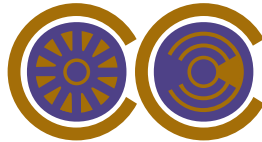


**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this Circular.



**BINTANG**

**CYCLE & CARRIAGE BINTANG BERHAD**

(Company No.7378-D)  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED SHAREHOLDERS' MANDATE FOR CYCLE & CARRIAGE BINTANG BERHAD AND ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES**

Notice of the 45<sup>th</sup> Annual General Meeting ("AGM") to be held at Concorde Ballroom 1, Lobby Level, Concorde Hotel, Jalan Sultan Ismail, 50250 Kuala Lumpur, Friday, 19 April 2013 at 9.00 am together with a Proxy Form are enclosed together with the Annual Report of the Company for the financial year ended 31 December 2012.

Please complete and return your Proxy Form in accordance with the instructions thereon as soon as possible. Your Proxy Form should reach the Share Registrar of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, not less than forty eight (48) hours before the time of the AGM. The lodging of the Proxy Form shall not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

Last date and time for lodging the Proxy Form	:	17 April 2013 at 9.00 am
Date and time of the AGM	:	19 April 2013 at 9.00 am
Venue of the AGM	:	Concorde Ballroom 1 Lobby Level Concorde Hotel Jalan Sultan Ismail 50250 Kuala Lumpur

## DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

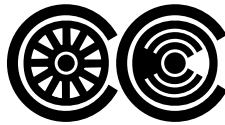
“Act”	:	Companies Act, 1965, as amended from time to time
“AGM”	:	Annual General Meeting
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“CCB” or “Company”	:	Cycle & Carriage Bintang Berhad
“CCB Group” or “Group”	:	CCB and its subsidiaries
“CCB Shares”	:	Ordinary Shares of RM1.00 each in CCB
“CCI”	:	Cycle & Carriage Industries Pte. Limited, a company in which JC&C and DP (a wholly owned subsidiary of JC&C) have 89.7% and 10.3% equity interest respectively
“DP”	:	Diplomat Parts Pte. Limited, a wholly owned subsidiary of JC&C
“JC&C”	:	Jardine Cycle & Carriage Limited, the holding company of CCB
“JC&C Recurrent Transactions”	:	Recurrent Transactions with CCI and JC&C
“JLT”	:	Jardine Lloyd Thompson Sdn Bhd, a company in which JMHL has indirect equity interest through Jardine Lloyd Thompson Group Plc
“JMC”	:	Jardine Matheson & Co. Ltd, a wholly owned subsidiary of JPH
“JMHL”	:	Jardine Matheson Holdings Limited, the ultimate holding company of JC&C through (i) its direct shareholding in JMHL Investments Limited; (ii) JMHL Investments Limited’s shareholding in Jardine Strategic Holdings Limited; (iii) Jardine Strategic Holdings Limited’s shareholding in JSH Asian Holdings Limited; and (iv) JSH Asian Holdings Limited’s shareholding in Jardine Strategic Singapore Pte Ltd, a company holding 72.3% equity interest in JC&C. JMHL is also the ultimate holding company of CCB by virtue of its interest in JC&C
“JMHL Recurrent Transactions”	:	Recurrent Transactions with JLT, JMC, JOS, JMMSB and JMHL
“JMMSB”	:	Jardine Matheson (Malaysia) Sdn Bhd, an indirect wholly owned subsidiary of JPH

