

ANNOUNCEMENT

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS): NON-RELATED PARTY TRANSACTION ANNOUNCEMENT

– **DISPOSAL OF NINE (9) PLOTS OF FREEHOLD LAND HELD UNDER GERAN 27266, GERAN 6140, HSD 95434, HSD 75903, GERAN 76489, GERAN 29536, GERAN 26423, GERAN 28239 AND GERAN 27067, BANDAR KUALA LUMPUR, DISTRICT OF KUALA LUMPUR, STATE OF WILAYAH PERSEKUTUAN KUALA LUMPUR BEARING POSTAL ADDRESS OF LOT 92, LOT 93, LOT 40, LOT 41, LOT 244, LOT 687, LOT 241, LOT 379 AND LOT 239, JALAN PUTRA, 50350 KUALA LUMPUR, WILAYAH PERSEKUTUAN KUALA LUMPUR TO SOLID INTEREST SDN. BHD., FOR A TOTAL CASH CONSIDERATION OF RM148,800,000.00**

1. INTRODUCTION

The Board of Directors of Tan Chong Motor Holdings Berhad (“TCMH” or “Company”) (“Board”) wishes to announce that Tanahku Holdings Sdn. Bhd. [Registration No.: 198101002300 (68413-M)] (“Tanahku” or “Vendor”), a wholly-owned subsidiary of TCMH, had on 10 July 2025 entered into a Sale and Purchase Agreement (“SPA”) with Solid Interest Sdn. Bhd. [Registration No.: 201001026135 (910055-T)] (“Solid Interest” or “Purchaser”) for the disposal of nine (9) plots of freehold land held under Geran 27266, Geran 6140, HSD 95434, HSD 75903, Geran 76489, Geran 29536, Geran 26423, Geran 28239 and Geran 27067, Bandar Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur bearing postal address of Lot 92, Lot 93, Lot 40, Lot 41, Lot 244, Lot 687, Lot 241, Lot 379 and Lot 239, Jalan Putra, 50350 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur measuring approximately a total of 12,923.74 square meters (139,109.98 square feet) in area (collectively “Property”) to the Purchaser for a total cash consideration of Ringgit Malaysia One Hundred Forty-Eight Million Eight Hundred Thousand only (RM148,800,000.00) (“Disposal Price”) subject to the terms and conditions stipulated in the SPA (hereinafter referred to as “Disposal”).

(The Company and the Purchaser are hereinafter collectively referred to as “Parties” and individually referred to as “Party”, as the context may require.)

2. DETAILS OF THE PROPOSAL

2.1 Information on the Property

Tanahku is the registered proprietor of the following Property, details as below:

Title No.	Geran 27266, Geran 6140, HSD 95434, HSD 75903, Geran 76489, Geran 29536, Geran 26423, Geran 28239 and Geran 27067
Lot No.	Lot 92, Lot 93, Lot 40, Lot 41, Lot 244, Lot 687, Lot 241, Lot 379 and Lot 239
Town	Bandar Kuala Lumpur
District	Kuala Lumpur
State	Wilayah Persekutuan Kuala Lumpur
Postal Address	Lot 92, Lot 93, Lot 40, Lot 41, Lot 244, Lot 687, Lot 241, Lot 379 and Lot 239, Jalan Putra, 50350 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur
Description	9 Plots of land
Category of Land Use	Lot 40 & Lot 41 – Building Others - Nil
Express Condition	Lot 40 & Lot 41 – Solely for erection of shop house or commercial building. Lot 93 & Lot 244 – Nil. Lot 92, 687, 239, 241 & 379 – Subject to the conditions and agreements expressed or implied in Selangor Land Grant No. 962 and lease for Agriculture Land No. 213 and to such restriction in interest therein and shown by memorial hereon and such registered interests as are shown by memorial hereon.

Tenure	Freehold
Restriction-in-Interest	Nil
Encumbrances	Not stated
Total Surveyed Land Area	139,109.98 square feet (or 12,923.74 square meters)
Occupancy	The Property is currently occupied by two (2) subsidiaries of TCMH.
Net Book Value	RM128,706,000.00

2.2 Information on Tanahku (Vendor)

Tanahku is a private limited company incorporated in Malaysia and having its registered address at 62-68, Jalan Sultan Azlan Shah, 51200 Kuala Lumpur and its issued and paid-up share capital as at to-date is RM150,600,000.00 consisting of 150,600,000 ordinary shares.

