

DETAILS OF THE PROPOSED AMENDMENTS

The Articles of Association of TCMH are proposed to be amended in the following manner primarily to comply with the applicable provisions of the Listing Requirements of the KLSE.

2. Interpretation

In these Articles if not inconsistent with the subject or context:-

- (a) "the Act" means the Companies Act, 1965 and any statutory modification, amendment or re-enactment thereof and any and every other legislation made thereunder for the time being in force.
- (b) "the Company" means TAN CHONG MOTOR HOLDINGS BERHAD (Company No. 12969-P).
- (c) "the Directors" means the directors of the Company.
- (d) "the office" means the Registered Office for the time being of the Company.
- (e) "the register" means the register of members to be kept pursuant to the Act.
- (f) "the seal" means the common seal of the Company.
- (g) "Secretary" means any person or persons appointed to perform the duties of a secretary of the Company and shall include an assistant or deputy secretary.
- (h) Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, electronic and other modes of representing or reproducing words in a visible form.
- (i) Words importing the singular only shall include the plural and the masculine gender shall include the feminine and neuter genders and the word "person" shall include a corporation.
- (j) Words or expressions contained in these Articles shall be interpreted in accordance with the provisions of the Interpretation Acts 1948 and 1967, the Act, the Central Depositories Act and the Rules.
- (k) "Authorised Nominee" shall have the meaning ascribed thereto in the Central Depositories Act.
- (l) "beneficial owner" has the meaning ascribed thereto in the Central Depositories Act.
- ~~(k)~~ (m) "Central Depositories Act" means the Securities Industry (Central Depositories) Act 1991 and any statutory modification, amendment or re-enactment thereof and any and every other legislation made thereunder for the time being in force ~~made thereunder~~.
- ~~(n)~~ (n) "Central Depository" means the Malaysian Central Depository Sdn. Bhd. (Company No. 165570-W).
- ~~(m)~~ (o) "Depositor" means a holder of securities account.

- (n) — (p) "Deposited Security" means a security ~~in the Company~~ standing to the credit of a securities account ~~of a Depositor subject to the Central Depositories Act and the Rules~~ and includes a security in a securities account that is in suspense.
- (p) — (q) "market day" means ~~any day between Mondays and Fridays which is not a market holiday or public holiday~~ a day on which the stock market of the Stock Exchange is open for trading in securities.
- (q) — (r) "member" or "shareholder" or "holder of shares" or any like expression means a person who is registered as the holder of shares in the capital of the Company including a Depositor who may be an Authorised Nominee whose name appears in the Record of Depositors and who has a credit balance of shares in the Company in his securities account (except the Central Depository or its nominee Company)
- (r) — (s) "Record of Depositors" means a record provided by the Central Depository to the Company under Chapter 24.0 of the Rules.
- (s) — (t) "Rules" means the rules of the Central Depository as defined under the Central Depositories Act for the time being in force.
- (t) — (u) "securities" shall have the meaning given in section 2 of the Securities Commission Act 1993.
- (u) — (v) "securities account" means an account established by the Central Depository for a Depositor for the recording of deposit of securities and for dealings in such securities by the Depositor.
- (v) — (w) "Statutes" means the Act, the Central Depositories Act and every other Act for the time being in force concerning companies and affecting the Company.
- (w) — (x) "Stock Exchange" means Kuala Lumpur Stock Exchange and/or any other ~~the~~ stock exchange on which the shares of the Company are listed.
- (x) — (y) Headings and notes are included only for convenience and shall not affect meaning.
- (y) — (z) Reference to "these Articles" means these Articles of Association as originally framed or as from time to time altered by special resolution.

5A. Purchase of Own Shares

Subject to the provisions of the Act and any regulations made thereunder and to any rights previously conferred on the holders of any class of shares and to any requirements imposed by the Stock Exchange in respect of securities admitted to listing, and any rules or guidelines ("Rules and Guidelines") of any relevant authorities (whether having the force of law or not) ~~including the Guidelines Governing Purchase Of Own Shares By Listed Companies issued by the Stock Exchange~~ from time to time whether by way of amendment, modification or variation or in replacement thereof (other than any such of the Rules and Guidelines compliance with which by the Company is waived by the relevant authority), the Company may purchase or may enter into a contract under which it will or may purchase any of its shares of any class, including any redeemable shares.

Neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.