“JOS”	:	Jardine OneSolution (2001) Sdn Bhd, a company in which Jardine OneSolution Holdings Ltd has 100.0% indirect equity interest. Jardine OneSolution Holdings Ltd is a wholly owned subsidiary of JPH
“JPH”	:	Jardine Pacific Holdings Ltd, an indirect wholly owned subsidiary of JMHL
“Listing Requirements”	:	The Main Market Listing Requirements of the Bursa Securities
“Proposed Recurrent RPT Mandate” or “Proposal”	:	Proposed renewal and/or variations to the scope of the Recurrent RPT Mandate
“Recurrent RPTs”	:	Recurrent related party transactions of a revenue or trading nature, which are necessary for day-to-day operations and in the ordinary course of business of the Group and are on terms not more favourable to the Related Parties than those generally available to the public
“Recurrent RPT Mandate”	:	Shareholders’ mandate obtained on 20 April 2012 for the CCB Group to enter into Recurrent RPTs in the ordinary course of business which are necessary for the CCB Group’s day-to-day operations
“Related Party(ies)”	:	A Director, Major Shareholder or person connected with such Director or Major Shareholder (all as defined in the Listing Requirements)
“Related party transactions” or “RPT”	:	A transaction entered into by a listed company or its subsidiaries which involves the interest, direct or indirect, of a Related Party
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“Shareholders’ Mandate”	:	Shareholders’ mandate pursuant to Paragraph 10.09 of the Listing Requirements
“Transacting Party(ies)”	:	CCI, JC&C, JLT, JMC, JOS and JMMSB and “Transacting Party” shall mean any one of them

## **TABLE OF CONTENTS**

### **LETTER TO SHAREHOLDERS OF CYCLE & CARRIAGE BINTANG BERHAD CONTAINING:**

	<b>PAGE</b>
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSAL	2
2.1 The Listing Requirements	2
2.2 The Group's Principal Activities	3
2.3 Details of the Recurrent Transactions	4
2.3.1 Transacting Parties, Type of Transactions and Determination of Transaction Prices	4
2.3.2 Transaction Value for the Recurrent RPTs	6
2.4 Review Procedures	7
2.5 Statement by Audit Committee	9
2.6 Validity Period	9
2.7 Rationale for the Proposal	9
3. APPROVAL REQUIRED	10
4. EFFECTS OF THE PROPOSAL	10
5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS AS AT 28 FEBRUARY 2013	10
6. DIRECTORS' RECOMMENDATION	12
7. AGM	12
8. FURTHER INFORMATION	12
<b>APPENDIX</b> <b>FURTHER INFORMATION</b>	<b>13</b>



BINTANG

## CYCLE & CARRIAGE BINTANG BERHAD

(Company No.7378-D)  
(Incorporated in Malaysia)

**REGISTERED OFFICE:**

Level 18  
The Gardens North Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Malaysia

28 March 2013

**BOARD OF DIRECTORS:**

Mr. David Alexander Newbigging (*Chairman*)  
Datuk Syed Tamim Ansari bin Syed Mohamed (*Deputy Chairman*)  
Tan Sri Dato' Sulaiman bin Sujak  
Ms. Vimala V.R. Menon  
Mr. Cheah Kim Teck  
Mr. Chiew Sin Cheok (alternate director to Mr. David Alexander Newbigging)  
Mr. Ho Yeng Tat (alternate director to Mr. Cheah Kim Teck)

**TO: THE SHAREHOLDERS OF CYCLE & CARRIAGE BINTANG BERHAD**

Dear Sir/Madam,

**PROPOSED SHAREHOLDERS' MANDATE FOR CCB GROUP TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES**

---

**1. INTRODUCTION**

At the last AGM of the Company held on 20 April 2012, the Company sought and obtained from its shareholders a renewal of the Recurrent RPTs in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public and which are necessary for the CCB Group's day-to-day operations. The renewed general mandate for Recurrent RPTs shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM unless authority for its renewal is obtained from the shareholders of the Company at the AGM.

On 22 February 2013, the Board of the Company announced that the Company proposes to seek renewal of the shareholders' mandate for the Recurrent RPTs.

The purpose of this Circular is to provide you with information on the Proposal and to seek your approval for the ordinary resolution relating to the Proposal under the agenda of Special Business as set out in the Annual Report of CCB for the financial year ended 31 December 2012 to be tabled at the forthcoming AGM. The Notice of the AGM is enclosed together with the said Annual Report of the Company for the financial year ended 31 December 2012.