Tanahku is a wholly-owned subsidiary of TCMH.

The principal activity of Tanahku is property investment holding.

The directors of Tanahku are as follows:

- a) Dato' Tan Heng Chew
- b) Ho Wai Ming
- c) Chia Tuang Mooi
- d) Nicholas Tan Chye Seng
- e) Cheong Yoke Yean
- f) Tyrel Sackett Fernandez
- g) Chong Meow Fong
- h) Choo Chee Seong

2.3 Information on Solid Interest (Purchaser)

Solid Interest is a private limited company incorporated in Malaysia and having its registered address at Lot C-02, Level 2, Skypark @ One City, Jalan USJ 25/1, Subang Jaya, 47650 Selangor and its issued and paid-up share capital as at to-date is RM1,000,000.00 consisting of 1,000,000 ordinary shares.

Solid Interest is a wholly-owned subsidiary of Avaland Holdings Berhad, which in turn is a wholly owned subsidiary of Avaland Berhad, a public company listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activity of Solid Interest is property investment and property development.

The directors of Solid Interest are as follows:

- a) Apollo Bello Tanco
- b) Aw Sei Cheh
- c) Leong Lee Chuin

3. SALIENT TERMS OF THE SPA

3.1 Mode of Settlement of the Disposal Price

<u>Details</u>	<u>Date of settlement</u>	<u>Amount (RM'000)</u>
Earnest deposit	Paid to the Vendor's solicitor on 21 March 2025 as stakeholder and released to the Vendor on 10 July 2025	8,500
RPGT Retention Sum	Paid to Purchaser's solicitors as stakeholders for remittance to the Director General of Inland Revenue within sixty (60) days from the date of Foreign Approval (defined under Item 3.2(i) below)	4,464
Balance deposit (after less of RPGT Retention Sum)	Paid to the Vendor upon execution of the SPA	31,676
Balance Disposal Price being 70% of the Disposal Price ("Balance Disposal Price")	To be paid to the Vendor's solicitors within three (3) months from the Unconditional Date ("Completion Date"), with an extension of one (1) month from the expiry of the Completion Date subject to the payment of interest at the rate of 8% per annum to be calculated on a daily basis after the Completion Date until the date of full payment of the Balance Disposal Price.	104,160

3.2 Conditions Precedent

- (i) The SPA shall be subject to the fulfilment of the conditions precedent ("Conditions Precedent") within six (6) months from the date of the SPA or such other further extended period mutually agreed between the Vendor and Purchaser ("Conditional Period"), amongst others, the Purchaser's receipt of the written approval of the State Authority for the Purchaser to acquire the Property from the Vendor pursuant to Section 433B of the National Land Code ("Foreign Approval").
- (ii) The SPA shall become unconditional on the date the fulfilment of the last of the Conditions Precedent ("Unconditional Date").
- (iii) In the event any of the Conditions Precedent is not fulfilled within the Conditional Period, either the Vendor or the Purchaser may terminate the SPA by way of written notice ("Termination Notice") and within sixty (60) days from the Termination Notice:
 - a) the Vendor shall refund or cause to be refunded to the Purchaser all moneys paid towards the Disposal Price (including the Deposit) free of interest together with interest on the Balance Deposit;
 - b) the Purchaser shall return or cause to be returned to the Vendor all documents delivered to the Purchaser and/or the Purchaser's solicitors which have not been submitted to the approving authorities and/or financer with the interest of the Vendor in the Property as registered proprietor intact and free from the encumbrances attributable to the Purchaser; and

if the Purchaser shall be in possession of the said Property, the Purchaser shall, at its own costs and expenses, re-deliver to the Vendor vacant possession of the said Property in the same state and condition (fair wear and tear excepted) as at the date possession of the Property was delivered to the Purchaser.

3.3 The SPA shall be conditional upon the completion of the sale and purchase of all nine (9) parcels of the Property. If any parcel is not transferred or not able to be transferred to the Purchaser for any reason not attributable to any default of either the Vendor or the Purchaser and still cannot be registered within two (2) months (or such other period as agreed by the Parties in writing) from the date of the Purchaser's receipt of a notice of such non-acceptance or rejection or non-registration of the said transfer, either the Vendor or the Purchaser may terminate the SPA by written notice to the other party.