7. Issue of shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of these Articles and to the Act and to the provisions of any Resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, and subject to such restrictions and at such times as the Directors may determine; but the Directors in making any issue of shares shall comply with the following conditions:-

- (i) no shares shall be issued at a discount except in compliance with the provisions of Section 59 of the Act;
- (ii) in the case of shares offered to the public for subscription the amount payable on application on each share shall not be less than five per centum (5%) of the nominal amount of the share;
- (iii) in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in these Articles;
- (iv) no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person or corporation without the prior approval of the members of the Company in general meeting.
- (v) subject to Article 8 and notwithstanding the existence of a resolution pursuant to Section 132D of the Act, no equity securities or other securities with rights of conversion to equity may be issued if the nominal value of these securities, when aggregated with the nominal value of any other securities of the same class which the Company has issued during the previous 12 months, exceeds 10% of the nominal value of that same class of securities on issue at the commencement of that period of 12 months except where the securities are issued:
 - (a) ~~with the prior approval of the company in general meeting of the precise terms and conditions of the issue;~~
 - (b) ~~on the exercise of options issued pro-rata to equity security holders, or~~
 - (c) ~~to ordinary shareholders pro-rata.~~

7B. Allotment and Despatch of Notices of Allotment

Subject to the Act and Article 7C, the Company must allot shares for which listing is sought on the Stock Exchange and despatch notices of allotment to the allottees, within ~~20~~ 15 market days of the final application ~~closing~~ date for an issue of shares or such other period as may be prescribed by the Stock Exchange.

7C. Crediting Allotment or Issue of Securities

The Company must not allot or issue securities or cause or authorise its registrars to cause the securities accounts of the allottees to be credited with the additional shares until after it has filed with the Stock Exchange an application for listing of such additional ~~shares~~ securities and been notified by the Stock Exchange that ~~they have been authorised for listing~~ such new issue of securities has been approved in principle for listing.

8. Restrictions on issue of shares to Directors etc and their associates

- (a) Except in the case of a rights issue an issue of securities on a pro rata basis to shareholders members and subject to Article 8(b), no Director or any person for the purpose of the Act regarded as an associate of any Director major shareholder or person connected with any Director or major shareholder shall participate directly or indirectly in an issue of shares to employees of the Company or in an issue of equity securities or other securities with rights to conversion to equity of the Company unless the members in general meeting have approved of the specific allotment to be made to such Director, major shareholder or person connected with any Director or major shareholder or associate and unless he holds office in the Company in an executive capacity. Such Director and associate In a meeting to obtain the approval of the members as aforesaid, any Director or major shareholder who is interested in the allotment or, where the allotment is in favour of a person connected with a Director or major shareholder, such Director or major shareholder as well as such person who is so connected shall abstain from exercising any voting rights on the matter. The notice of meeting shall state:
- (a) the number of shares or securities to be allotted;
 - (b) the precise terms and conditions of the issue and allotment; and
 - (c) the purpose of the allotment; and
 - (d) that such Director and associate shall abstain from exercising any voting rights the identity and relationship of the connected persons with the Director or major shareholder, where applicable.
- (b) No Director shall participate in an issue of shares to employees of the Company unless the members in general meeting have approved of the specific allotment to be made to such Director and unless he holds office in an executive capacity.
- (c) In this Article "major shareholder" and "person connected with any Director or major shareholder" shall have the meaning ascribed thereto in the Listing Requirements of the Stock Exchange.

9. Preference shares

Subject to the Act, any preference shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed but the total nominal value of the issued preference shares shall not exceed the total nominal value of the issued ordinary shares at any time and the Company shall not issue preference shares ranking in priority above preference shares already issued, but may issue preference shares ranking equally therewith. The rights attaching to shares of a class other than ordinary shares shall be expressed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and ~~Balance Sheets audited accounts~~, and attending general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of on a proposal to reducing the capital, or a proposal to winding up the Company, or a proposal for the disposal sanctioning a sale of the whole of the Company's property, business and undertaking, or where the proposition to be submitted to the meeting directly a proposal that affects their rights and privileges, or when the dividend or part of the dividend on the preference shares is in arrears for more than six months, or during the winding up of the Company. Preference shareholders must be entitled to a return of capital in preference to ordinary shareholders when the Company is wound up.