## **2. DETAILS OF THE PROPOSAL**

### **2.1 The Listing Requirements**

Paragraph 10.08 of the Listing Requirements stipulates the obligations that a listed company must comply with in relation to a transaction with a Related Party.

In addition to the obligation to make immediate announcement of a related party transaction, paragraph 10.08(2) of the Listing Requirements states that where any one of the percentage ratios of a related party transaction is 5.0% or more, a listed issuer must send a circular to its shareholders, obtain its shareholders' approval of the transaction in general meeting and appoint an independent adviser before the terms of the transaction are agreed upon. Further, paragraph 10.08(4) of the Listing Requirements states that where any one of the percentage ratios is 25.0% or more, in addition to the foregoing, a listed issuer must, before the terms of the transaction are agreed upon, also appoint a main adviser.

Notwithstanding the above and pursuant to paragraph 10.08(10) of the Listing Requirements, the obligations imposed by paragraphs 10.08(2) and 10.08(4) of the Listing Requirements do not apply where the value of consideration of the related party transaction is less than RM250,000.00.

Pursuant to paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders for a related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of the listed issuer or its subsidiaries subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the Shareholders' Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under paragraph 10.09(1) of the Listing Requirements;
- (c) the listed issuer's circular to shareholders for the Shareholders' Mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;

- (d) in a meeting to obtain the Shareholders' Mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a Recurrent RPT entered into by the listed issuer, exceeds the estimated value of the Recurrent RPT disclosed in the circular by 10.0% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured a Shareholders' Mandate, the requirements of paragraph 10.08 of the Listing Requirements shall not apply to the Recurrent RPTs which are comprised in the Shareholders' Mandate. This means, during the period of validity of the Shareholders' Mandate, the obligation to make immediate announcement, as well as the obligation to procure shareholders' approval shall not apply to the Recurrent RPTs which are comprised in the Shareholders' Mandate.

The approval of CCB's shareholders to renew and/or extend the scope of the Recurrent RPT Mandate was obtained at the last AGM pursuant to paragraph 10.09 of the Listing Requirements.

The aggregate value of the Recurrent RPTs conducted during the financial year ended 31 December 2012 is disclosed in its Annual Report for the said financial year.

In compliance with paragraph 10.09 of the Listing Requirements and in view of the expiry of the aforesaid mandate at the conclusion of the forthcoming AGM, CCB now proposes to seek the approval of its shareholders for the proposed renewal and/or extension of the scope of the Recurrent RPT Mandate as set out in paragraph 2.3.

The Shareholders' Mandate will take effect from the passing of the ordinary resolution proposed at the forthcoming AGM and will continue to be in force (unless revoked or varied by the Company in general meeting) until the conclusion of the next AGM of the Company. Thereafter, approval from the shareholders for subsequent renewals will be sought at each subsequent AGM of the Company.

In accordance with paragraph 3.1.5 of the Practice Note 12 of the Listing Requirements, in making a disclosure of the aggregate value of the Recurrent RPTs conducted pursuant to a Shareholders' Mandate during a financial year in its annual report for the said financial year, CCB must provide a breakdown of the said aggregate value based on the type of Recurrent RPTs made and the names of the Related Parties involved in each type of the Recurrent RPTs made and their relationship with CCB.

## **2.2 The Group's Principal Activities**

The principal activities of the Group consist of the retailing of motor vehicles, sale of spare parts and servicing of vehicles.

