The Chairman dealt with the questions received prior to the AGM. The list of those questions and the responses were appended as **Annexure I**.

The Chairman then proceeded to deal with the remaining questions that were received via the query box during the AGM. He reiterated that any unanswered questions, together with those that had already been responded to, would be uploaded on the Company's website, as soon as practicable after the Meeting. The list of the aforesaid questions received via the query box and the responses were appended as **Annexure II**.

#### **17. E-Polling Process**

There being no other business to be transacted at the Meeting, the Chairman allowed 10 minutes for those who had not casted their votes to do so. Meanwhile the Poll Administrator briefed the Members on the e-polling process.

On the closing of the voting session, the poll results were handed to the Scrutineer for validation which took about 20 minutes.

#### **18. Announcement of Poll Results**

At 4.41 p.m. the Chairman informed the Meeting that the poll results, attached as **Annexure III**, duly validated by the Scrutineer were available and as shown on the screen.

Based on the poll results, the Chairman declared Ordinary Resolutions 1 to 11 carried/duly passed as follows:

##### **Ordinary Resolution 1 - Re-election of Dato' Ng Mann Cheong as Director**

RESOLVED:

THAT Dato' Ng Mann Cheong retiring in accordance with Article 103 of the Company's Constitution and being eligible, be re-elected a Director of the Company.

##### **Ordinary Resolution 2 - Re-election of Mr. Lee Min On as Director**

RESOLVED:

THAT Mr. Lee Min On retiring in accordance with Article 103 of the Company's Constitution and being eligible, be re-elected a Director of the Company.

##### **Ordinary Resolution 3 - Directors' Fees**

RESOLVED:

THAT Directors' fees of up to RM500,000/- in aggregate be approved for payment to the Non-Executive Directors of the Company and up to RM32,400 in aggregate to the Non-Executive Directors of TC Trust Labuan Limited, a subsidiary of the Company, during the course of the period from 2 June 2022 until the next Annual General Meeting of the Company.

##### **Ordinary Resolution 4 – Directors' Benefits**

RESOLVED:

THAT Directors' benefits of up to RM344,600/- in aggregate be paid to the Non-Executive Directors of the Company and up to RM5,400/- in aggregate to the Non-Executive Directors of TC Capital Resources Sdn. Bhd., a subsidiary of the Company, during the course of the period from 2 June 2022 until the next Annual General Meeting of the Company.

**Ordinary Resolution 5 - Re-appointment of Auditors**

RESOLVED:

THAT KPMG PLT be re-appointed Auditors of the Company for the financial year ending 31 December 2022 and to hold office until the conclusion of the next Annual General Meeting and that their remuneration be fixed by the Directors.

**Ordinary Resolution 6 - Continuing in Office as Independent Non-Executive Director**

RESOLVED:

THAT approval be and is hereby given for Dato' Ng Mann Cheong who has served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years, to continue to be designated as an Independent Non-Executive Director of the Company.

**Ordinary Resolution 7 - Proposed Renewal of Authority for the Company to Purchase its Own Shares**

RESOLVED:

THAT subject to the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") 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 in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:

- (i) the aggregate number of shares purchased and/or held pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company at any point in time of the purchase; and
- (ii) the Directors shall resolve at their discretion pursuant to Section 127 of the Act whether to cancel the shares so purchased, to retain the shares so purchased as treasury shares or to retain part of the shares so purchased as treasury shares and cancel the remainder of the shares or in any 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 Bursa Securities and any other relevant authorities for the time being in force.

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

THAT the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and shall continue to be in force until:

- (i) 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; or
- (ii) 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 Bursa Securities 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.

**Ordinary Resolution 8 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Warisan TC Holdings Berhad and its Subsidiaries and Jointly-Controlled Entities**

RESOLVED:

THAT subject to the Companies Act 2016 ("Act"), the Constitution 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 28 April 2022 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:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time such approval will lapse, unless by an ordinary resolution passed at a general meeting of the Company, the authority of the Shareholders' Mandate is renewed; or
- (ii) 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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first.