12. Withdrawal of securities

A Depositor shall not withdraw the securities which have been deposited with the Central Depository except in such manner as may be specified in the Rules. Subject to the provisions of the Act, the Central Depositories Act and the Rules, every Depositor who shall ~~have initiated~~ be permitted to initiate a withdrawal of Deposited Security ~~in the manner permitted by~~ pursuant to Section 24 of the Central Depositories Act and ~~Chapter 28 of the Rules~~ shall be entitled to receive within fifteen (15) market days (or such other period as may be specified by the Central Depository, the Rules and/or the Stock Exchange) of lodgement of transfer and/or all relevant documents of the Deposited Security to be withdrawn one (1) certificate for all his shares of each class, upon payment of such sum not exceeding Ringgit Malaysia Three (RM3/-) only or such other sum as may from time to time be permitted by the Stock Exchange and the Central Depository plus the stamp duty payable under any law for the time being in force for every certificate, each for one (1) or more of his shares of each class as he may reasonably require. Where a member transfers part only of the shares comprised in a certificate the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu upon payment of such sum as may from time to time be permitted by the Stock Exchange and the Central Depository plus the stamp duty payable under any law for the time being in force for every certificate.

21. Company's lien on shares

The Company shall have a first and paramount lien on every share (not being a fully paid share) registered in the name of a member (whether solely or jointly with others) for all moneys (whether presently payable or not) that the Company may be called upon by law to pay and has paid in respect of such shares whether before or after the member's death and for all unpaid calls and instalments ~~(whether presently payable or not) payable~~ due and unpaid in respect of such shares. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall be extended to all dividends payable thereon.

24. Application of proceeds of sale

The proceeds of the sale shall be received by the Company and applied in payment of (i) such part of the amount in respect of which the lien exists as is presently payable, and (ii) accrued interest and expenses, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs.

38. Closing of register

(a) The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine not exceeding in the whole thirty (30) days in any year provided that at least ~~eighteen (18)~~ twelve (12) clear market days or such other period specified by the Stock Exchange notice of such closure shall be given to the Stock Exchange stating the period and the purpose or purposes of such closure. The same shall also be advertised in a major daily newspaper circulating generally throughout Malaysia.

(b) Subject to Article 54(b) below, the Company may pursuant to Section 34 of the Central Depositories Act and the Rules request for the Record of Depositors and in this connection, may request for the Record of Depositors as at a specified date. At least three and a half (3 1/2) clear market days or such other period specified by the Act, the Central Depositories Act, the Rules and/or the Central Depository prior notice shall be given to the Central Depository to enable the Central Depository to prepare the appropriate Record of Depositors ~~provided that where the Record of Depositors is required in respect of corporate actions, at least seven (7) market days or such other period specified by the Central Depository prior notice shall be given to the Central Depository.~~

- (c) A Record of Depositors requested by the Company as at any specified date and/or for any specified purpose when made available to the Company may be treated as the final Record of Depositors as at the specified date and/or for the specified purpose. If there shall be more than one Record of Depositors made available to the Company as at the specified date and/or for the specified purpose then the later or last of the Record of Depositors prepared by the Central Depository and confirmed by the Central Depository as a correct Record of Depositors shall be the final Record of Depositors as at the specified date and/or for the specified purpose. If such confirmation from the Central Depository shall not be available, then the later or last of the Record of Depositors received by the Company shall be deemed to be the final Record of Depositors as at the specified date and/or for the specified purpose.

41. Election with regard to registration

Subject to the Act, the Central Depositories Act and the Rules, if the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company and the Central Depository a notice in writing signed by him stating that he so elects. If he elects to have another person registered he shall testify his election by executing to that person a transfer of the share or such other instrument as the Central Depository may require in favour of that person. All the limitations, restrictions, and provisions of these Articles, the Act, the Central Depositories Act and the Rules relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer or such other instrument as the Central Depository may require as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer or such other instrument as the Central Depository may require were a transfer signed by that member.

44. When shares offered to existing members

Subject to any direction to the contrary that may be given by the Company in general meeting and ~~subject also to article 44(A)~~ any original shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares or securities which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Article.

44(A). (Deleted) Inapplicability of Article 44

~~Article 44 shall not apply to issues of shares (other than bonus or rights issues) which do not in aggregate in any one financial year exceed 10% of the issued capital and which have been approved by the Committee of the Stock Exchange.~~

44(B). (Deleted) Waiver from Stock Exchange for convening extraordinary general meeting for new issue of shares

~~Subject to compliance with Section 132D of the Act, the Company may apply to the Stock Exchange to waive the convening of an Extraordinary General Meeting to obtain shareholders' approval for further issues of shares (other than bonus or rights issues) where the aggregate of the shares issued in any one financial year does not exceed 10% of the issued share capital of the Company.~~