## 2.3 Details of the Recurrent Transactions

### 2.3.1 Transacting Parties, Type of Transactions and Determination of Transaction Prices

The Recurrent RPTs between CCB Group and the Related Parties are as follows:

#### Transactions With Existing Mandate

No.	Transacting Party	Principal Activities of Transacting Party	Relationship	Type of Transactions	Basis for Price Determination (Based on Normal Commercial Terms)
(a)	CCI	Retailing of Mercedes-Benz vehicles and provision of after-sales services	CCI is a company in which JC&C and DP (a wholly owned subsidiary of JC&C) each has 89.7% and 10.3% equity interest respectively.	Provision of information technology and group services by CCI to CCB Group.	The fees represent a recovery of corporate overhead expenses based on time spent by relevant CCI staff on matters pertaining to CCB Group.  No profit margin is included in the fees.
(b)	JC&C	Investment holding company and provider of management services	JC&C is the holding company of CCB and an indirect subsidiary of JMHL.	Provision of management services by JC&C to CCB Group in the area of strategic advice, business development, corporate finance, accounting, treasury, human resources, legal, secretarial/administration services, corporate communication and public relation services and other services as required from time to time.	The fees represent a recovery of corporate overhead expenses based on time spent by relevant JC&C staff on matters pertaining to CCB Group.  No profit margin is included in the fees.
(c)	JLT	Insurance broking and consulting	JLT is 49.0% indirectly held by Jardine Lloyd Thompson Group Plc, which is 40.1% indirectly held by JMHL, the ultimate holding company of CCB.	Payment of premiums for renewal of insurance policies.	The premiums are determined based on risk exposure assessed by the insurance companies with whom JLT negotiates on CCB Group's behalf as an insurance broker.



No.	Transacting Party	Principal Activities of Transacting Party	Relationship	Type of Transactions	Basis for Price Determination (Based on Normal Commercial Terms)
(d)	JMC	Trading and service activities	JMC is 100.0% directly held by JPH, which is 100.0% indirectly held by JMHL, the ultimate holding company of CCB.	Provision of internal audit services including reimbursement of incidental expenses, by JMC to CCB Group.	Internal audit fee represents a recovery of corporate overhead expenses based on the time spent on the audit calculated on fixed hourly rate.  No profit margin is included in the said fees.
(e)	JOS	Enterprise systems, technical services, distribution and logistics	JOS is 100.0% indirectly held by Jardine OneSolution Holdings Ltd which is 100.0% directly held by JPH, which is 100.0% indirectly held by JMHL, the ultimate holding company of CCB.	Supply of computer software and peripherals by JOS to CCB Group and provision of information technology support services.	Selection will be based on evaluation of at least two (2) other quotations received from suppliers, where possible.
(f)	JMMSB	Operating an office cum warehouse complex, provision of management services to the Group and affiliated companies	JMMSB is 100.0% indirectly held by JPH, which is 100.0% indirectly held by JMHL, the ultimate holding company of CCB.	Payment for professional services rendered in applying and successfully obtaining refund of duties and sales taxes from The Royal Malaysian Customs.	Prices are based on market price available to the general public.
(g)	Other Related Parties  Refer to Note 1	-	-	Sale and servicing of Mercedes-Benz and/or other vehicles by CCB Group to other Related Parties of CCB Group.	Prices are based on market price available to the general public.

**Note 1:** *As CCB Group's principal activities consist of the retailing of motor vehicles, sale of spare parts and servicing of vehicles, CCB Group may enter into similar transactions with other Related Parties of CCB Group for the sale of Mercedes-Benz and/or other vehicles retailed by the CCB Group.*

### 2.3.2 Transaction Value for the Recurrent RPTs

The Recurrent RPTs which are intended to be entered into by the CCB Group with CCI, JC&C, JLT, JMC, JOS, JMMSB and other Related Parties pursuant to the Proposal are as detailed below:

#### Transactions With Existing Mandate

No.	Transacting Party	Type of Recurrent Transactions	Estimated Transaction Value for Preceding Year's Mandate ("Estimated Value") <sup>(1)</sup>	Transacted Value for the period commencing from 20 April 2012 up to 28 February 2013 ("Actual Value") <sup>(5)</sup>	Estimated Transaction Value for Year 2013/2014 <sup>(2)</sup>
			RM'000	RM'000	RM'000
(a)	CCI	Provision of information technology and group services by CCI to CCB Group.	100	91	100
(b)	JC&C	Provision of management services by JC&C to CCB Group.	500	374	500
(c)	JLT	Payment of premiums for renewal of insurance policies.	700	85	700
(d)	JMC	Provision of internal audit services, including reimbursement of incidental expenses by JMC to CCB Group.	300	156	300
(e)	JOS	Supply of computer software and peripherals by JOS to CCB Group and provision of information technology support services.	1,000	733	1,000
(f)	JMMSB	Payment for professional services rendered in applying and successfully obtaining refund of duties and sales taxes from The Royal Malaysian Customs.	200	-	200
(g)	Other Related Parties <sup>(3)</sup>	Sale and servicing of Mercedes-Benz and/or other vehicles by CCB Group to other Related Parties of CCB Group.	5,000	626	5,000 <sup>(4)</sup>

**Notes:**

- 1 *The actual transaction values do not exceed the estimated transaction values.*
- 2 *The estimated transaction values of the Recurrent RPTs set out above are for the period from the conclusion of the forthcoming AGM of the Company until the conclusion of the next AGM of the Company. The estimated transaction values for Year 2013/2014 are arrived at based on the information available from the 2012 audited transactions, the 2013/2014 forecast transactions and the latest business development. Due to the nature of some of the transactions, the actual value of the transactions may vary from the estimated values disclosed above.*
- 3 *CCB Group's principal activities consist of the retailing of motor vehicles, sale of spare parts and servicing of vehicles and therefore, CCB Group may enter into similar transactions with other Related Parties of CCB Group for the sale and servicing of Mercedes-Benz and/or other vehicles retailed by the CCB Group.*
- 4 *The estimated transaction value is arrived at based on the purchase of six (6) units of S-class Mercedes-Benz vehicles.*
- 5 *There is no sum due and owing to the Company by any of its Related Parties pursuant to the Recurrent RPTs.*

**2.4 Review Procedures**

CCB has established the following procedures and guidelines to ensure that Recurrent RPTs are undertaken on an arms-length basis and on normal commercial terms that are not more favourable to the Transacting Parties than those normally available to the public and are not to the detriment of the minority shareholders:

- (a) transactions with a Transacting Party are subject to the same review procedures as transactions which do not involve the interest of a Related Party or transactions with unrelated parties;
- (b) all transactions with a Transacting Party are reviewed by the Audit Committee and noted by the Board;
- (c) (i) Recurrent RPTs with the following Transacting Parties are reviewed and approved by the Board of Directors on an annual aggregate amount based on a yearly basis:
  - (A) CCI;
  - (B) JC&C;
  - (C) JMC; and
  - (D) JMMSB.There is no threshold approval for individual transactions;
- (ii) Recurrent RPTs with JOS are subject to the following threshold approval:
  - (A) transactions not exceeding RM10,000.00 each in value will be reviewed and approved by the Company's senior managers;
  - (B) transactions exceeding RM10,000.00 but not exceeding RM20,000.00 each in value will be reviewed and approved by the Company's general managers;