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.



**Ordinary Resolution 9 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions with APM Automotive Holdings Berhad and its Subsidiaries and Joint Ventures**

RESOLVED:

THAT subject to the Companies Act 2016 ("Act"), the Constitution 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 joint ventures 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 28 April 2022 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:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time such approval will lapse, unless by an ordinary resolution passed at a general meeting of the Company, the authority of the Shareholders' Mandate is renewed; or
- (ii) 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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first.

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.

**Ordinary Resolution 10 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Tan Chong International Limited and its Subsidiaries**

RESOLVED:

THAT subject to the Companies Act 2016 ("Act"), the Constitution 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 28 April 2022 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:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time such approval will lapse, unless by an ordinary resolution passed at a general meeting of the Company, the authority of the Shareholders’ Mandate is renewed; or
- (ii) 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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first.

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.

**Ordinary Resolution 11 - Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Auto Dunia Sdn. Bhd.**

RESOLVED:

THAT subject to the Companies Act 2016 (“Act”), the Constitution 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 28 April 2022 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:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time such approval will lapse, unless by an ordinary resolution passed at a general meeting of the Company, the authority of the Shareholders’ Mandate is renewed; or
- (ii) 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 Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first.

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.

**19. Closure of Meeting**

There being no other business, the Meeting closed at 4.42 p.m. with a vote of thanks to the Chairman of the Meeting.

**SIGNED AS A CORRECT RECORD**

**LEE MIN ON**

Chairman of the Meeting

Kuala Lumpur

Dated: 12 July 2022

1. Shareholder/Proxy : Ng Ghim Eng

**Question** : How far up the scale is TCMH in terms of ESG compliance and what are the action plans to comply within the set timeline?

**Response** : TCMH is committed to the Sustainability and ESG agenda and has started the journey a few years ago. The Group was one of the early adopters and promoted the electrification agenda with the introduction of Nissan Leaf, Renault Zoe, Twizy and EVs charging stations in Malaysia about 10 years ago. Our assembly plants installed roof-top solar panels to tap into renewable energy sources. We are now embarking on a 20MW floating solar project in Serendah as part of the Group's efforts to reduce carbon emission.

You may wish to refer to the Sustainability Statement set out via pages 38 to 57 of the Annual Report for more information and the detailed activities carried out by the Group to further our ESG agenda during 2021. We continue to improve and enhance our ESG agenda by charting out the Sustainability Framework that will help the Group to better focus on key sustainability targets for the next 5 years.

Further to our published Annual Report Y2021 on the updates of the sustainability statement that outlined our approach to sustainability in ensuring the Group's commitments to stakeholders, in driving value-creation through Economic, Environmental, Social and Governance ("EESG") practices. Aside from what was reported in the Annual Report Y2021, below are some updates on our initiatives related to EESG compliance and ongoing sustainability programmes. Targets have been set for 5-year timeframe and performance is monitored via scorecards to track EESG performance and targets for the sustainability initiatives:

- Developed **Key Performance Indicators** and **targets** for the sustainability initiatives related to TCMH's six (6) robust themes based on EESG practices;
- **Economic** - There are two (2) themes i.e., "**Long Term Value Creation**" and "**Innovation & Digitalisation**" under this pillar. Driving long term value creation through business diversification, regional expansion and process & cost efficiency in ensuring long term sustainability of the Group and maximizing return on assets through optimal resource allocation. In enhancing connection with customer, we have embraced technology to improve efficiency, speed & quality in service and product delivery through innovation;
- **Environmental** – The theme of "**A Green Future**" focuses on energy conservation, carbon neutrality, effluent & water management, zero emission and waste management;