54. Notice of meetings

- (a) Subject to the provisions of the Act relating to Special Resolutions and agreements for shorter notice, fourteen (14) days' ~~(but in any event not less than ten (10) market days' or such other period specified by the Stock Exchange)~~ notice of meeting at the least and, in case of a meeting convened to pass a special resolution or where it is an annual general meeting, twenty one (21) days' ~~(but in any event not less than fifteen (15) market days' or such other period specified by the Stock Exchange)~~ notice of meeting at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and in case of special business the general nature of that business shall be given to such persons as are entitled to receive such notices from the Company. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the purpose and effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting shall be given by advertisement in the daily press and in writing to the Stock Exchange.
- (b) (i) The Company shall request the Central Depository, in accordance with the Rules, to prepare the Record of Depositors to whom notices of general meetings or adjourned general meetings shall be given by the Company.
- (ii) The Company shall request the Central Depository in accordance with the Rules, to prepare a Record of Depositors as at a date not less than 3 market days (or such other period specified by the Act, the Central Depositories Act, the Rules and/or the Central Depository) before the date of the general meeting or adjourned general meeting (hereinafter referred to as "the General Meeting Record of Depositors").
- (c) Subject to Article 38(c), ~~and notwithstanding any provision in the Act,~~ the Record of Depositors requested under this Article when made available to the Company shall be treated as the final record of all Depositors who shall be deemed to be entitled to receive notice of general meeting or adjourned general meeting.
- (d) Subject to Article 38(c); and the Securities Industry (Central Depositories) (Foreign Ownership) Regulations, 1996 (where applicable) ~~and notwithstanding any provision in the Act,~~ a Depositor shall not be regarded as a member entitled to attend any general meeting or adjourned general meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors requested for the purposes of such general meeting or adjourned general meeting.

64. Number of votes

- (a) Subject to these Articles, in particular Articles 9, 54(b), (c) and (d), 64(b) and (c) and 69, a member shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the Company have been paid.
- (b) No person shall exercise any rights of a member until his name shall have been entered in the register or the Record of Depositors and he shall have paid all calls and other moneys for the time being due and payable on any share held by him whether alone or jointly with any other person PROVIDED THAT the Central Depository or its nominee company in whose name the Deposited Securities are registered shall not be entitled to any such rights unless required by virtue of the Central Depositories Act or the Rules or the context of these Articles.

- (c) Subject to any rights or restrictions for the time being attached to any class or classes of shares, at meetings of members or classes of members each member entitled to vote may vote in person or by proxy or attorney and on a show of hands every person present who is a member or a representative or proxy or attorney of a member shall have one vote, and on a poll every member present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each share he holds. In these Articles, the shares held or represented by a member present in person or by proxy shall, in relation to shares of a Depositor, be the number of shares entered against his name in the latest Record of Depositors made available to the Company.

65. Corporation members

Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise ~~such one person, or failing him another person as alternate,~~ whether a member of the Company or not as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

69. Member in default

No member shall be entitled to be present, or to vote at any general meeting in respect of shares in the Company on which calls ~~or other sums presently~~ payable by him have not been paid.

73. Proxy need not be a member

(a) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(a) and (b) of the Act shall not apply to the Company.

(b) A member shall not be entitled to appoint more than two proxies to attend and vote at a meeting of the Company except where the member is a Depositor who is also an Authorised Nominee, then the Authorised Nominee may appoint one proxy in respect of each securities account the Authorised Nominee holds with ordinary shares in the Company standing to the credit of such securities account as reflected in the Record of Depositors requested by the Company pursuant to Article 54(b)(ii) for the purposes of the meeting for which the Authorised Nominee is appointing the proxy. Each appointment of proxy by an Authorised Nominee pursuant to this Article 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.

74. Form of proxy

Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in ~~the following form or a such form near thereto as circumstances admit;~~ as the Directors may from time to time prescribe.

TAN CHONG MOTOR HOLDINGS BERHAD

I/We, _____, of _____ being a member/members of Tan Chong Motor Holdings Berhad hereby appoint _____ of _____, or failing him, _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be] general meeting of the Company, to be held on the _____ day of _____, and at any adjournment thereof. Signed this _____ day of _____.