4. LIABILITIES TO BE ASSUMED BY THE COMPANY

There are no liabilities, including contingent liabilities and guarantees, to be assumed by the Company pursuant to the Disposal.

5. ORIGINAL COST OF INVESTMENT AND DATE OF INVESTMENT

Below are the acquisition costs and dates of acquisition of the Property:

Lot No.	Acquisition Cost (RM)	Date of Acquisition
92		August 2012
93		August 2012
40		January 2013
41		January 2013
244	110,331,720.00	August 2014
687		September 2012
241		July 2017
379		January 2013
239		November 2014

6. UTILISATION OF PROCEEDS

The net proceed from the Disposal, after deducting all fees and expenses in relating to the Disposal, will be utilised to strengthen the working capital reserve to support operational needs, and to invest in other opportunities aligned with the Group's long-term objectives. The quantum and timing of utilisation cannot be ascertained at this juncture as it will depend on the actual amount available and actual capital requirements at the point of time.

Any part of the Disposal Price which has yet to be utilised will be placed in deposits with financial institutions or short-term money market instruments. Interest derived from the deposits placed or any gain arising from short-term money market instruments will be used as working capital of TCMH and its group of companies.

7. BASIS AND JUSTIFICATION OF ARRIVING AT THE DISPOSAL PRICE

The Disposal Price of RM148,800,000.00 was arrived based on negotiations between the Vendor and the on a "willing-buyer willing-seller" basis after taking into consideration among others, location and potential development prospects.

8. RATIONALE FOR THE DISPOSAL

Tanahku is a property investment holding company and the Property are assets held for investment property purposes for over 8 years. The disposal will allow the Group to unlock the Property's value, which remains favourable at this juncture.

The sale proceeds will strengthen the Group's liquidity position, enabling it to meet working capital requirements and support investment in new projects.

9. RISK FACTORS

The completion of the Disposal is conditional upon the fulfilment of the Conditions Precedent as stated in the SPA. There is no assurance that the Conditions Precedent can be fulfilled within the timeframe as set out in the SPA. In the event the Conditions Precedent are not fulfilled, the Disposal may be delayed or terminated and all the potential benefits arising from the Disposal arising therefrom may not materialise in the event of the termination of the SPA.

Notwithstanding the above, Parties will continue to take all reasonable steps to ensure that the Conditions Precedent are met on a timely basis in order for the Disposal to be completed within a reasonable timeframe.

10. FINANCIAL EFFECTS OF THE DISPOSAL

10.1 Issued Share Capital and Substantial Shareholders' Shareholdings

The Disposal will not have any effect on the Issued Share Capital and shareholding of substantial shareholders of TCMH.

10.2 Earnings and Earnings Per Share ("EPS")

The Disposal is not expected to have any material impact on the earnings of TCMH Group for the financial year ending 31 December 2025.

10.3 Net Assets and Gearing

The Disposal is not expected to have material impact on the net assets and gearing of TCMH Group for the financial year ending 31 December 2025.

10.4 Expected Gains or Losses

The Group is expected to a gain on disposal of approximately RM14,742,000.00.

11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and/or Major Shareholders of TCMH and/or persons connected with such Directors or Major Shareholders have any interest, direct or indirect in the aforesaid Disposal.

12. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Disposal including but not limited to the Disposal Price, the rationale, the terms of the SPA and the financial effects of the Disposal, is of the opinion that the Disposal is fair and reasonable to the Company.

13. HIGHEST PERCENTAGE RATIO APPLICABLE TO THE DISPOSAL

Based on the Company's audited consolidated financial statements for the financial year ended 31 December 2024, pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the highest percentage ratio applicable to the Disposal is 5.926%.

14. APPROVALS REQUIRED

Save for the Foreign Approval as stated under Section 3 above, the Disposal is not subject to the approval of the shareholders of TCMH.

15. ESTIMATED TIMEFRAME FOR COMPLETION ON THE DISPOSAL

Barring any unforeseen circumstances and subject to the fulfillment of the Conditions Precedent stipulated in the SPA, the Disposal is estimated to be completed by the first quarter of financial year ending 31 December 2026.

16. DOCUMENTS AVAILABLE FOR INSPECTION

The SPA is available for inspection at the Company's registered office during normal office hours from Mondays to Fridays (except public holidays) at 62-68, Jalan Sultan Azlan Shah, 51200 Kuala Lumpur for a period of three (3) months from the date of this announcement.

This announcement is dated 10 July 2025.