- **Social** – There are two (2) themes, i.e., “**The Human Connection**” and “**Employees’ Safety and Well-Being**”. Focusing on nurturing future generations, building & improving the quality of life by providing equal opportunities in education and empowering the under privileged. Creating and maintaining a safe working environment for the well-being of the employees;
- **Governance** – The theme “**Governance Responsibilities**” include the ongoing efforts in driving compliance and good corporate governance based on guidelines, policies and procedures to uphold integrity and ethical business conduct. Some of the established policy and procedures are addressing cybersecurity threats, enterprise risk management, anti-bribery and anti-corruption, corruption risk management, fraudulent activities, 3<sup>rd</sup> party due diligence to evaluate corruption red flags, Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (“**AMLA**”) and supply chain management; and
- **Materiality Assessment** is developed to gauge stakeholders’ concern on matters that have significant financial impact and considerations of EESG practices, which helps to identify and understand the relative importance of specific EESG and sustainability topics of the Group.

**2. Shareholder/Proxy : Ho Chee Meng**

**Question** : Any plans for launching hybrid sedan models for Nissan cars in Malaysia in the near future?

**Response** : In addition to the fully electric vehicle, Nissan Leaf, we have also introduced hybrid models into the line-up of Nissan energy-efficient vehicles. Hybrid models which are currently available in our showrooms are the Nissan X-Trail Hybrid (mid-size SUV segment) and the Nissan Serena S-Hybrid, one of our core models and the best-seller in the mid-size MPV segment.

In the sedan vehicle segment, we offer the Nissan Almera Turbo, a fuel-efficient sedan vehicle with turbo torque while achieving an exceptional fuel economy of 18.4km/L\* (5.4L/100km). This is the technology that keeps you a step ahead as part of Nissan Intelligent Mobility.

The Group will continue to evaluate the suitability and market potential of new vehicle models to be introduced to penetrate the market.

*\*Fuel efficiency is based on NEDC R101 test mode.*

**1. Shareholder/Proxy : Chong Thin Tuck**

**Question** : In the management discussion and analysis of your 2021 annual report, there is nothing mentioned on your property investment section. Please elaborate the progress on this business.

**Response** : The Group's investment in properties are essentially for long term and for the Group's internal use i.e. our showrooms, after-sales service centres, etc. Certain properties which are not used by the Group are rented out to derive rental income.

**2. Shareholder/Proxy : Lew Tuck Wai**

**Question** : The Group still operates two (2) assembly plants in Segambut and Serendah. What are current plant utilisation in terms of operating shifts? Is the Segambut plant still receiving external assembly contracts like how it did previously for Subaru and Mitsubishi vehicles? Would it make more economic sense for the Group to concentrate all its vehicle assembling activities in the new and more high-tech Serendah plant?

**Response** : Our plant in Serendah mainly assembles the Nissan-made vehicles whilst Segambut is used for contract assembly of non-Nissan and commercial vehicles. The plants consolidation will be considered in the future as both plants are currently used for production purposes.

**3. Shareholder : Lew Tuck Wai**

**Question** : What is the current engagement with Nissan Motor Japan on the introduction of new models especially in the B, C & D segments? The Company's share of the vehicle market has been steadily declining due to lack of new models and competition from other marques who have new and fresher models to offer. Appreciate the Board/Management's comments on this.

**Response** : Both the senior leadership teams of Tan Chong and Nissan continue to have regular discussions to exchange views. This is a continuation of our partnership that has stood the test of time for more than 60 years.

Over the last two (2) years, the Covid-19 pandemic situation and the lockdown measures imposed by the authorities had disrupted the sales and production operations in Malaysia as well as other countries. As a result, the Group recorded a decline in terms of sales units and revenue.

Fortunately, we have now entered the endemic phase and the

social and economic activities are picking up pace. Furthermore, the sales momentum continues to be supported by the sales tax exemption. Going forward into the second half of the year, the Group is looking forward to new models launches not only in Malaysia but also in other markets such as Cambodia and Laos. We will continue discussions with Nissan and plan to identify suitable model(s) to be introduced into the Malaysian market and also the other markets where we are operating in. This will help to sustain the sales of Nissan brand and recover our position in the market.