This form is to be used * In favour of the resolution.
_____ against

** Strike out whichever is not desired. [Unless otherwise instructed, the proxy may vote as he thinks fit.]*

76. Proxy irrevocable unless notice received by Company

- (a) A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument or of the authority under which the instrument was executed, or the transfer of the share (including any transfer pursuant to the Rules) in respect of which the instrument is given, if no intimation in writing of such death, unsoundness of mind or revocation, or transfer as aforesaid has been received by the Company at the office or recorded in the Record of Depositors made available to the Company before the commencement of the meeting or adjourned meeting at which the instrument is used.
- (b) The Company shall be entitled and bound to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the register and/or the latest Record of Depositors made available to the Company.
- (c) The Company shall be entitled and bound to accept as the maximum number of votes which in aggregate the proxy appointed by the member is able to cast on a poll, the aggregate number of shares which is entered (i) against the name of that member in the register and/or the latest Record of Depositors made available to the Company (ii) or in the case of a member who is a Depositor and an Authorised Nominee, against the securities account number and name of the beneficial owner for whom the Authorised Nominee is acting where that number is smaller than the aggregate number specified in the instrument or instruments of proxy executed by or on behalf of that member. ~~Therefore, if~~ In the event a member other than an Authorised Nominee has executed a number of instruments of proxy and some of the proxies on a poll cast votes in favour of a resolution while other proxies, appointed by the same member, on a poll cast votes against a resolution and the aggregate number of votes specified in the instruments of proxy is greater than the aggregate number of votes entered against the name of that member in the register and/or the Record of Depositors made available to the Company, then the number of votes deemed to be cast in favour of the resolution or against the resolution, as the case may be, shall be in the same proportion as the number of votes cast in favour of the resolution or against the resolution, as the case may be, based on the aggregate number of votes specified in the instruments of proxy.

79. Number of Directors

The Company may from time to time in general meeting increase or reduce the number of Directors, ~~and determine in what rotation such increased or reduced number shall go out of office.~~ Until otherwise determined by general meeting the number of Directors including a Managing Director shall not be less than three nor more than ten but in the event of any casual vacancy occurring and reducing the number of Directors below the aforesaid minimum the continuing Directors or Director may, except in an emergency, act only for the purpose of filling up such vacancy or vacancies to such minimum number or of summoning a general meeting of the Company but for no other purpose.

80. Appointment by Board of Directors

The Directors shall have power at any time and from time to time to appoint any other qualified person as Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or pursuant to Article 79 and any Director so appointed shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

87. Director not to vote in contracts where he has an interest

A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has directly or indirectly an personal interest except in respect of:-

- (i) ~~any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or~~
- (ii) ~~any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security.~~

91. Restriction on right to vote

~~Save as hereinbefore provided~~ No Director shall vote in respect of any contract or arrangement in which he is directly or indirectly interested, and if he should do so his vote shall not be counted but this prohibition may at any time be suspended or relaxed to any extent, and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting.

94. Appointment

- (a) The Directors may from time to time appoint any one or more of their body to be Managing Director or Managing Directors for such period not exceeding ~~five (5)~~ three (3) years and upon such terms as they think fit, and may vest in such Managing Director or Managing Directors as may be appointed by them such of the powers hereby vested in the Directors generally as they may think fit, but ~~subject thereto~~ provided always that such Managing Director or Managing Directors shall be subject to the control of the Board.

- (b) Any appointment of a Managing Director shall provide that notwithstanding the term of his appointment, the Managing Director shall retire from office at any annual general meeting where he shall not be re-elected; accordingly, his appointment shall terminate as of the date of such annual general meeting and such termination shall not be regarded as breach of the terms of the appointment or dismissal of the Managing Director.
- (c) Any appointment of a Managing Director which shall be for a term of more than three (3) years made prior to 1 June 2001 shall be valid and such Managing Director shall not be required to retire from office in accordance with Article 101 provided that any reappointment of the Managing Director shall thereafter be subject to the provisions hereof and Article 101.

96. Resignation-Retirement and removal of Managing Director

Subject to provisions of any contract between him and the Company entered into prior to 1 June 2001, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors to retire, but and he shall, subject to provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director from any cause shall ipso facto and immediately cease to be a Managing Director.

97. Office of Directors how vacated

Subject as otherwise provided and to the terms of any Subsisting agreement, the office of a Director shall become vacant if the Director:-

- (a) ceases to be a Director by virtue of the Act;
- (b) becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) becomes prohibited from being a Director by reason of any order made under the Act or contravenes Section 130 of the Act;
- (d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental disorder;
- (e) resigns his office by notice in writing to the Company;
- (f) for more than six months is absent, without permission of the Directors, from meetings of the Directors held during that period;
- (g) is absent from more than 50% of the total meetings of the Directors held during any financial year of the Company or such shorter period during which the Director was appointed to his office.

101. Rotation and retirement of Directors

Subject to Articles 94(c) and 96, at every annual general meeting one-third of the Directors (except including a Managing Director) or if their number is not a multiple of three then the number nearest to one-third shall retire from office and be eligible for re-election provided that all Directors—except including the Managing Director shall retire from office once at least in each three years, but shall be eligible for re-election.

