

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty Ninth Annual General Meeting of **TIONG NAM LOGISTICS HOLDINGS BERHAD** will be held at Lot 30462 Jalan Kempas Baru, 81200 Johor Bahru, Johor Darul Takzim on Saturday, 25 August 2018 at 9.30 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2018 and the Reports of the Directors and Auditors thereon. (Please refer to Note 1)

2. To re-elect Directors retiring under the provisions of the Articles of Association of the Company:

Madam Yong Kwee Lian	- Article 98	Resolution 1
Mr Yong Seng Huat	- Article 98	Resolution 2
Dr Sia Teck Chin	- Article 98	Resolution 3

3. To approve the payment of the Directors' Fees amounting to RM 495,000-00 in respect of the financial year ended 31 March 2018. Resolution 4

4. To approve the payment of Directors' Benefits up to RM10,000.00 for the period from 1 April 2018 up to the conclusion of the next AGM in 2019. Resolution 5

5. To appoint KPMG PLT as Auditors and to authorise the Directors to fix their remuneration. Resolution 6

AS SPECIAL BUSINESS

6. To consider and if thought fit, pass the following resolution as an ordinary resolution Resolution 7

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

"**THAT**, subject to the Companies Act 2016 ("Act"), the Memorandum and Articles of Association of the Company and the Listing Requirements of the Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into and give effect to the class and nature of Recurrent Related Party Transactions in Section 2.3 subsection 2.3.1 as specified in the Circular to Shareholders dated 27 July 2018 involving the interests of Directors and major shareholders of the Company, namely **Mr Ong Yoong Nyock and Madam Yong Kwee Lian** and persons connected to them, Mr Ong Yong Meng, Mr Ong Weng Seng, Madam Yong Wei Lian, Mr Pan Chee Seng and Mr Wong Swee Siong provided that such Recurrent Related Party 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 and on terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iv) are not to the detriment of the minority shareholders.

Notice of Annual General Meeting (Cont'd)

("Proposed Renewal of Shareholders' Mandate");

AND THAT the Mandate is subject to annual renewal and any authority conferred by a Mandate shall only continue to be in force until :

- (a) the conclusion of the next AGM of the Company following the AGM at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

AND FURTHER THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate."

7. To consider and if thought fit, pass the following resolution as an ordinary resolution

Resolution 8

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

"**THAT**, subject to the Companies Act 2016 ("Act"), the Memorandum and Articles of Association of the Company and the Listing Requirements of the Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into and give effect to the class and nature of Recurrent Related Party Transactions in Section 2.3.2 as specified in the Circular to Shareholders dated 27 July 2018 involving the interests of a Director, **Mr Ong Wei Kuan** provided that such Recurrent Related Party 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 and on terms which are not more favourable to the Related Parties than those generally available to the public; and
 - (iv) are not to the detriment of the minority shareholders
- ("Proposed Renewal of the Shareholders' Mandate");

AND THAT the Mandate is subject to annual renewal and any authority conferred by a Mandate shall only continue to be in force until :

- (a) the conclusion of the next AGM of the Company following the AGM at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

AND FURTHER THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the "Proposed Renewal of Shareholders' Mandate."

Notice of Annual General Meeting (Cont'd)

8. To consider and if thought fit, pass the following resolution as an ordinary resolution

Resolution 9

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

"**THAT**, subject to the Companies Act 2016 ("Act"), the Memorandum and Articles of Association of the Company and the Listing Requirements of the Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into and give effect to the class and nature of Recurrent Related Party Transactions in Section 2.3.3 as specified in the Circular to Shareholders dated 27 July 2018 involving the interests of a Director, **Mr Chang Chu Shien** provided that such Recurrent Related Party 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 and on terms which are not more favourable to the Related Parties than those generally available to the public; and
 - (iv) are not to the detriment of the minority shareholders
- ("Proposed Renewal of the Shareholders' Mandate");

AND THAT the Mandate is subject to annual renewal and any authority conferred by a Mandate shall only continue to be in force until :

- (a) the conclusion of the next AGM of the Company following the AGM at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

AND FURTHER THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the "Proposed Renewal of Shareholders' Mandate."

Notice of Annual General Meeting (Cont'd)

9. To consider and if thought fit, pass the following resolution as an ordinary resolution

Resolution 10

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"**THAT** subject always to the Companies Act 2016 ("Act"), the provisions of the Memorandum and Articles of Association of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and the approvals of all relevant governmental and/or the relevant authorities, the Company be authorized, to buy-back such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- (i) The aggregate number of shares bought back does not exceed 10% of the total issued and paid-up share capital of the Company at any point of time;
- (ii) The maximum amount of funds to be allocated for the share buy-back shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statement and/or the latest management accounts (where applicable); and
- (iii) The shares purchased are to be treated in either of the following manner:-
 - (a) Cancel the purchased ordinary shares; or
 - (b) Retain the purchased ordinary shares as treasury shares held by the Company; or
 - (c) Retain part of the purchased ordinary shares as treasury shares and cancel the remainder;

(hereinafter referred to as the "Proposed Renewal of Share Buy-Back Authority").