**4. Shareholder/Proxy : Teh Ping Tin**

**Question** : How much does the Company spend on this virtual AGM? Would the Board kindly consider giving shareholders e-wallet as a token of appreciation for attending today's RPV, especially today is the 50<sup>th</sup> AGM, for shareholders to celebrate with the Company?

**Response** : The amount that the Company spent on this virtual AGM was not much different from the first time that we had recruited this service provider to help us conduct the virtual AGM. As mentioned in the Company's Administrative Guide for the 50<sup>th</sup> AGM to the shareholders, the Company will not be distributing any door gifts or food vouchers for those who participated in this meeting. Considering the challenging times, the Company has been taking several measures and efforts to conserve its resources at all levels to be able to tide over the challenging situation. We truly appreciate your participation in this meeting. However, the Company views the distribution of dividend as a more appropriate form of reward to the shareholders. So, for the financial year ending 31<sup>st</sup> December 2022, there will be an interim dividend of 1.5 sen per share which will be paid on 30<sup>th</sup> June 2022.

**5. Shareholder/Proxy : Ngee Geok Choo**

**Question** : Good afternoon. Kindly send me a printed copy of the latest annual report to my registered address. I also wish the Company to distribute some e-vouchers or e-wallet to today's attendees.

**Response** : We noted your request for the annual report and shall deliver the physical copy of the annual report to your registered address. The question on e-vouchers or e-wallet has been addressed.

**6. Shareholder/proxy : Ho Yueh Weng**

**Question** : What is the cause of our Company's litigation in Cambodia?

The reported loss of the case is going to cost the Company a USD3.9 million damage payment to Narita and also litigation costs which together would mean over 2.7 sen per share loss to our Company. Does this mean that the next financial year will also show loss? How is Tan Chong / Nissan vehicles sales performing relative to its competing peers in both the Malaysian markets as well as in ASEAN where we have ventured into?

**Response**

: Regarding the Cambodian case, we have reported the details of the case in our announcement to Bursa on 24<sup>th</sup> May 2022. In summary, this case was about Narita Motorcare (Cambodia) Co. Ltd., which was a former Nissan dealer in Cambodia that was appointed before Tan Chong took over the Nissan distributorship. Narita together with two (2) local shareholders filed a legal case against Tan Chong for a compensation claim amounting to about USD6.9m. The Cambodian court had ruled in favour of us recognising Tan Chong as the distributor in Cambodia. But at the same time, the Cambodian court also ruled and awarded Narita damages of USD3.9m. This was on the rationale of time and money spent on advertising as well as efforts that Narita had spent on building Nissan brand in Cambodia, prior to Tan Chong taking over the Nissan distributorship. We understand that this is the final decision from the Cambodian court, and we expect this matter to be closed.

We wish to inform that this case does not affect Tan Chong's position as the sole and exclusive distributor of Nissan cars in Cambodia. We will continue with the business operations as usual and also continue to serve our customers in Cambodia.

As for the Laos and Cambodia markets, we continued to launch new models such as Nissan Navara, Nissan Terra and also the Almera Turbo in order to sustain our position and Nissan brand in Indo-China markets. Today, we are operating as the exclusive distributor to Nissan brand in 3 markets, namely Laos, Cambodia and Myanmar.

As for the Nissan position in Cambodia and Laos markets, prior to Covid-19 pandemic, Nissan market share reached about 10% in Cambodia. In Laos, it was between 4% to 5% market share. In Myanmar, the Nissan brand holds about 10% of the market share.

Despite tough competition in these markets, Nissan brand has been able to hold its own, but this has to be supported by fresh line-up of models in order to excite the markets as we deliver excellent customer ownership experience to all our Nissan customers in these markets.