103. Eligibility for election

Only the following persons shall be eligible for election to the office of Director at any general meeting namely:-

- (i) a Director retiring at the meeting;
- (ii) a person recommended by the Directors and in respect of whom, not less than nine clear days before the day appointed for the meeting, there shall have been left at the office a consent to act as a Director duly signed by such person;
- (iii) a person in respect of whom not less than eleven nor more than twenty-one clear days before the date appointed for the meeting there shall have been left at the office a notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, ~~and also or~~ notice in writing signed by that person of his willingness to be elected giving his consent to the nomination and signifying his candidature for the office.

107. Meetings

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and in particular the method of giving notice of meetings of Directors as they think fit. Any one Director may at any time and the Secretary shall on the requisition of any one Director summon a meeting of the Directors. ~~It shall not be necessary to give any Director or alternate Director, who has not got an address registered with the Company in Malaysia or the Republic of Singapore, notice of a meeting of the Directors.~~ Unless otherwise determined by the Directors from time to time notice of all Directors' meetings shall be given to all Directors and their alternates, ~~who have a registered address in Malaysia or the Republic of Singapore.~~ Except in the case of an emergency, seven days' notice of every Directors' meeting shall be given in writing and the notice of each Directors' meeting shall be served in the manner referred to in Article 144 and the said Article 144 shall apply mutatis mutandis to the service of notices of Directors' meetings on Directors as it applies to the service of notices on members of the Company. In addition to a notice of any Directors' meeting sent by post, such notice may be sent by facsimile, electronic mail or by any means of telecommunication in permanent written form, and service of the notice shall be deemed to be effected at the expiration of 12 hours after the same was despatched by facsimile, electronic mail or such other means of telecommunication, and in proving such service it shall be sufficient to prove that the facsimile or electronic mail or other such transmission was properly addressed and despatched. The facsimile transmission report or the electronic mail transmission report, as the case may be, shall be prima facie evidence of the act, date and time of despatch of such notice.

107A. Meeting by conference telephone

Members of the board of Directors or of any committee thereof may participate in a meeting of the Directors or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear and speak with each other. A participant shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is, and at which the persons participating in the meeting form a quorum, provided that Resolutions passed at such meeting shall be subsequently confirmed by such resolutions being signed by all the Directors who participated at such meeting and such resolutions shall be as valid and effectual as if the resolutions had been passed at a meeting of the Directors or committee as the case may be duly convened and held where all participants were present in the same location.

108. Number reduced below quorum Continuing Directors may act

Subject to Article 79, the continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company, but for no other purpose.

113. Casting Vote of Chairman of Committee has casting vote

A Committee may meet and adjourn its meetings as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes the Chairman shall have a second or casting vote except where only two members of the Committee are competent to vote on the question at issue or are the quorum at the meeting. The quorum at meetings of Committees of Directors shall be two unless some larger number has been fixed by the Director's resolution creating the Committee.

115. Directors' circular resolutions

A resolution in writing signed or approved by letter or telefax by all the Directors who may at the time be present in Malaysia or the Republic of Singapore and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted; provided that where a Director is not so present but has an alternate who is so present, then such resolution must also be signed by such alternate. All such resolutions shall be described as "Directors' Circular Resolutions" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's Minute Book and submitted for confirmation at a meeting of the Board next following the receipt thereof by him. Any such resolution may be executed in any number of counterparts, each signed by one or more Directors or their alternates, all of which taken together and when delivered to the Secretary shall constitute one and the same resolution.

120. Affixing seal

The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a Committee of the Directors authorised by the Directors in that behalf, and ~~provided in Article 42~~ every instrument to which the seal is affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

140. Profit and loss accounts to be made up and laid before Company and Balance Sheet to be made out yearly

Once at least in every year the Directors shall lay before the Company in general meeting a profit and loss account for the period since the preceding account, or (in the case of the first account) since the incorporation of the Company, made up to a date not more than six months before such meeting and the interval between the close of a financial year of the Company and the issue of accounts relating to it shall not exceed ~~six~~ four months. A balance-sheet shall also be made out in every year as at the date to which the profit and loss account is made up, and shall be laid before the Company in general meeting. The said account and balance sheet shall be accompanied by such reports and documents and shall contain such particulars as are prescribed by the Act, and the Directors shall in their report state the amount which they recommend to be paid by way of dividend, and the amount (if any) which they propose to carry to any reserve fund. The Auditor's report shall be attached to the balance sheet and shall be read before the Company in general meeting and be open to inspection by any member. A copy of each such document shall not less than fourteen days before the date of the meeting (or such shorter period as may be agreed in any year for the receipt of notice of the meeting pursuant to Article 54 of these presents) be sent to every member of, and to every holder of debentures of the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these presents. The requisite number of copies of each such document as may be required by the Stock Exchange from time to time shall at the same time be likewise sent to each Stock Exchange upon which the Company's shares are listed. Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of joint holders but any member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the office.