- (C) transactions exceeding RM20,000.00 but not exceeding RM30,000.00 each in value will be reviewed and approved by the Company's director of operations;
  - (D) transactions exceeding RM30,000.00 but not exceeding RM500,000.00 in value will be reviewed and approved by the Company's CEO; and
  - (E) transactions exceeding RM500,000.00 in value will be reviewed and approved by the Board;
- (iii) The threshold approval for the other Recurrent RPTs are as follows:
- (A) transactions not exceeding RM3,000.00 each in value will be reviewed and approved by the Company's managers;
  - (B) transactions exceeding RM3,000.00 but not exceeding RM5,000.00 each in value will be reviewed and approved by the Company's senior managers;
  - (C) transactions exceeding RM5,000.00 but not exceeding RM10,000.00 each in value will be reviewed and approved by the Company's general managers;
  - (D) transactions exceeding RM10,000.00 but not exceeding RM20,000.00 each in value will be reviewed and approved by the Company's director of operations;
  - (E) transactions exceeding RM20,000.00 but not exceeding RM100,000.00 in value will be reviewed and approved by the Company's CEO;
  - (F) transactions exceeding RM100,000.00 in value will be reviewed and approved by the Group CEO; and
  - (G) in relation to the Recurrent RPTs with JLT, in addition to Section 2.4 (c) (iii) (A) to (F), any change in the Company's panel insurers will be reviewed and approved by the Company's CEO. In addition, the Head of the Company's Insurance Department may review from time to time, the terms and conditions imposed by the Company's panel insurers and make appropriate recommendations on any change required to the CEO for his prior approval;

The different threshold approvals applicable for the Recurrent RPTs with various Related Parties, as set out in Section 2.4(c), are based on the different nature of business transactions involved in the Recurrent RPTs and these threshold approvals are governed by the Group's authority limit guidelines;

- (d) proper records will be maintained to document all Recurrent RPTs entered into pursuant to the shareholders' mandate to ensure accurate disclosure are made in the relevant annual report;
- (e) if a member of the Audit Committee has an interest in a particular transaction, he shall abstain from any deliberation and voting of the Audit Committee in respect of that transaction; and

- (f) our management staff will ensure that at least two other contemporaneous transactions with unrelated third parties for similar products and/or quantities will be used as comparisons, wherever possible, to determine whether the price and terms offered to the related parties are fair and reasonable and comparable to those offered to other unrelated third parties for the same, or substantially similar, type of products and/or quantities. In the event that comparative pricing from unrelated third parties cannot be obtained, our management staff will take into consideration various factors mentioned in Section 2.3.1 to determine the transaction price and ensure that the Recurrent RPT is not detrimental to our Group.

## **2.5 Statement by Audit Committee**

The Audit Committee of the Company has reviewed the procedures mentioned in paragraph 2.4 and is of the view that:

- (a) the said procedures are sufficient to ensure that Recurrent RPTs are on terms not more favourable to a Transacting Party than those generally available to the public and are not to the detriment of the minority shareholders; and
- (b) the Group has in place adequate procedures and processes to monitor, track and identify the Recurrent RPTs in a timely and orderly manner and such procedures and processes are reviewed by the Audit Committee on a quarterly basis.

## **2.6 Validity Period**

The authority to be conferred pursuant to the Proposal, if approved at the forthcoming AGM, will continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposal is approved, at which time it will lapse unless, by a resolution passed at the AGM, the mandate is again renewed;
- (b) the expiration of the period within which the next AGM of the Company after the forthcoming AGM 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
- (c) revoked or varied by a resolution passed by the shareholders in general meeting;

whichever is earlier.

Thereafter, approval from the shareholders for subsequent renewals of the mandate will be sought at each subsequent AGM of the Company.

## **2.7 Rationale for the Proposal**

The proposed renewal and/or variations to the scope of the Recurrent RPT Mandate and the subsequent renewals of the mandate on an annual basis, would eliminate the need to announce and convene separate general meetings from time to time to seek shareholders' approval as and when potential recurrent transactions which involve the interest of or with a related party arise, thereby reducing substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives nor affecting adversely the business opportunities available to the Group.

**3. APPROVAL REQUIRED**

The Proposal is subject to approval being obtained from the shareholders of the Company at the forthcoming AGM.

**4. EFFECTS OF THE PROPOSAL**

The Proposal will not have any material effect on the share capital, earnings, dividends and net tangible assets of the Group.

**5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS AS AT 28 FEBRUARY 2013**

David Alexander Newbigging is a director of JC&C and holds options of 80,000 shares in JMHL. As such, he is deemed interested in the JC&C Recurrent Transactions and the JMHL Recurrent Transactions and shall therefore abstain from all deliberations and voting at meetings of the Board of Directors in respect of the JC&C Recurrent Transactions and the JMHL Recurrent Transactions.