As to whether this Cambodian case would translate to a financial loss for financial year 2022, we believe that the Group



still have opportunities to recover its position. The Board and Management will continue working to improve our position in all the markets that we are operating in.

**7. Shareholder/Proxy : Eng Beng Weng**

**Question** : When will the new replacement for Grand Livina arrive in Malaysia and what is the specs?

**Response** : We look forward to the launching of face-lifted Nissan Serena which is one of our core models and the best seller in the mid-size MPV segment as well as the updated version of the Nissan Leaf in the second half of the year. We will continue to explore and launch new models that are suitable for the market.

**8. Shareholder/Proxy : Lew Tuck Wai**

**Question** : Tan Chong Group has in the past acquired many shop-lots and shop houses for own use and investment purpose. Has the Group considered disposing some of these “standalone” showrooms and consolidate into “3S” outlets which will enhance customer’s experience and at the same time reduce operating costs as sales and service can be rendered in one outlet.

**Response** : Tan Chong Group has acquired some properties over the years. All these investment properties are being used for long term purposes, for example, as showrooms, after-sales service centres, assembly plants, offices, etc. Nonetheless, we will take note of the feedback to rationalise the usage of all the properties held by Tan Chong and improve the efficiency of properties utilisation.

**9. Shareholder/Proxy : Ho Yueh Weng**

**Question** : Our Company still loss making for the last two (2) years and this latest quarter results still indicate increased losses despite favourable Government tax exemption policies favouring our automotive industry, while our competitors showed better relative performance, what is really ailing our Company with such continued poor relative performance and when can profitability be expected? With the soon ending of preferential tax exemption for vehicles, how will our Company now tackle the competition?

**Response** : The Covid-19 pandemic situation and lockdown measures imposed have affected the market over the last two (2) years. In the pre-Covid-19 situation, the Malaysia TIV was hovering around 600,000 units per year. It dropped to 529,000 units in

2020 and it further slipped to about 508,000 units in 2021.

In the first quarter of this year, the Group's financial results was mainly impacted by the one-off provision for compensation due to the litigation case in Cambodia. Going forward, to sustain the sale momentum after the sales tax exemption period is over, we will be launching the new Nissan Serena, one of our core models and the best seller in the mid-size MPV segment. In order to push our sales, we have also launched the face-lifted Nissan Navara in April 2021.

Over the past two (2) to three (3) years, the Group had also endeavoured to launch new model such as Nissan Almera Turbo, which is equipped with Nissan intelligent mobility technology. We are hoping these models would sustain our sales momentum for this year.

**10. Shareholder/Proxy : Lew Tuck Wai**

**Question** : New vehicles in the inventories increased by almost 50% to RM346.3 million in FY2021 (page 160 of the Annual Report). What are the reasons for the inventories of new vehicles to increase by 50%? What is the latest value of new vehicles under Inventories as at 31 March 2022?

**Response** : We would like to highlight that the inventory value of Unassembled Vehicles must be taken into consideration together with New Vehicles value when assessing the total inventory holding of "vehicles". Even though new vehicles value went up to RM346 million at the end of 2021 (vs RM232 million as at 2020), total new vehicles and unassembled vehicle packs totalling RM579 million as at 2021 was only marginally higher than RM569 million as at 2020. The marginal increase was mainly due to timing of new vehicles purchase for our Nissan distribution business in Cambodia before the new Euro 4 compliant regulations which came into effect on 1 January 2022. For the first quarter of 2022, the total value came down to RM520 million as we were experiencing some shortfalls in deliveries of orders by the principals as a result of the chips shortage and shipping delays which was faced by all automotive industry players and these problems still persist. We would also like to ensure sufficient inventories at hand in order to maximise the sales opportunities right now.