150. Liquidator's remuneration subject to ~~ratification~~ approval by members

On the voluntary liquidation of the Company, no commission or fee shall be paid to a Liquidator unless it shall have been ~~ratified~~ approved by members. The amount of such payment shall be notified to all members at least seven days prior to the meeting at which it is to be considered.

152. ~~(Deleted) Alteration of Articles~~

~~The Company shall not delete, amend or add to any of its existing Articles of Association which have been previously approved by the Stock Exchange unless prior written approval has been sought and obtained from such Stock Exchange for such deletion, amendment or addition.~~

153. Application for registration of shares on Malaysian Register

(1) Where -

- (a) the ~~shares in~~ securities of the Company are listed on a stock exchange which is specified to be an approved market place in the Securities Industry (Central Depositories) Exemption (No.2) Order, 1998 (hereinafter referred to as an "Approved Market Place"); and
- (b) the Company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such ~~shares~~ securities,

the Company shall, upon ~~an application request~~ by a member, ~~register shares~~ permit a transmission of securities held by such member ~~which are registered on~~ from the register of members maintained by the registrar of the Company in the jurisdiction of the Approved Market Place (hereinafter referred to as "the Foreign Register"), ~~on to~~ the register of members maintained by the registrar of the Company in Malaysia (hereinafter referred to as "the Malaysian Register") provided that there shall be no change in the ownership of such securities, subject to the following conditions :-

~~(i) the issue of the share certificates relating to the shares registered on the Malaysian Register pursuant to such application shall be in favour of the Central Depository or its nominee company as bare trustee of such member so that the shares may be credited directly into the securities account of such member; and~~

~~(ii) there being no change in the beneficial ownership of such shares.~~

(2) For the avoidance of doubt, the Company shall not allow any transmission of securities from shares registered on the Malaysian Register to be registered on into the Foreign Register.

156. Effect of the Listing Requirements

(1) Notwithstanding anything contained in these Articles, if the Listing Requirements prohibit an act being done, the act shall not be done.

(2) Nothing contained in these Articles prevents an act being done that the Listing Requirements require to be done.

(3) If the Listing Requirements require an act to be done or not to be done, authority is deemed to be given under these Articles for that act to be done or not to be done (as the case may be).

(4) If the Listing Requirements require these Articles to contain a provision and they do not contain such a provision, these Articles are deemed to contain that provision.

(5) If the Listing Requirements require these Articles not to contain a provision and they contain such a provision, these Articles are deemed not to contain that provision.

(6) If any provision of these Articles is or becomes inconsistent with the Listing Requirements, these Articles are deemed not to contain that provision to the extent of the inconsistency.

(7) For the purpose of this Article, unless the context otherwise requires, "Listing Requirements" means the Listing Requirements of the Stock Exchange including any amendment to the Listing Requirements that may be made from time to time.

FURTHER INFORMATION**1. RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Directors of TCMH and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all enquires as were reasonable in the circumstances, and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

2. MATERIAL LITIGATION

As at 20 November 2001 neither TCMH nor its subsidiaries are engaged in any material litigation, claims or arbitration either as plaintiff or defendant and the Board of TCMH is not aware of any proceedings, pending or threatened, against TCMH or its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position or business of TCMH or its subsidiaries.

3. MATERIAL CONTRACTS

Neither TCMH nor its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past two (2) years up till 20 November 2001.

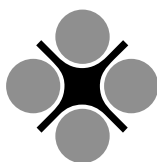
4. CONSENT

The written consent of Commerce International Merchant Bankers Berhad to the inclusion in this Circular of its name in the form and context in which it appears has been given and has not subsequently been withdrawn before the issue of this Circular.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company following the publication of this Circular from Mondays to Fridays (except public holidays) during business hours up to and including the date of the EGM:-

- (i) the Memorandum and Articles of Association of TCMH;
- (ii) the audited accounts of the TCMH Group for the three (3) financial years ended 31 December 2000 and the unaudited results for the nine (9)-month period ended 30 September 2001; and
- (iii) the letter of consent referred to in paragraph 4 of this Appendix.