Chiew Sin Cheok, the alternate director to David Alexander Newbigging, holds options of 20,000 shares in JMHL and is also a director of JC&C. As such, he is deemed interested in the JC&C Recurrent Transactions and the JMHL Recurrent Transactions and shall therefore abstain from all deliberations and voting at meetings of the Board of Directors in respect of the JC&C Recurrent Transactions and the JMHL Recurrent Transactions.

Datuk Syed Tamim Ansari bin Syed Mohamed who is also a director of JMMSB and JLT is accordingly deemed by CCB to be interested in the JMHL Recurrent Transactions and shall abstain from all deliberations and voting at meetings of the Board of Directors in respect of the JMHL Recurrent Transactions.

Cheah Kim Teck is a director of JC&C and has a direct interest in 20,189 shares in JC&C. As such, he is deemed interested in the JC&C Recurrent Transactions and shall therefore abstain from all deliberations and voting at meetings of the Board of Directors in respect of the JC&C Recurrent Transactions.

Ho Yeng Tat, the alternate director to Cheah Kim Teck, has a direct interest in 9,833 shares in JC&C. As such, he is deemed interested in the JC&C Recurrent Transactions and shall therefore abstain from all deliberations and voting at meetings of the Board of Directors in respect of the JC&C Recurrent Transactions.

In relation to the sale and servicing of Mercedes-Benz and/or other vehicles by CCB Group to other Related Parties of CCB under item (g) of both paragraphs 2.3.1 and 2.3.2, there is a likelihood that all the directors of CCB and persons connected to them are potential purchaser(s). Given the above, all the directors of CCB are deemed interested in the said transaction and shall abstain from all deliberations and voting in respect of such transactions at the meetings of the Board of Directors and at the forthcoming AGM and undertake to ensure that persons connected to them shall abstain from voting at the forthcoming AGM.

The abovementioned directors who have shares in CCB (where relevant) will also abstain from voting in respect of the Proposal at the forthcoming AGM.

The following table shows the shareholdings of the interested directors of CCB as at 28 February 2013:

Director	Direct		Indirect	
	No. of Shares	% Holdings	No. of Shares	% Holdings
David Alexander Newbigging	-	-	-	-
Datuk Syed Tamim Ansari bin Syed Mohamed	-	-	-	-
Tan Sri Dato' Sulaiman bin Sujak	-	-	-	-
Vimala V.R. Menon	-	-	-	-
Cheah Kim Teck	-	-	-	-
Chiew Sin Cheok (alternate director to David Alexander Newbigging)	-	-	-	-
Ho Yeng Tat (alternate director to Cheah Kim Teck)	-	-	-	-

JC&C is the holding company of CCB and it is deemed interested in the JC&C Recurrent Transactions and the JMHL Recurrent Transactions. JC&C will accordingly abstain from voting at the AGM in respect of these transactions.

The following table shows the shareholding of interested major shareholder of CCB as at 28 February 2013:

Major Shareholder	Direct		Indirect	
	No. of Shares	% Holdings	No. of Shares	% Holdings
JC&C	59,543,000	59.1	-	-

**Note:**

*JMHL is deemed interested in 59,543,000 shares held by JC&C in CCB by virtue of its indirect interest in Jardine Strategic Singapore Pte Ltd, a company having 72.3% interest in JC&C.*

Save as disclosed herein, no other directors or major shareholders or persons connected to directors and/or major shareholders of CCB has any interest, direct or indirect, in the Proposal. In addition, the directors and/or major shareholders of CCB will ensure that no person connected to them will vote on the resolution pertaining to the Proposal.