**11. Shareholder/Proxy : Wong Fook Chuan**

**Question** : Hopefully AGM in future can be conducted in hybrid manner after situation normalised to encourage participation of shareholders.

**Response** : As you may be aware, not every public listed company would want to hold AGM virtually because the technology involved is

sometimes mind-boggling. However, due to Covid-19, companies are forced by circumstances to have virtually convenient AGM. The Malaysian Code on Corporate Governance (“the MCGG”) also encourages that in the event that a company cannot convene virtual AGM, hybrid meeting may be considered. This means we can still conduct meeting at hotel (for example) but there will be costs involved to be able to allow shareholders from outside the locality to dial in. The MCGG only allows either virtual or hybrid. If we decide to hold only a physical meeting, we will not comply with the Practice set out in the MCGG. We will certainly take note of your request as hybrid gives us a chance to shake your hands and interact with each other rather than just online.

**12. Shareholder/Proxy : Koh Tiam Hock**

**Question** : When can the Company turn around?

**Response** : The Group has plans to sustain the sales momentum after the sales tax exemption period. We will be launching the face-lifted Nissan Serena as well as the updated version of fully electrified Nissan Leaf in the second half of 2022. In the meantime, we will also continue to leverage on the popular models that are in the Nissan line-up. For example, the Nissan Navara and the Nissan Almera Turbo, a fuel-efficient vehicle which is timely right now as we are facing surging petrol prices. As for the overseas markets, for example, Vietnam market, we had also recently launched MG5 model and will complement the two (2) SUV models line-up in the Vietnamese market. The Group has also rationalised our costs and optimised our operations since the outbreak of Covid-19 to ensure the Group is back on track to profitability.

**13. Shareholder/Proxy : Reevanash A/L Poravi**

**Question** : All my votes are in favour of the resolutions tabled. Our President’s history is something everyone must read and memorise. A remarkable man indeed. I hope our Company can work out with motor insurance companies to provide road-side assistance to third party insurance holders with a slight additional premium. This is my humble request. Thank you Ms. Wai Ming, a good staff indeed.

**Response** : We will take note of the feedback. We will continue to engage with our insurance partners to enhance our insurance products offering moving forward.

**14. Shareholder/Proxy : Tan Kay Wee**

**Question** : Has the Company considered relocating the Segambut plant to another lower cost location? This would then free up the Segambut land for the Company to optimise its value, which

would in turn enhance shareholders' value.

**Response** : The Segambut plant is still used for assembly of commercial vehicles and contract assembly of Subaru vehicles. Nonetheless, the management will continue to evaluate any opportunities that may arise in order to optimise the usage of the property to ensure we maximise the shareholders' value.

**Other questions on door gifts, e-vouchers or e-wallets**

**1. Shareholder/Proxy : Mono Kari A/P Sokkalingam**

**Question** : Any discount coupons for purchase of Tan Chong Insurance as done in the previous years?

**2. Shareholder/Proxy : Goh Teng Ching**

**Question** : A door gift would be much appreciated to all shareholders attending the AGM.

**Compliment notes**

**1. Shareholder/Proxy : Mono Kari A/P Sokkalingam**

**Question** : Beautiful presentation by Mr. Daniel Ho. Covered all the major areas.

**2. Shareholder/Proxy : Mono Kari A/P Sokkalingam**

**Question** : Adding to my earlier comment. Good job done by Mr. Raj (in getting all my car insurance policies renewed) smoothly, and service centre staff, Ms. Geetha, at the Jalan Ipoh Branch who never failed to call me to remind to renew my car insurance. Every year. Unabated. Excellent people employed at an excellent Company.

**3. Shareholder/Proxy : Poravi A/L S P Sithambaram Pillay**

**Question** : A sincere note of appreciation to Mr. Raj and the service centre staff, Ms. Geetha, at the Jalan Ipoh Branch who never fail to call me to remind to renew my car insurance. Every year. Excellent.