TAN CHONG MOTOR HOLDINGS BERHAD

(Company No: 12969-P)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Tan Chong Motor Holdings Berhad ("TCMH" or the "Company") will be held at the Grand Ballroom, Grand Seasons Hotel, No. 72, Jalan Pahang, 53000 Kuala Lumpur on Monday, 14 January 2002 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following Ordinary Resolutions and Special Resolution:-

ORDINARY RESOLUTION 1

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"**THAT**, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company and the Listing Requirements of Kuala Lumpur Stock Exchange ("KLSE"), approval be and is hereby given to the Company and its subsidiaries ("TCMH Group") to enter into all arrangements and/or transactions involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the TCMH Group ("Related Parties") provided that such arrangements and/or transactions are:-

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations;
- (iii) 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
- (iv) are not to the detriment of the minority shareholders

(the "Shareholders' Mandate");

AND THAT for the avoidance of doubt, any such transactions entered into by the TCMH Group involving the interests of such Related Parties prior to the date of this resolution be and are hereby approved;

AND THAT such approval shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company (and will be subject to annual renewal), at which time it will lapse, unless renewed by a resolution passed at an AGM;
- (ii) 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
- (iii) revoked or varied by a resolution passed by the shareholders in an AGM or Extraordinary General Meeting;

whichever is earlier;

AND THAT the aggregate value of the transactions conducted pursuant to the Shareholders' Mandate during a financial year will be disclosed in accordance with the Listing Requirements of KLSE in the annual report for the said financial year;

AND 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 2

PROPOSED GRANT OF AUTHORITY PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and approvals and requirements of the relevant governmental/regulatory authorities (where applicable), the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 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 the resolution does not exceed 10% of the issued and paid-up share capital for the time being of the Company **AND THAT** such authority shall continue to be in force until the conclusion of the coming Annual General Meeting of the Company."

SPECIAL RESOLUTION

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

"THAT:-

- (i) in order to be consistent with the Listing Requirements of Kuala Lumpur Stock Exchange which came into effect on 1 June 2001; and
- (ii) further in order to enhance the administration of the internal affairs of the Company;

the Articles of Association of the Company more particularly set forth in Appendix 1 to the circular to shareholders dated 20 December 2001 be and are hereby amended, modified and varied by the deletion of words which have been struck out with a line running across them and the insertion of words which have been double-underlined."

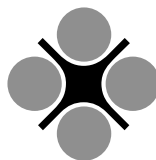
By order of the Board

Tan Eng Guan
Company Secretary

Kuala Lumpur
20 December 2001

Notes:-

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (but not more than two (2)) to attend and vote in his stead. A proxy may but need not be a member of the Company, and where there are two (2) proxies, the number of shares to be represented by each proxy must be stated.*
2. *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.*
3. *The instrument appointing a proxy must be deposited at the Company's Registered Office at 62-68 Jalan Ipoh, 51200 Kuala Lumpur not later than 48 hours before the time fixed for holding the meeting.*



TAN CHONG MOTOR HOLDINGS BERHAD

(Company No. 12969-P)
(Incorporated in Malaysia)

FORM OF PROXY

Number of ordinary shares held

I/We,
(FULL NAME IN BLOCK LETTERS)

of
(FULL ADDRESS IN BLOCK LETTERS)

being a member of **TAN CHONG MOTOR HOLDINGS BERHAD** (the "Company"), hereby appoint

.....
(FULL NAME IN BLOCK LETTERS)

of
(FULL ADDRESS IN BLOCK LETTERS)

or failing him/her,
(FULL NAME IN BLOCK LETTERS)

of
(FULL ADDRESS IN BLOCK LETTERS)

or failing him/her, THE CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us at the EXTRAORDINARY GENERAL MEETING of the Company to be held at the Grand Ballroom, Grand Seasons Hotel, No. 72, Jalan Pahang, 53000 Kuala Lumpur on Monday, 14 January 2002 at 11.00 a.m. and at any adjournment thereof.

Please indicate the manner in which you wish to vote. Your votes should be cast with an "X" in the appropriate space below. Unless voting instructions are specified herein, the proxy will vote or abstain from voting as he/she thinks fit.

	FOR	AGAINST
ORDINARY RESOLUTION 1		
ORDINARY RESOLUTION 2		
SPECIAL RESOLUTION		

.....
Signature/Common Seal

Signed on thisday of 2001/2002*

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (but not more than two (2)) to attend and vote in his stead. A proxy may but need not be a member of the Company, and where there are two (2) proxies, the number of shares to be represented by each proxy must be stated.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy must be deposited at the Company's Registered Office at 62-68 Jalan Ipoh, 51200 Kuala Lumpur not later than 48 hours before the time fixed for holding the meeting.

* Delete where inapplicable.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretary
TAN CHONG MOTOR HOLDINGS BERHAD
62-68, Jalan Ipoh
51200 Kuala Lumpur
Malaysia

1st fold here