The treasury shares may be distributed as dividends to the shareholders and/or resold through Bursa Securities and/or subsequently cancelled;

AND THAT the authority conferred by this resolution shall commence upon the passing of this resolution and will continue to be in force until:-

- (i) the conclusion of the next annual general meeting ("AGM") of the Company, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
 - (iii) revoked or varied by ordinary resolution passed by shareholders of the Company at a general meeting of the Company,
- whichever occurs first;

AND THAT the Directors of the Company be and are hereby authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all acts and things as the Directors may deem fit and expedient in the best interest of the Company."

Notice of Annual General Meeting (Cont'd)

10. To consider and if though fit, pass the following resolution as an ordinary resolution

Resolution 11

AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT 2016

"THAT pursuant to Section 75 and Section 76 of the Companies Act 2016, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the issued and paid-up share capital of the Company for the time being, subject always to the approvals of the relevant regulatory authorities."

11. To consider and if though fit, pass the following resolution as an ordinary resolution

Resolution 12

AUTHORITY FOR DR SIA TECK CHIN TO CONTINUE IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT Dr Sia Teck Chin who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby authorized to continue to act as Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017."

12. To consider and if though fit, pass the following resolution as an ordinary resolution

Resolution 13

AUTHORITY FOR DATO' FU AH KIOW@ OH (FU) SOON GUAN TO CONTINUE IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby authorized to continue to act as Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance 2017."

13. To transact any other business of which due notice shall be given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 16 August 2018 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxies to attend and/or vote on his/her behalf.

By order of the Board

TAI YIT CHAN
CHEN YEW TING
LAW TIK LONG
Secretaries

27 July 2018

Notice of Annual General Meeting (Cont'd)

NOTES:

1. Audited Financial Statements

The audited financial statement are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under agenda 1. There do not require shareholders' approval and hence will not be put forward for voting.

2. Form of Proxy

- i. Every member is entitled to appoint a proxy (or in the case of a corporation, to appoint a representative) to attend and vote in his place. A proxy need not be a member of the Company. Where a member appoints two or more proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*
- ii. The Proxy Form must be signed by the member and in the case of a corporation, executed under its common seal or attorney duly authorised in writing or in that behalf. In the case of joint holders, all holders must sign the Proxy Form.*
- iii. The Proxy Form must be deposited at the Company's Registered Office at Lot 30462 Jalan Kempas Baru, 81200 Johor Bahru, Johor not less than 48 hours before the time of holding the Meeting or any adjournment thereof.*
- iv. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 16 August 2018 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxies to attend and/or vote on his/her behalf.*

3. Explanatory Notes on Special Business

- i. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs")***

The proposed Resolutions No. 7 to 9, if passed, will authorise the Company and/or its subsidiaries to enter into RRPTs with the respective related parties as set out in Section 2.3, Part B of the Circular to the Shareholders dated 27 July 2018. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information on the Proposed Renewal of Shareholders' Mandate for RRPTs, please refer to the Circular to Shareholders dated 27 July 2018 which was circulated together with the 2018 Annual Report.

- ii. Proposed Renewal of Share Buy-Back Authority***

The proposed Resolution No. 10, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the total issued and paid-up share capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information on the Proposed Share Buy-Back, please refer to Part A of the Circular to the Shareholders dated 27 July 2018 accompanying the Company's 2018 Annual Report.

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iii. Authority to Director to allot and issue share pursuant to Section 75 and Section 76 of the Companies Act 2016

The proposed Resolution No. 11, if passed, will empower the Directors of the Company, from the date of the Twenty Ninth Annual General Meeting, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued and paid-up share capital of the Company for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting,

The mandate sought under Resolution 11 above is a renewal of an existing mandate. The Company did not issue any shares pursuant to the previous mandate which was approved at the 28th Annual General Meeting held on 26 August 2017 and hence, no proceed was raised.

The general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring cost and time. The purpose of this general mandate is for fund raising exercise including but not limited to further placement of shares for purposes of funding current and/or future investment projects, working capital and/or acquisitions.

iv. Authority to continue in office as independent non-executive director of the Company pursuant to the Malaysian Code on Corporate Governance 2017 (Resolution 12)

Dr Sia Teck Chin was appointed as an Independent Non-Executive Director of the Company on 18 November 2005 and has therefore served for more than nine (9) years as at the forthcoming 29th AGM. However, he has met the independence criteria as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"). The Board, therefore, considers him to be independent and believes that he should be retained as Independent Non-Executive Director.

v. Authority to continue in office as independent non-executive director of the Company pursuant to the Malaysian Code on Corporate Governance 2017 (Resolution 13)

Dato' Fu Ah Kiow was appointed as an Independent Non-Executive Director of the Company on 30 April 2008 and has therefore served for more than nine (9) years as at the forthcoming 29th AGM. However, he has met the independence criteria as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"). The Board, therefore, considers him to be independent and believes that he should be retained as Independent Non-Executive Director.