**4. Shareholder/Proxy : Reemarachna A/P Poravi**

**Question** : My favorable votes for all the resolutions. Our Chairman is a real Superman. Great man indeed. I hope our Company can provide road side assistance to third party motor insurance holders. Add a premium, no problem. Previously AAM was there. Tan Chong can provide assistance to loyal insurance purchasers. Good job done by Ms. Wai Ming. Able to provide very good encouragement and motivation. Mr. Raj is an added gem at our Company. Both are good in their jobs.

**5. Shareholder/Proxy : Mono Kari A/P Sokkalingam**

**Question** : Good afternoon. Full support for all the resolutions. This is a well-established Company with good staff working for it. Thank you to Ms. Wai Ming from Customer Relations Department, who showed true concern in solving customer`s problems. Her communication skills are absolutely marvellous. Thank you to all at Tan Chong.

**TAN CHONG MOTOR HOLDINGS BERHAD**  
(12969-P)

**50th Annual General Meeting**  
Tricor Business Centre, Mamuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite,  
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur  
On 01-June-2022 at 02:30PM

**Result On Voting By Poll**

Resolution(s)	Vote For			Vote Against			Total Votes			
	No of Units	%	No of P/S	No of Units	%	No of P/S	No of Units	%	No of P/S	%
Ordinary Resolution 1	326,982,754	82.1475	268	71,060,507	17.8525	48	398,043,261	100.0000	316	100.0000
Ordinary Resolution 2	398,023,554	99.9950	272	19,707	0.0050	44	398,043,261	100.0000	316	100.0000
Ordinary Resolution 3	398,009,966	99.9924	254	30,295	0.0076	59	398,040,261	100.0000	313	100.0000
Ordinary Resolution 4	398,005,246	99.9912	250	35,015	0.0088	63	398,040,261	100.0000	313	100.0000
Ordinary Resolution 5	398,099,023	99.9953	278	18,900	0.0047	39	398,117,923	100.0000	317	100.0000
Ordinary Resolution 6	326,981,754	82.1473	267	71,061,507	17.8527	49	398,043,261	100.0000	316	100.0000
Ordinary Resolution 7	369,098,295	92.7108	273	29,019,626	7.2892	43	398,117,921	100.0000	316	100.0000
Ordinary Resolution 8	74,985,665	99.9738	253	19,637	0.0262	44	75,005,302	100.0000	297	100.0000
Ordinary Resolution 9	74,985,665	99.9738	253	19,637	0.0262	44	75,005,302	100.0000	297	100.0000
Ordinary Resolution 10	74,985,664	99.9738	253	19,636	0.0262	45	75,005,300	100.0000	296	100.0000
Ordinary Resolution 11	74,985,165	99.9738	252	19,637	0.0262	44	75,004,802	100.0000	296	100.0000



Appendix 3

Resolution(s)	Pre-determined Abstain *		Abstain / Spoilt #	
	No of Units	No of P/S	No of Units	No of P/S
Ordinary Resolution 1	0	0	82,362	4
Ordinary Resolution 2	0	0	82,362	4
Ordinary Resolution 3	1,000	2	84,362	5
Ordinary Resolution 4	1,000	2	84,362	5
Ordinary Resolution 5	0	0	7,700	3
Ordinary Resolution 6	0	0	82,362	4
Ordinary Resolution 7	0	0	7,702	4
Ordinary Resolution 8	322,767,092	16	353,229	7
Ordinary Resolution 9	322,767,092	16	353,229	7
Ordinary Resolution 10	322,767,092	16	353,231	8
Ordinary Resolution 11	322,767,092	16	353,729	8

\* These votes refer to holders who have pre-determined abstain from voting in proxy forms or holders refrained from voting due to conflict of interest.

# These refer to:

- 1) Holders who have chosen not to vote (e-voting) or
- 2) Abstain / Spoilt votes as reflected in poll slips (poll slip voting)

