

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 (“DISPOSAL”)**

Reference is made to the announcement dated 10 July 2025 pertaining to the Disposal (“**Previous Announcement**”).

Unless otherwise stated, the definitions set out in the Previous Announcement shall apply herein.

The Board of Directors of Tan Chong Motor Holdings Berhad (“TCMH” or “Company”) (“Board”) wishes to provide further information in relation to the Disposal as follows:

1. Salient Terms of the Sale and Purchase Agreement (“SPA”) - Conditions Precedent

The SPA shall be subject to the fulfilment of all the following conditions precedent (collectively, “Conditions Precedent”) within the Conditional Period:

- a) the Purchaser’s receipt of the written confirmation from the Equity Development Division of the Ministry of Economy that the written approval of the Ministry of Economy is not required or that they have no objection to the Purchaser’s acquisition of the said Property, at the Purchaser’s own costs;
- b) the Purchaser’s receipt of the written approval of the State Authority pursuant to Section 433B of the National Land Code (“NLC”) for the Purchaser to acquire the Property from the Vendor, due to the Purchaser being a foreign company (as defined in Section 433A of the NLC), at the Purchaser’s own costs and expense and upon the terms and conditions acceptable to the Purchaser (“Foreign Approval”); and
- c) the Purchaser shall provide to the Vendor an extract of the letter of offer from the Financier (and duly accepted by the Purchaser), confirming that the Financier has granted the Loan to the Purchaser to part finance the purchase of the said Property from the Vendor.

2. Utilisation of Proceeds

The intended utilisation of proceeds by TCMH are as follows:

Details	Estimated timeline for full utilisation	Amount (RM’000)
Working capital purposes including procurement of inventory in the ordinary course of business	Within 12 months	94,800
Capital expenditure	Within 12 months	50,000
Estimated expenses and taxes for the Disposal	Within 6 months	4,000
Total		148,800

3. Basis and Justification of Arriving at the Disposal Price

The Disposal Price was arrived at, based on a “willing buyer willing seller” basis by way of direct negotiation by the Vendor and Purchaser and was determined after taking into consideration the highest bid received by way of a public open tender exercise by an exclusive real estate agent which was closed on 21 March 2025 and by reference to: -

- the original costs of investment of the Property;
- the net book values of the Property for the financial year ended 31 December 2024 and the revaluation of the Property conducted by a registered property valuer in compliance with Malaysian Financial Reporting Standard (MFRS) 140: Investment Property which was announced on 28 February 2025;
- location and potential development prospects.

4. Impact of the Disposal to the Current Occupants (two subsidiaries of TCMH) of the Property

The Disposal has no material impact to the two subsidiaries of TCMH which are currently occupying the Property as a car park. They will be relocated to other locations owned by TCMH Group.

5. Financial Effects of the Disposal

5.1 Earnings and Earnings Per Share (“EPS”)

The Disposal is not expected to have any material impact on the earnings and EPS of TCMH Group for the financial year ending 31 December 2026.

5.2 Net Assets and Gearing

The Disposal is not expected to have any material impact on the net assets and gearing of TCMH Group for the financial year ending 31 December 2026.

This announcement is dated 17 July 2025.