

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **TAN CHONG INTERNATIONAL LIMITED**

**陳唱國際有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 693)**

### **INSIDE INFORMATION AND PROFIT WARNING ANNOUNCEMENT**

This announcement is made by Tan Chong International Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

#### Investments designated at fair value through other comprehensive income

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of and assessment on information currently available to the Company, the Group is expected to record an unaudited unrealised gain on its investments designated as at fair value through other comprehensive income for the six months ended 30 June 2024 (the "**Period**"). The gain is due to share price changes of its listed investments, which are marked to market and therefore unrealised. The expected unrealised gain amounts to HKD262 million as compared to the unrealised gain of HKD309 million for the corresponding six months period in 2023. The unrealised gain will be reported in the Group's other comprehensive income statement for the Period. It is not expected to be reclassified to the Group's consolidated statement of profit or loss.

#### Profit Warning

The Group experienced a severe drop in sales in the automotive division for the first half of 2024 compared with the first half of 2023. The areas of significant losses are Complete Knock-Down (CKD) markets in Malaysia and Thailand, and Complete Built-Up (CBU) markets in Taiwan, Singapore, and Philippines.

The financial services company Ethoz Group Ltd and our publicly listed logistics company Zero Co., Ltd in Japan showed some growth compared to the previous corresponding year.

The total profit from operations in the first half of 2024 dropped from HKD432 million to HKD250 million. The profit after tax dropped from HKD187 million to HKD25 million.

From the current relatively strong booking of orders in our automotive division, we expect the second half of 2024 to perform much better.

The overall financial health and operational readiness of the Group remain stable and robust, despite the very challenging circumstances.

The Group is in the process of preparing its consolidated interim results for the Period, including other comprehensive income items. This announcement is made solely based on an assessment by the Board with reference to the financial information currently available to the Company. The information in this announcement has not been confirmed or audited by the Company's auditors and may be subject to adjustment after further internal review by the Board and/or review by the auditors of the Company.

Details of the Group's financial performance will be contained in the interim results announcement of the Group for the Period, which is expected to be published before the end of August 2024.

**Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

By the order of the Board  
**Tan Chong International Limited**  
Teo Siok Ghee  
Liew Daphnie Pingyen  
Joint Company Secretaries

Hong Kong, 8 July 2024

Website: <http://www.tanchong.com>

*As at the date of this announcement, the executive Directors are Mr. Tan Eng Soon, Mr. Glenn Tan Chun Hong, Mr. Tan Kheng Leong, Mdm. Sng Chiew Huat and Ms. Gillian Tan Tsui Lyn. The non-executive Director is Mr. Joseph Ong Yong Loke. The independent non-executive Directors are Mr. Ng Kim Tuck, Mr. Azman Bin Badrillah, Mr. Prechaya Ebrahim, Mr. Teo Ek Kee and Mr. Charles Tseng Chia Chun.*