## **6. DIRECTORS' RECOMMENDATION**

Your Board (with exception of the Directors/Alternate Directors, David Alexander Newbigging, Datuk Syed Tamim Ansari bin Syed Mohamed, Cheah Kim Teck, Chiew Sin Cheok and Ho Yeng Tat who have abstained and will continue to abstain from deliberation and voting) having considered all aspects of the Proposal under items (a) to (f) of paragraph 2.3.1 and 2.3.2, are of the opinion that the Proposal is fair, reasonable and in the best interests of the CCB Group, and accordingly recommends that you vote in favour of the ordinary resolution pertaining to the above as set out in the Notice of AGM enclosed in the Annual Report of CCB for the financial year ended 31 December 2012 to be tabled at the forthcoming AGM.

Your Board has refrained from forming an opinion on the Proposal under item (g) of paragraph 2.3.1 and 2.3.2 and from making any recommendation in respect thereof.

## **7. AGM**

The 45<sup>th</sup> AGM of the Company, the notice of which is enclosed in the Annual Report of CCB for the financial year ended 31 December 2012 accompanying this Circular, will be held at Concorde Ballroom 1, Lobby Level, Concorde Hotel, Jalan Sultan Ismail, 50250 Kuala Lumpur on 19 April 2013 at 9.00 am for the purpose of considering and, if thought fit, passing the ordinary resolution on the Proposal under the agenda of Special Business as set out in the Notice of AGM enclosed in the said Annual Report.

If you are unable to attend and vote in person at the AGM, you are requested to complete and return the Proxy Form enclosed in the Annual Report of CCB for the financial year ended 31 December 2012 in accordance with the instructions printed thereon as soon as possible and in any event, so as to arrive at the Share Registrar of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the time set for the AGM or any adjournment thereof.

## **8. FURTHER INFORMATION**

Shareholders are requested to refer to the attached appendix for further information.

Yours faithfully,  
For and on behalf of the Board of  
**CYCLE & CARRIAGE BINTANG BERHAD**

**Vimala V.R. Menon**  
**Chairman of Audit Committee**



---

**FURTHER INFORMATION**

---

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Board of Directors of CCB and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Circular misleading.

**2. MATERIAL LITIGATION**

Save as disclosed below, neither CCB nor its subsidiaries has been or is engaged in any material litigation or arbitration or any claims (including those settled or concluded) either as plaintiff or defendant, and the Directors are not aware of any proceedings, pending or threatened, against CCB or its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position of business of CCB or its subsidiaries:

In 1997, the Company supplied units of bus chassis to Transit Link Sdn Bhd ("Transit Link") and was paid by Transit Link's appointed bus body builder, Hup Lee Coachbuilders Holdings Sdn Bhd ("Hup Lee").

On 10 February 2004, Hup Lee served a Writ of Summons on the Company after an earlier Originating Summons on the same matter was dismissed. In the Writ, Hup Lee sought the return of the monies it paid to the Company alleging wrongful payment of RM8 million plus accrued interest. The matter went to trial and the High Court decided in favour of the Company in December 2009. Hup Lee filed an appeal to the Court of Appeal in January 2010 and the appeal was dismissed in January 2013 with costs.

Based on legal advice, the directors believe that the Company has a reasonable chance of succeeding in the event Hup Lee obtains leave to appeal to the Federal Court.

**3. MATERIAL CONTRACTS**

Neither CCB nor any of its subsidiaries have entered into any other contracts which are or may be material (not being contracts entered into in the ordinary course of business of the Company or its subsidiaries) during the two (2) years immediately preceding the date of this Circular.

**4. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be made available for inspection at the registered office of the Company at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia during normal business hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the AGM:

Fridays (except public holidays) from the date of this Circular up to and including the date of the AGM:

- (i) Memorandum and Articles of Association of CCB;
- (ii) cause papers in respect of the material litigation referred to in paragraph 2 above;
- (iii) material contract referred to in paragraph 3 above; and
- (iv) audited consolidated financial statements of CCB for the past two (2) financial years ended 31 December 2011 and 31 December 2012.